

MARGARET LAKE DIAMONDS INC.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE SHAREHOLDERS

To be held on November 27, 2024

MARGARET LAKE DIAMONDS INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

Notice is hereby given that the Annual General and Special Meeting (the “**Meeting**”) of the shareholders of Margaret Lake Diamonds Inc. (the “**Company**”) will be held on Wednesday, November 27, 2024, at Suite 501, 3292 Production Way, Burnaby, B.C., V5A 4R4 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited annual financial statements of the Company for its financial years ended May 31, 2023, and May 31, 2024, together with the auditor’s reports thereon;
2. to set the number of directors of the Company at three (3);
3. to elect the directors of the Company for the ensuing year;
4. to appoint Adam Sung Kim Ltd., Chartered Professional Accountant as auditors of the Company and to authorize the directors of the Company to fix their remuneration;
5. to consider, and if thought fit, to pass an ordinary resolution to re-approve the Company’s 10% rolling stock option plan, as more particularly described in the accompanying information circular;
6. to consider, and if thought fit, to pass an ordinary resolution to re-approve the Company's restricted share unit plan, as more particularly described in the accompanying information circular;
7. to consider and, if thought appropriate, pass with or without variation, a resolution of a majority of the minority of shareholders authorizing the Company to delist the common shares from trading on the TSX Venture Exchange, as more particularly described in the accompanying information circular;
8. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution consolidating the outstanding common shares of the Company on the basis of one (1) post-consolidation common share for up to 10 pre-consolidation common shares, as more particularly described in the accompanying information circular;
9. to consider, and if thought fit, to pass an ordinary resolution to approve the termination of the joint venture with Arctic Star Exploration Corp., as more particularly described in the accompanying information circular; and
10. to transact such other business that may properly come before the Meeting, and any adjournment thereof.

The Company’s board of directors (the “**Board**”) has fixed October 23, 2024 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Circular.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Endeavor Trust Corporation, 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, no

later than 10:00 a.m. on Monday, November 25, 2024 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

If you are a non-registered Shareholder and received this notice of Meeting (“**Notice**”) and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 28th day of October, 2024.

BY ORDER OF THE BOARD

(signed) Yari Nieken

Yari Nieken
CEO and Director

INFORMATION CIRCULAR

MARGARET LAKE DIAMONDS INC.

c/o Suite 501, 3292 Production Way
Burnaby, BC V5A 4R4

(all information as at October 28, 2024 unless otherwise noted)

PERSONS MAKING THE SOLICITATION

This Information Circular (the "Circular") is furnished in connection with the solicitation of proxies being made by the management of Margaret Lake Diamonds Inc. (the "Company") for use at the Annual General and Special Meeting of the Company's shareholders of common shares to be held on Wednesday, November 27, 2024 (the "Meeting") at the time and place and for the purposes set forth in the accompanying notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the "Management Designees") in the enclosed instrument of proxy ("Instrument of Proxy") have been selected by the directors of the Company and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his shares.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered shareholders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), we will have distributed copies of the Meeting Materials, being the Notice of

Meeting, this Circular, and the form of proxy indirectly to NOBOs and to the Nominees for onward distribution to OBOs. **The Company does not intend to pay for a Nominee to deliver to OBOs, therefore an OBO will not receive the materials unless the OBO's Nominee assumes the costs of delivery.**

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "VIF"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting.** Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCATION OF PROXIES

A shareholder who has given a Proxy may revoke it by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the Company, at c/o Suite 501, 3292 Production Way, Burnaby, BC V5A 4R4, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the chair of the Meeting on the day of the Meeting or any adjournment of it. **Only registered shareholders have the right to revoke a Proxy. Non-registered holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.**

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

EXERCISE OF DISCRETION

If the instructions in a Proxy are certain, the shares represented thereby will be voted on any poll by the persons named in the Proxy, and, where a choice with respect to any matter to be acted upon has been specified in the Proxy, the shares represented thereby will, on a poll, be voted or withheld from voting in accordance with the specifications so made.

Where no choice has been specified by the shareholder, such shares will, on a poll, be voted in accordance with the notes to Proxy.

The enclosed Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date hereof, the Company has issued and outstanding **4,741,230** fully paid and non-assessable common shares without par value, each share carrying the right to one vote. The Company has no other class of voting securities and does not have any class of restricted securities.

Any shareholder of record at the close of business on October 23, 2024 (the "**Record Date**") who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting.

To the best of the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Company or any proposed nominee of management of the Company 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 matters to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors of the Company, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. REPORT AND FINANCIAL STATEMENTS

The Company's audited financial statements for the years ended May 31, 2023 and 2024, and the reports of the auditors on those statements will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of the Company will not constitute approval or disapproval of any matters referred to in those statements. No vote will be taken on the audited financial statements. These audited financial statements are available at www.sedarplus.ca.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Circular and send it to the transfer agent, Endeavor Trust Corporation.

2. ELECTION OF DIRECTORS

As a public company, the articles of the Company provide for a number of directors being the greater of three and up to the number of directors most recently approved by ordinary resolution (being three directors). At present, the Company's board is comprised of three directors, being Yari Nieken, Quinn Patrick Field-Dyte and Andreas Schleich. At the Meeting, the Company's shareholders will be asked to fix the number of directors of the Company to be elected at three members. Management of the Company proposes to nominate the persons named below for election as directors of the Company at the Meeting to serve until the next annual meeting of the shareholders of the Company, unless his office is earlier vacated in accordance with the Company's articles and the *Business Corporations Act* (British Columbia). All of the nominees are currently members of the Company's board. Each of the nominees will be individually elected as a director at the Meeting.

Management does not contemplate that any of the nominees will be unable to serve as a director of the Company. **Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the election of the nominees as directors of the Company.**

The following table provides the names of the nominees, their municipalities of residence, all positions and offices in the Company held by each of them, their principal occupations, the date on which each was first elected a director of the Company and the number of the Company's shares that are beneficially owned, or controlled or directed, directly or indirectly, by each nominee.

Name, Position(s) with the Company and Place of Residence ⁽¹⁾	Principal Occupation ⁽²⁾	Date(s) Served as a Director Since	Ownership or Control Over Voting Shares Held ⁽²⁾
Yari Nieken⁽³⁾ North Vancouver, BC Canada <i>Chief Executive Officer and Director</i>	Businessman – Capital Markets	2022-04-22	100,000
Quinn Patrick Field-Dyde⁽³⁾ Vancouver, BC Canada <i>Corporate Secretary and Director</i>	Businessman – Capital Markets	2022-10-31	Nil
Andreas Schleich⁽³⁾ North Vancouver, BC, Canada <i>Director</i>	Businessman – Technology and Capital Markets	2022-10-26	200,000

Notes:

- (1) For the purposes of disclosing positions held in the Company, "Company" includes the Company and any parent or subsidiary thereof.
- (2) The information as to province and country of residence, principal occupation and number of shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (3) Member of audit committee.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, none of the proposed directors of the Company:

- (a) is at the date of this Circular, or has been within the last 10 years, a director or CEO or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
 - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (c) has, within the 10 years before the date of this 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; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to 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 a proposed director.

On September 29, 2022 at the request of management, the Company submitted an application to the British Columbia Securities Commission ("**BCSC**") for a management cease trade order (the "**MCTO**") for the postponement of filing its audited financial statements and related management discussion and analysis ("**MD&A**") and officer's certifications (the "**Audited Financial Materials**") for the year ended May 31, 2022. It was accepted by the BCSC. Yari Alexander Nieken, Director and Officer, was a director during the period of the MCTO. The MCTO was lifted December 21, 2022 when the company filed the delayed financial statements and related MD&A.

PlantX Life Inc., was issued a Management Cease Trade Order on August 2, 2022 and extended until October 14, 2022. The delinquent Annual Audited Financial Statements and MD&A were subsequently filed and the Cease Trade Order was lifted on January 4, 2023. Quinn Field-Dyte was a Director during the timeframe of this MCTO/CTO.

3. **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, the former auditors of the Company, resigned, at the request of the Company, as the auditors of the Company effective July 16, 2024. The Board appointed Adam Sung Kim Ltd., Chartered Professional Accountant, as auditors of the Company effective July 16, 2024 to fill the vacancy created. Shareholders are being asked to confirm the actions of the Board and appoint Adam Sung Kim Ltd., Chartered Professional Accountant as auditors of the Company to hold office until the next annual general meeting of shareholders.

Management recommends that Shareholders vote for the confirmation and appointment of Adam Sung Kim Ltd. as the auditors of the Company until the next annual meeting of shareholders and to authorize the Board to fix their remuneration.

In accordance with the provisions of National Instrument 51-102 – *Continuous Disclosure Obligations*, attached to this Circular as Schedule "B" is the requisite reporting package, including the notice of the Company to Dale Matheson Carr-Hilton Labonte LLP and Adam Sung Kim Ltd. stating that there were no reportable events and the letters of each of Dale Matheson Carr-Hilton Labonte LLP and Adam Sung Kim Ltd. to all of applicable securities commission in which the Company is reporting.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the individuals named in the enclosed proxy form intend to vote all Common Shares in respect of which they are appointed proxyholder FOR the appointment of Adam Sung Kim Ltd. as the auditor of the Company for the ensuing year, at such remuneration as may be determined by the directors.

4. **RE-APPROVAL OF STOCK OPTION PLAN**

The Company has in place its 10% rolling stock option plan which was last approved by the shareholders of the Company on April 6, 2023 (the "**2021 Plan**"). The 2021 Plan was established to provide incentive to

employees, officers, directors and consultants who provide services to the Company. TSX Venture Exchange (the "**Exchange**") policy requires that all companies listed on the Exchange adopt a stock option plan if a company wishes to grant stock options and that all stock option plans that reserve a maximum of 10% of the issued and outstanding share capital of the Company at the time of grant must be approved by shareholders on an annual basis.

Management seeks shareholder approval for a renewal of the 2021 Plan in accordance with and subject to the rules and policies of the Exchange. The intention of management in proposing the 2021 Plan is to increase the proprietary interest of employees, officers, directors and consultants in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company. It is proposed that under the 2021 Plan, the total number of common shares that may be reserved for issuance will be 10% of the issued and outstanding common shares of the Company at the time of grant, less any common shares reserved for issuance pursuant to the grant of stock options under any other share compensation arrangements. The 2021 Plan is subject to annual Exchange approval.

Terms of the 2021 Plan

A full copy of the 2021 Plan will be available at the Meeting for review by shareholders and is available on the Company's profile on www.sedarplus.ca. Shareholders may also obtain copies of the 2021 Plan from the Company prior to the Meeting on written request. Capitalized words used below have the meanings assigned to them in the Exchange policies or the 2021 Plan, as applicable. The following is a summary of the material terms of 2021 Plan:

1. The options are non-assignable and non-transferable (except that the Optionee's heirs or administrators can exercise any portion of the outstanding option, up to one year from the Optionee's death).
2. The number of shares subject to each option is determined by the Board of Directors provided that the 2021 Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12 month period, result in:
 - (a) the number of options granted to any one Person exceeding 5% of the issued shares of the Company; or
 - (b) the number of options granted to any one Consultant exceeding 2% of the issued shares of the Company; or
 - (c) the number of options granted to all Persons retained to provide Investor Relations Activities of a number shares exceeding 2% of the issued shares of the Company.
3. The exercise price of an option may not be set at less than Discounted Market Price.
4. The options may be exercisable for a period of up to 10 years, (subject to extension where the expiry date falls within a "**blackout period**").
5. Disinterested shareholder approval will be obtained for any reduction in the exercise price if the Optionee is an Insider of the Company at the time of the proposed amendment.
6. For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
7. Any options granted to any Optionee who is a Director, Employee, Consultant or Management Company Employee must expire within a reasonable period following the date the Optionee ceases to

be in that role (in general, the Exchange considers anything not exceeding 12 months to be a reasonable period for these purposes).

Shareholders will be asked to pass the following, ordinary resolution, re-approving the Company's 2021 Plan:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the 2021 Plan, as described in the management information circular of the Company dated October 28, 2024, as may be amended by the board of directors as required by applicable securities regulatory authorities or stock exchanges, be and is hereby ratified, confirmed and approved;
2. the 2021 Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving the 2021 Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect to the resolution.

6. RE-APPROVAL OF RESTRICTED SHARE UNIT PLAN

On March 3, 2023, the Board approved the adoption of the Company's restricted share unit plan (the "**RSU Plan**"), which was further approved and ratified by the Company's shareholders at a meeting held on April 6, 2023. The number of common shares issuable under the RSU Plan combined with the number of common shares issuable under all security-based compensation arrangements of the Company, including stock option plan(s), shall not exceed 10% of the issued and outstanding common shares as at the date of grant. Pursuant to Exchange policies, the RSU Plan must be approved by shareholders on an annual basis.

The purpose of this RSU Plan is to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in shareholder value. This RSU Plan is intended to promote a greater alignment of interests between the shareholders of the Company and the selected Eligible Persons (defined in the RSU Plan) by providing an opportunity to participate in increases in the value of the Company.

The Reserved Share Units ("**RSUs**") granted under the RSU Plan will vest upon the date that is the later of (i) the date of grant of the RSU, or if no date has been set, December 1 of the third calendar year following the date of grant of the RSU, or (ii) the date that the Eligible Person has achieved the relevant performance condition, or other vesting condition set out in the Award (defined in the RSU Plan). RSUs tend to serve as short term (maximum of 3 years) compensation, depending on the vesting criteria imposed by the Board. When determining the number of RSUs to be granted to a director, officer or other consultant or employee, the Board will take into account the duties and seniority of the Eligible Person, the performance of the and contributions to the success of the Company.

Under the terms of the RSU Plan, the Board may grant RSUs to eligible participants. Each RSU represents the right to receive one common share for no additional consideration upon vesting of an RSU in accordance with the terms of the RSU Plan.

A director, officer, employee or consultant of the Company who has been designated by the Company for participation in the RSU Plan and who agrees to participate in the RSU Plan is an eligible participant to receive RSUs under the RSU Plan. Participation in the RSU Plan is voluntary and, if an eligible participant agrees to participate, the grant of Units will be evidenced by an agreement between the Company and the participant (an “**Agreement**”).

The number of Shares issuable under the Plan combined with the number of Shares issuable under all security-based compensation arrangements of the Company, including stock option plan(s), shall not exceed 10% of the issued and outstanding Shares as at the Grant Date and, subject to a consolidation or subdivision of the Common Shares.

Unless Disinterested Shareholder Approval (defined below) is obtained, the RSU Plan, is subject to the following limitations:

- i. the maximum number of Shares which may be reserved for issuance to Insiders (as a group) under the RSU Plan may not exceed 10% of the issued Shares;
- ii. the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan, within a 12-month period, may not exceed 10% of the issued Shares calculated on the grant date;
- iii. the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan may not exceed 5% of the issued Shares calculated on the grant date;
- iv. the maximum number of RSUs that may be granted to any one Eligible Person; and performing investor relation activities in any 12 month period must not exceed 2% of the issued Shares of the Company on the grant date; and
- v. no RSUs can be granted to persons performing investor relations activities.

Unless the board of directors of the Company determines otherwise, if an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination with cause or voluntary termination by the RSU participant, all unvested RSUs previously credited to the participant's account and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a termination arising from the termination of employment or removal from service by the Company or a related entity for cause, retirement of the recipient or the voluntary resignation by the recipient.

If an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination without cause, death, total or permanent long-term disability or retirement, any unvested RSUs previously credited to the participant's account will immediately vest on the date the recipient ceases to be an Eligible Person, unless the Board at any time otherwise determines.

RSUs and all other rights, benefits or interests in the RSU Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a recipient dies the legal representatives of the recipient will be entitled to receive the amount of any payment otherwise payable to the recipient hereunder in accordance with the provisions hereof.

If a cash dividend is paid on the Shares of the Company, a recipient's account will be credited with the number and type of RSUs (including fractional RSUs, computed to three digits) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of RSUs that were credited to the eligible person's account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in §2.8(a) of the RSU Plan by the Fair Market Value (defined in the RSU Plan) on the date on which the dividend is paid.

Under the terms of the RSU Plan, the Board may amend the RSU Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the recipient or

unless required by law, adversely affect the rights of a recipient with respect to RSUs to which the Recipient is then entitled under the RSU Plan.

RSUs are not considered to be Shares or securities of the Company, and an RSU Recipient who is issued RSUs will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of RSUs.

The RSU Plan is an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any recipient to which RSUs are credited to his or her account or holding RSUs or related accruals under the RSU Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

A full copy of the RSU Plan will be available at the Meeting for review by shareholders and is available on the Company's profile on www.sedarplus.ca. Shareholders may also obtain copies of the RSU Plan from the Company prior to the Meeting on written request. Capitalized words used below have the meanings assigned to them in the Exchange policies or the RSU Plan, as applicable.

Resolution Approving the RSU Plan

At the Meeting, Shareholders will be asked to consider and vote on the ordinary resolution to approve the RSU Plan, with or without variation, as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the RSU Plan, as described in the management information circular of the Company dated October 28, 2024, as may be amended by the board of directors as required by applicable securities regulatory authorities or stock exchanges, be and is hereby ratified, confirmed and approved;
2. the RSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving the RSU Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect to the resolution.

"Disinterested Shareholder Approval" means the approval by a majority of the votes cast by all shareholders of the Company at the Meeting excluding votes attached to listed Shares beneficially owned by Insiders (defined below) of the Company and Associates (as defined in the British Columbia *Securities Act*) of Insiders.

An **"Insider"** is a director, or senior officer of the Company, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting Shares carrying more than 10% of the voting rights attached to all outstanding voting Shares of the Company.

5. DELISTING OF COMMON SHARES

Management of the Company proposes to make an application to voluntarily delist the Common Shares (the “**Delisting**”) from the Exchange and apply to list the common shares on the Canadian Securities Exchange (the “**CSE**”) or any other stock exchange acceptable to the Exchange. The implementation of the Delisting is conditional upon the Company obtaining any necessary regulatory consents.

Voluntary Delisting

At the Meeting, the shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, a resolution authorizing the Delisting (the “**Delisting Resolution**”).

The Board may determine not to present the Delisting Resolution to the Meeting or, if the Delisting Resolution is presented to the Meeting and approved by shareholders, the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Delisting, without further approval of the shareholders. The implementation of the Delisting is also conditional upon the Company obtaining all necessary regulatory consents.

Voluntary Delisting Resolution

The Board recommends that shareholders vote in favour of the Delisting Resolution, substantially in the form set out below:

“BE IT RESOLVED THAT:

1. the Company is hereby authorized to apply to voluntarily delist the Common Shares from the TSX Venture Exchange;
2. the Company is hereby authorized to seek approval from the Canadian Securities Exchange, or other qualified stock exchange, to list its securities for public trading;
3. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company be, and they are hereby authorized and empowered to revoke this resolution at any time before it is acted upon and to determine not to proceed with the delisting of the Common Shares from the TSX Venture Exchange without further approval of the shareholders of the Company; and
4. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Company may be necessary or desirable to carry out the terms of the foregoing resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

To be approved, the Delisting Resolution requires the affirmative vote of a “majority of the minority shareholder approval”, whether in person or by proxy, obtained in accordance with the requirements of the Exchange, being at least a majority of the votes cast on the Delisting Resolution at the Meeting by the disinterested shareholders of the Company, being all the shareholders of the Company other than promoters, directors, officers and other insiders of the Company (the “**Insiders**”), whether in person or by proxy. To the knowledge of the Company, as at the Record Date, the Insiders own an aggregate of 300,000 common shares of the Company representing approximately 6.3% of all issued and outstanding Common Shares as of the Record Date which will be excluded from voting on the Delisting Resolution.

If the Delisting Resolution does not receive the requisite shareholder approval, the Common Shares will continue to be listed on the Exchange. THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE DELISTING RESOLUTION. PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE DELISTING RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST THE DELISTING RESOLUTION.

6. SHARE CONSOLIDATION

At the Meeting, shareholders will be asked to consider and, if thought advisable, pass, with or without variation, an ordinary resolution (the "**Consolidation Resolution**") authorizing the consolidation of the issued and outstanding common shares on such terms as may be approved by the Board and regulatory authorities, on the basis of one (1) post-consolidation Common Share for up to ten (10) pre-consolidation common shares (the "**Consolidation**"), with the actual consolidation ratio to be determined by the Board following the Meeting (such ratio not to exceed ten (10) pre-Consolidation common shares for one (1) post-Consolidation Share.

As at the date of this Circular, the Company had 4,741,230 issued and outstanding. The proposed Consolidation, assuming the maximum 10:1 ratio, will reduce the number of outstanding common shares to approximately 474,123 common shares.

Implementation of the Consolidation is subject to the approval of the TSX-V. If the Consolidation Resolution is approved and implemented, the Company will send letters of transmittal to shareholders which will provide instructions on how to obtain new share certificates representing the number of common shares to which such shareholders are entitled as a result of the Consolidation. The Company's name will not change in connection with the Consolidation.

Purpose of the Consolidation

The Board considers it advisable to effect the Consolidation in order to provide the Company with increased flexibility to seek additional financing opportunities and to pursue strategic transactions, and will improve the market's perception of the Company. The Consolidation is also expected to aid in the reduction of the spread between bid and offer prices quoted by market makers in the common shares. Such a reduction in turn should allow shareholders to realize improved prices when buying or selling the common shares.

Principal Effects of the Consolidation

The Consolidation will affect all shareholders of the Company uniformly. If the Consolidation is implemented, each shareholder of the Company will receive one post-consolidation Common Share for up to 10 pre-consolidation common shares held immediately prior to the effective date of the Consolidation, subject to rounding for fractional interests (discussed below). While the Consolidation will result in each shareholder holding a smaller number of common shares, it will not materially affect a shareholder's percentage ownership or voting rights in the Company. Each common share issued and outstanding after the Consolidation will be entitled to one vote and will be fully paid and non-assessable.

The principal effects of the Consolidation will be that:

1. the number of common shares issued and outstanding will be reduced from approximately 4,741,230 shares to approximately 474,123 shares (assuming a consolidation at a maximum ratio of ten (10) existing common shares for one (1) new common share);
2. the number of common shares reserved for issuance under the Company's 2021 Plan and any outstanding warrants will be reduced proportionately based on the consolidation ratio selected by the Board; and

3. the exercise or conversion price and/or the number of common shares issuable under the 2021 Plan or any outstanding warrants will be proportionately adjusted based on the consolidation ratio selected by the Board with any fraction rounded to the nearest whole number (see "*Fractional Interests*").

Fractional Interests

No fractional common shares will be issued in connection with the Consolidation. If as a result of the Consolidation, a shareholder would otherwise become entitled to a fraction of a post-consolidation common share, the number of post-consolidation common shares issuable to such shareholder will be rounded to the nearest whole number. For greater certainty and pursuant to section 83 of the *Business Corporations Act* (British Columbia), each fractional common share remaining after the Consolidation that is less than one-half of one common share will be cancelled and each fractional common share that is at least one-half of one common share will be changed to one whole common share. In all other respects, the post-Consolidation Shares will have the same attributes as the existing common shares.

Effect on Share Certificates

If the Consolidation is approved by shareholders and implemented by the Board, registered shareholders will be required to exchange their share certificates representing pre-consolidation common shares for new share certificates representing the number of post-consolidation common shares to which they are entitled.

Promptly after the Consolidation becomes effective, registered shareholders will be sent a letter of transmittal from the Company, which will contain instructions on how to surrender certificate(s) representing pre-consolidation common shares to the Company's transfer agent, Endeavor Trust Corporation. Upon return of a properly completed letter of transmittal, together with the certificate(s) evidencing the pre-consolidation common shares of the Company, a certificate for the appropriate number of post-consolidation common Shares will be issued at no charge. Until surrendered, each share certificate representing pre-consolidation common shares will be deemed for all purposes to represent the number of post-consolidation common shares to which the holder is entitled as a result of the Consolidation.

Non-Registered Shareholders holding their common shares through an Intermediary should note that Intermediaries may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered shareholders. If you hold your common shares with an Intermediary and you have questions in this regard, you are encouraged to contact your Intermediary.

SHAREHOLDERS SHOULD NOT DESTROY ANY SHARE CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNTIL REQUESTED TO DO SO.

No Dissent Rights

Under the *Business Corporations Act* (British Columbia), shareholders do not have dissent and appraisal rights with respect to the proposed Consolidation.

Risks Associated with the Consolidation

The effect of the Consolidation upon the market price of the common shares cannot be predicted with any certainty. There can be no assurance that the total market capitalization of the common shares immediately following the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation.

In addition, there can be no assurance that any increase in the per-share market price of the common shares following the Consolidation will be sustainable or will equal or exceed the direct arithmetical result of the Consolidation. There are numerous factors and contingencies that could affect the price of the common shares, including the status of the market for the common shares at the time, the Company's operations and general

economic, stock market and industry conditions. In addition, a decline in the market price of the common shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation. Furthermore, the Consolidation may lead to an increase in the number of shareholders who hold "odd lots" of shares, which are numbers of shares not easily divisible into board lots. A board lot is 100, 500, or 1,000 shares, depending on the price of the shares. As a general rule, the cost to shareholders of transferring an odd lot of shares is higher than the cost of transferring a board lot.

Shareholder Approval

Pursuant to the policies of the Exchange, the Exchange requires shareholder approval for any security consolidation which, when combined with any other security consolidation conducted by the Company within the previous 24 months that was not approved by its shareholders, would result in a cumulative consolidation ratio of greater than 10 to 1 over such 24 month period. In order for the Consolidation Resolution to be effective, it must be approved by a simple majority of the affirmative vote of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting. The Consolidation is also subject to final Exchange approval.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Subject to the approval of the TSX Venture Exchange, if and when the directors of the Company shall deem appropriate to do so, the issued and fully paid common shares without par value of the Company (the "**Consolidated Common Shares**") be consolidated at a ratio of up to ten (10) Consolidated common shares for one (1) Common Share (the "**Consolidation**"); provided however, that holders of common shares shall not be entitled to receive any fractional Consolidated common shares following the Consolidation and any fractional common shares resulting from the Consolidation will be rounded to the nearest whole common share, with any fraction of 0.5 or above rounded up and any fraction below 0.5 will be cancelled;
2. The directors of the Company, in their sole and complete discretion, are authorized and empowered to act upon this ordinary resolution to effect the Consolidation and to determine the actual Consolidation ratio (such ratio not to exceed ten (10) Consolidated common shares for one (1) post-consolidation common share).
3. Any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.
4. Notwithstanding that this resolution has been duly passed (and the Consolidation approved) by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, the shareholders of the Company to revoke this resolution at any time and to not proceed with the Consolidation."

The Consolidation requires approval of shareholders by way of an ordinary resolution which must be passed by a simple majority of the votes cast by shareholders present in person or by proxy at the Meeting who vote in respect of the Consolidation Resolution. **The Board recommends that shareholders vote FOR the approval of the Consolidation Resolution. The persons named in the accompanying form of proxy intend to vote FOR the Consolidation Resolution unless otherwise instructed on a properly executed and validly deposited proxy.**

7. TERMINATION OF JOINT VENTURE AGREEMENT

The Company and Arctic Star Exploration Corp. ("**Arctic Star**") are parties to a contractual joint venture with respect to 23 mineral claims located in the Northwest Territories, Canada (the "**Diagras Property**") pursuant

to the terms of an option and joint venture agreement dated November 7, 2016 (the "**JV Agreement**"). Pursuant to the JV Agreement, the Company and Arctic Star are operating a joint venture with respect to the Diagas Property with the Company holding 18.5% beneficial interest and Arctic Star holding the balance of 81.5% legal and beneficial interest in the Diagas Property.

The Company agreed to sell, transfer, assign, set over and convey its 18.5% interest in the Diagas Property to 508083 N.W.T. Ltd. ("**508083 BC**") and therefore entered into a termination and release agreement with Arctic Star dated March 20, 2024 (the "**Termination and Release Agreement**"). Upon signing of the Termination and Release Agreement, the Company entered into a joint venture interest acquisition agreement with 508083 BC dated March 22, 2024 (the "**JV Interest Acquisition Agreement**") pursuant to which 508083 BC acquired the Company's 18.5% beneficial interest in the Diagas Property. The JV Interest Acquisition Agreement was approved by the Company's board of directors and a majority of the Company's shareholders on March 25, 2024 and announced by the Company in a news release dated April 9, 2024.

At the Meeting, the Company's shareholders will be asked to approve the following, ordinary resolution:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The entering into the Termination and Release Agreement be and is hereby ratified, confirmed and approved; and
2. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution ratifying the Termination and Release Agreement. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by shareholders who vote in respect to the resolution.

8. **OTHER BUSINESS**

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

DIRECTOR AND EXECUTIVE COMPENSATION

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

Statement of Executive Compensation – Venture Issuers.

The following persons are considered the "Named Executive Officers" or "NEOs" for the purposes of the disclosure:

- (a) the Company's CEO, including an individual performing functions similar to a CEO;
- (b) the Company's CFO, including an individual performing functions similar to a CFO;

- (c) the most highly compensated executive officer of the Company and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V Statement of Executive Compensation – Venture Issuers, for the May 31, 2023 and 2024 year ends; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was not an executive officer of the Company and was not acting in a similar capacity at May 31, 2024.

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table is a summary of compensation (excluding compensation securities) paid, awarded to or earned by the Named Executive Officers and any director who is not a Named Executive Officer for each of the Company's two most recently completed years.

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$) ⁽¹⁾	Value of all other compensation (\$)	Total compensation (\$)
Yari Nieken ⁽²⁾ CEO and Director	2024	\$120,000	Nil	Nil	Nil	Nil	\$120,000
	2023	\$80,000	Nil	Nil	Nil	\$25,045	\$105,045
Quinn Patrick Field-Dyte ⁽³⁾ Corporate Secretary and Director	2024	\$12,000	Nil	Nil	Nil	Nil	\$12,000
	2023	\$6,000	Nil	Nil	Nil	\$12,523	\$18,523
Andreas Schleich ⁽⁴⁾ Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	12,523	\$12,523
Richard Barnett ⁽⁵⁾ Chief Financial Officer	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	\$6,261	\$6,261

Notes:

- (1) The value of perquisites, if any, was less than \$15,000.
- (2) Yari Nieken was appointed as a director on April 25, 2022 and as CEO, President and Chairman on May 18, 2022.
- (3) Quinn Patrick Field-Dyte was appointed as a director and as Corporate Secretary on October 31, 2022.
- (4) Andreas Schleich was appointed as a director on October 26, 2022.
- (5) Richard Barnett was appointed as Chief Financial Officer on August 2, 2022.

Stock Options and Other Compensation Securities

The following table sets forth the share-based and option-based awards granted to the Named Executive Officers and directors that are outstanding at the end of the financial year ended May 31, 2023. During the financial year ended May 31, 2024, the Company did not grant any share-based and option-based awards to its NEO's and directors.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	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
Yari Nieken <i>CEO, President and Director</i>	Stock Options	20,000 options 20,000 Shares 0.42%	August 19, 2022	\$1.80	\$1.75	\$1.50	August 19, 2027
Richard Barnett <i>CFO</i>	Stock Options	5,000 options 5,000 Shares 0.10%	August 19, 2022	\$1.80	\$1.75	\$1.50	August 19, 2027
Quinn Patrick Field-Dyke <i>Director</i>	Stock Options	10,000 options 10,000 Shares 0.21%	November 2, 2022	\$0.55	\$0.55	\$1.50	November 2, 2023
Andreas Schleich <i>Director</i>	Stock Options	10,000 options 10,000 Shares 0.21%	November 2, 2022	\$0.55	\$0.55	\$1.50	November 2, 2023

Notes:

- (1) The percentage of stock options granted are based on the total issued and outstanding common shares of the Company as of May 31, 2023, being 4,741,230.

Exercise of Compensation Securities

During the financial year ended May 31, 2024, none of the NEOs or directors exercised or converted any compensation securities.

Stock Option Plans and Other Incentive Plans

Stock Option Plan

See "Re-Approval of Stock Option Plan" above for the material terms of the 2021 Plan. The 2021 Plan was last approved by the Company's shareholders on April 6, 2023.

RSU Plan

See "Re-Approval of RSU Plan" above for the material terms of the RSU Plan. The RSU Plan was last approved by the Company's shareholders on April 6, 2023.

Oversight and description of director and Named Executive Officer compensation

Director Compensation

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but the Company may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the 2021 Plan and in accordance with the Exchange policies.

Named Executive Officer Compensation

The Board as a whole determines executive compensation from time to time. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are to attract and retain executives critical to the Company's success, who will be key in helping the Company

achieve its corporate objectives and increase shareholder value. The Company looks at industry standards when compensating its executive officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of the date of this Circular regarding the number of common shares to be issued pursuant to the 2021 Plan and RSU Plan as of the year ended May 31, 2024. The Company does not have any equity compensation plans that have not been approved by its shareholders.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders Stock Option Plan and RSU Plan	25,000	\$1.80	449,123
Equity compensation plans not approved by security holders	NA	NA	NA
Total	25,000	\$1.80	449,123

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Circular, 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 or any of its subsidiaries. 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 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.

AUDIT COMMITTEE

Under Section 224(1) of the *Business Corporations Act* (British Columbia) (the "BCBCA") and Exchange policies, we are required to have an Audit Committee.

Audit Committee Charter

The Audit Committee Charter, attached as Schedule "A" hereto was adopted by our Audit Committee and the Board of Directors.

Composition of the Audit Committee

As of the date of the Circular, our Audit Committee is composed of the following members:

<i>Name</i>	<i>Independent⁽¹⁾</i>	<i>Financially Literate⁽¹⁾</i>
Yari Nieken	No	Yes
Quinn Patrick Field-Dyde	Yes	Yes
Andreas Schleich	Yes	Yes

(1) As that term is defined in National Instrument 52-110 *Audit Committees* (“NI 52-110”).

The members of the Audit Committee are elected by the board of directors at its first meeting following the annual shareholders meeting. Unless a chair is elected by the full board of directors, the members of the Audit Committee will designate a chair by a majority vote of the full Audit Committee membership.

Relevant Education and Experience

The educational background or experience of the Audit Committee members has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles we use to prepare our financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

See “Election of Directors” and “Corporate Governance – Directorships” in this Circular for details of the relevant education and experience of the Audit Committee members.

Each member of the Audit Committee has a general understanding of the accounting principles we use to prepare our financial statements and will seek clarification from our auditor, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in supervising one or more individuals engaged in the accounting for estimates, accruals and reserves and experience in preparing, auditing, analyzing or evaluating financial statements similar to our financial statements.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of our most recently completed financial year have we 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 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for engaging of non-audit services as described in the Audit Committee Charter set out in Schedule “A” to this Circular.

External Auditor Service Fees (By Category)

The table below sets out all fees billed by our external auditor in each of the financial years ended May 31, 2023 and 2024. In the table “Audit Fees” are fees billed by our external auditor for services provided in auditing our financial statements for the financial year. “Audit-Related Fees” are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to performing the auditor reviewing our financial statements. “Tax Fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the auditor for products and services not included in the previous categories.

<i>Financial Year Ended</i>	<i>Audit Fees (\$)</i>	<i>Audit-Related Fees (\$)</i>	<i>Tax Fees (\$)</i>	<i>All Other Fees (\$)</i>
May 31, 2023	42,500	Nil	Nil	42,500
May 31, 2024	14,171	Nil	Nil	14,171

Exemption

We are relying upon the exemption in section 6.1 of NI 52-110, which exempts issuers whose shares are listed only on the Exchange from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their governance practices in accordance with the instrument. The Company is a “venture issuer” within the meaning of NI 58-101. A discussion of the Company’s governance practices within the context of NI 58-101 is set out below.

1. Board of Directors

The Board of Directors facilitates its independent supervision over management through regular meetings of the Board, both with and without members of our management (including members of management who are also directors) being in attendance.

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 our Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

As of the date of the Circular, the independent member of the Board of Directors is Andreas Schleich and the non-independent directors are Yari Nieken, Chief Executive Officer and Quinn Patrick Field-Dyte, Corporate Secretary.

The mandate of the Board, as prescribed by the BCBCA, is to manage or supervise management of our business and affairs and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of our affairs directly and through its Audit Committee.

2. Directorships

Certain of our directors are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or equivalent in a foreign jurisdiction)
Yari Nieken	Intact Gold Corp. Hilltop Resources Inc.
Quinn Patrick Field-Dyde	Quantum Battery Metals Corp. Vantex Resources Ltd. PlantX Life Inc. The Yummy Candy Company New Destiny Mining Corp. Stamper Oil & Gas Corp. Intact Gold Corp. Fort St. James Nickel Corp. GGX Gold Corp. Halo Collective Inc. Hilltop Resources Inc.
Andreas Schleich	Greenbank Ventures Inc. Hilltop Resources Inc.

3. Orientation and Continuing Education

The Board of Directors is responsible for providing orientation for all new recruits to the Board. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of our business will be necessary and relevant to each new director. We provide continuing education for our directors as the need arises and encourage open discussion at all meetings, which format encourages learning by the directors.

4. Ethical Business Conduct

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

5. Nomination of Directors

The Board of Directors considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. The Board takes into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board of Directors does not have a nominating committee. The Board of Directors is responsible for recruiting new members to the Board and planning for the succession of Board members.

6. Compensation

The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of stock options, to be granted to our officers and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to our success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general rules.

7. Other Board Committee

The Board of Directors does not have any committees other than the Audit Committee.

8. Assessments

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

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

The Board believes its corporate governance practices are appropriate and effective for the Company, given our size and operations. Our corporate governance practices allow us to operate efficiently with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

ADDITIONAL INFORMATION

Additional information about us is located on SEDAR+ at www.sedarplus.ca. Shareholders may request copies of our financial statements and management's discussion and analysis ("MD&A") by writing to the Company's President. The financial statements and MD&A are also available on SEDAR+ at www.sedarplus.ca.

OTHER MATERIAL FACTS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

DIRECTORS' APPROVAL

The Company's Board of Directors has approved the contents of this Circular and sending it to the shareholders.

BY ORDER OF THE BOARD OF DIRECTORS

MARGARET LAKE DIAMONDS INC.

(signed) Yari Nieken

Yari Nieken
CEO and Director

Schedule “A”

Charter of the Audit Committee of the Board of Directors of

Margaret Lake Diamonds Inc. (the “Company”)

Article 1 – Mandate and Responsibilities

The Audit Committee is appointed by the board of directors of the Company (the “Board”) to oversee the accounting and financial reporting process of the Company and audits of the financial statements of the Company.

The Audit Committee’s primary duties and responsibilities are to:

- (a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- (b) recommend to the Board the compensation of the external auditor;
- (c) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor;
- (e) review the Company’s financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (f) be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company’s financial statements, and to periodically assess the adequacy of those procedures;
- (g) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (h) review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

The Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

Article 2 – Pre-Approval of Non-Audit Services

The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor. The pre-approval of non-audit services must be presented to the Audit Committee at its first scheduled meeting following such pre-approval. The Audit Committee may satisfy its duty to pre-approve non-audit services by adopting specific policies and procedures for the engagement of the non-audit services, provided the policies and procedures are detailed as to the particular service, the Audit Committee is informed of each non-audit service and the procedures do not include delegation of the Audit Committee’s responsibilities to management.

Article 3 – External Advisors

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and

it has direct access to the external auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

Article 4 – External Auditors

The external auditors are ultimately accountable to the Audit Committee and the Board, as representatives of the shareholders. The external auditors will report directly to the Audit Committee. The Audit Committee will:

- (a) review the independence and performance of the external auditors and annually recommend to the Board the nomination of the external auditors or approve any discharge of external auditors when circumstances warrant;
- (b) approve the fees and other significant compensation to be paid to the external auditors;
- (c) on an annual basis, review and discuss with the external auditors all significant relationships they have with the Company that could impair the external auditors' independence;
- (d) review the external auditors' audit plan to see that it is sufficiently detailed and covers any significant areas of concern that the Audit Committee may have;
- (e) before or after the financial statements are issued, discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants;
- (f) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting;
- (g) resolve any disagreements between management and the external auditors regarding financial reporting;
- (h) approve in advance all audit services and any non-prohibited non-audit services to be undertaken by the external auditors for the Company;
- (i) receive from the external auditors timely reports of:
 - (i) all critical accounting policies and practices to be used;
 - (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the external auditors; and
 - (iii) other material written communications between the external auditors and management.

Article 5 – Legal Compliance

On at least an annual basis, the Audit Committee will review with the Company's legal counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

Article 6 - Complaints

Individuals are strongly encouraged to approach a member of the Audit Committee with any complaints or concerns regarding accounting, internal accounting controls or auditing matters. The Audit Committee will from time to time establish procedures for the submission, receipt and treatment of such complaints and concerns. In all cases the Audit Committee will conduct a prompt, thorough and fair examination, document the situation and, if appropriate, recommend to the Board appropriate corrective action. To the extent practicable, all complaints will be kept confidential. The Company will not condone any retaliation for a complaint made in good faith.

Schedule "B"

Notice of Change of Auditors

(see attached)

**NOTICE OF CHANGE OF AUDITOR
(National Instrument 51-102)**

TO: Alberta Securities Commission
600, 250 - 5 Street SW
Calgary, AB T2P 0R4

British Columbia Securities Commission
710 W. Georgia Street
PO Box 10142, Pacific Center
Vancouver, BC V7Y 1L2

Dale Matheson Carr-Hilton Labonte LLP
Chartered Professional Accountants
1500 - 1140 West Pender St.
Vancouver, BC V6E 4G1

Adam Sung Kim Ltd.
Chartered Professional Accountant
Unit# 172 - 4300 North Fraser Way
Burnaby, BC, Canada V5J 5J8

RE: Notice Regarding Change of Auditor Pursuant National Instrument 51- 102

Pursuant to Section 4.11(7) of National Instrument 51-102, Margaret Lake Diamonds Inc. (the "**Company**") hereby gives notice of the change of its auditor from Dale Matheson Carr-Hilton Labonte LLP to Adam Sung Kim Ltd. In accordance with National Instrument 51-102, the Company hereby states that:

1. Dale Matheson Carr-Hilton Labonte LLP resigned at our request as the Company's auditor, effective July 16, 2024;
2. Adam Sung Kim Ltd. has been appointed as the Company's auditor, effective July 16, 2024;
3. the resignation of Dale Matheson Carr-Hilton Labonte LLP and the appointment of Adam Sung Kim Ltd. as the Company's auditor have been considered and approved by the Company's Audit Committee and Board of Directors;
4. Dale Matheson Carr-Hilton Labonte LLP's audit report on the Company's financial statements for the year ended May 31, 2023 did not express a modified opinion; and
5. there have been no "reportable events" within the meaning assigned under subsection 4.11(1) of National Instrument 51-102.

DATED the 16th day of July, 2024.

MARGARET LAKE DIAMONDS INC.

Per:

(signed) Yari Nieken

Yari Nieken,
Director



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

July 22, 2024

BRITISH COLUMBIA SECURITIES COMMISSION	ALBERTA SECURITIES COMMISSION
P.O. Box 10142, Pacific Centre	Suite 600, 250-5 th Street S.W.
9 th Floor – 701 West Georgia Street	Calgary, Alberta T2P 0R4
Vancouver, B.C. V7Y 1L2	

Dear Sirs:

Re: Margaret Lake Diamonds Inc. (the "Company")
Notice Pursuant to National Instrument 51-102 - Change of Auditor

As required by the National Instrument 51-102 and in connection with our resignation as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated July 16, 2024 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours truly,

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver

1500 - 1140 West Pender St.
Vancouver, BC V6E 4G1
604.687.4747

Surrey

200 - 1688 152 St.
Surrey, BC V4A 4N2
604.531.1154

Tri-Cities

700 - 2755 Lougheed Hwy
Port Coquitlam, BC V3B 5Y9
604.941.8266

Victoria

320 - 730 View St.
Victoria, BC V8W 3Y7
250.800.4694

10290 171A STREET
SURREY, BC, CANADA V4N 3L2

T: 604.318.5465
E: adamkimltd@gmail.com

Adam Kim

ADAM SUNG KIM LTD.
CHARTERED PROFESSIONAL ACCOUNTANT

July 16, 2024

British Columbia Securities Commission
Alberta Securities Commission

Dear Sirs:

Re: Margaret Lake Diamonds Inc. (the "Company")
Notice Pursuant to National Instrument 51-102 - Change of Auditor (the "Notice")

As required by National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated July 16, 2024 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours truly,

Adam Sung Kim Ltd., Chartered Professional Accountant



Adam Joo Sung Kim, CPA, CA