

NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR FOR THE

ANNUAL GENERAL AND SPECIAL MEETINGS OF SHAREHOLDERS

of

DARELLE ONLINE SOLUTIONS INC.

To Be Held on July 12, 2024

All information in this Management Information Circular is presented as of June 5, 2024, unless otherwise stated herein.

DARELLE ONLINE SOLUTIONS INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETINGS OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meetings (the "**Meeting**") of the shareholders (the "**Shareholders**") of common shares in the capital of Darelle Online Solutions Inc. (the "**Company**") will be held at the offices of MNP LLP, located at Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 at 11:00 a.m. (PDT) on July 12, 2024, for the following purposes:

1. to receive the consolidated audited financial statements of the Company for the financial year ended August 31, 2023 together with the report of the auditors thereon;
2. to appoint MNP LLP, as the Company's auditors for the ensuing year and to authorize the directors to fix their remuneration;
3. to set the number of directors at five; and
4. to elect the directors to serve until the close of the next annual meeting of the shareholders or until their successors are duly elected or appointed, as more particularly set forth in the accompanying Management Information Circular (the "**Information Circular**");
5. to consider and, if appropriate, to pass, with or without variations, an ordinary resolution substantially in the form set out in the Information Circular, approving the continued use of the Company's Stock Option Plan, as more specifically set out in the accompanying Information Circular;
6. to consider and, if deemed advisable, to pass, with or without variation, a special resolution substantially in the form set out in the Information Circular, authorizing and approving the proposed consolidation of the issued and outstanding common shares of the Company on the basis of a consolidation ratio to be selected by the Board, within a range of between ten (10) pre-consolidation common shares for one (1) post-consolidation Common Share and thirty (30) pre-consolidation Common Shares for one (1) post-consolidation Common Share (the "**Consolidation**"), as more specifically set out in the Information Circular; and
7. to transact any other business which may properly come before the Meeting or any adjournment or adjournments thereof.

The directors of the Company have fixed the close of business on 5:00 pm (PST) on June 5, 2024 as the record date for the Meeting (the "**Record Date**") for determining Shareholders entitled to receive this Notice of Annual General and Special Meeting, and to vote at the Meeting and any postponement or adjournment of the Meeting, except to the extent that a Shareholder has transferred any Company common shares after that date and the new holder of such Company common shares establishes proper ownership and requests not later than 10 days before the date of the Meeting that his/her name be included in the list of Shareholders eligible to vote at the Meeting and any postponement or any adjournment thereof.

WEBSITE WHERE MEETING MATERIALS ARE POSTED

The Information Circular and the Company's audited annual financial statements being placed before the Meeting and related MD&A can be viewed online under the Company's profile at <https://www.sedarplus.ca/darelle>.

HOW TO OBTAIN PAPER COPIES OF THE MEETING MATERIALS

Shareholders who wish to receive paper copies of the Meeting materials prior to the meeting may request copies from the Company by calling (250) 756-4464 or by sending an email to info@darelle.com no later than June 26, 2024.

Requests for paper copies should be made as soon as possible but must be received by at least July 2, 2024 at 4:30 p.m. (Pacific Time) in order to receive the Information Circular in advance of the proxy deposit date and Meeting. An Information Circular will be sent to such shareholders within three business days of a request if such request is made before the Meeting.

Unless you request a paper copy in the manner described above, the Company will deliver paper copies only to those shareholders who elected to receive a paper copy of the Company's meeting materials by ticking the appropriate box in the form of proxy or voting instructions form provided to them in respect of the last annual general meeting held by the Company. This election only applies to the meeting materials for this year and expires after the Meeting unless the shareholder elects to receive paper copies again this year.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required form of proxy, you should contact Computershare Investor Services Inc. by telephone (toll free) at 1-800-564-6253, by fax at 1-866-249-7775 or by e-mail at service@computershare.com

DATED at Nanaimo, British Columbia this fifth day of June 2024.

BY ORDER OF THE BOARD

(signed) "Dean Bethune"

President, Chief Executive Officer and Director

Whether or not you expect to attend the Meeting, or any postponement or adjournment thereof, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY PROMPTLY IN THE ENCLOSED ENVELOPE OR VOTE BY PROXY USING THE TELEPHONE OR INTERNET BY FOLLOWING THE INSTRUCTIONS PROVIDED IN THE ACCOMPANYING FORM OF PROXY. To be effective, proxies must be received by Computershare Investor Services Inc. by 11:00 am (PDT) on Tuesday July 10, 2024, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment(s) thereof is held, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

MANAGEMENT INFORMATION CIRCULAR

NOTE OF CAUTION

In the event that a pandemic, epidemic or other similar event should restrict the Company's ability to hold the Meeting as anticipated, like COVID-19 did in the past, the Company reserves the right to take any precautionary measures it deems appropriate in relation to the Meeting including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting.

Accordingly, all shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in the Management Information Circular.

Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company's press releases as well as the Company's website at www.lifeist.com for any updated information. If applicable and as appropriate, the Company will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at such Meeting. An amended Information Circular and other amended Meeting proxy materials will not be mailed out in the event of changes to the Meeting format.

GENERAL PROXY MATTERS

PERSONS MAKING THE SOLICITATION

The Management Information Circular (the "Information Circular") is furnished in connection with the solicitation of proxies being made by management ("Management") of Darelle Online Solutions Inc. (the "Company" and/or "darelle") for use at the Annual General and Special Meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**") in the capital of the Company (the "**Common Shares**") to be held on Friday July 12, 2024 at 11:00 am PDT at the offices of MNP LLP, located at Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 and for the purposes set forth in the accompanying Notice of Meeting. "**We,**" "**us,**" "**our,**" the "**Company**" and "**darelle**" refer to Darelle Online Solutions Inc.

SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by the directors, officers and employees of the Company or by agents retained for that purpose at nominal cost. All costs of this solicitation will be borne by the Company. We have arranged for intermediaries (an "**Intermediary**") to forward meeting materials to OBOs (as defined below).

Unless otherwise stated herein, all currency amounts indicated as "\$" in this Information Circular are expressed in Canadian Dollars, the Company's reporting currency.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are Directors or employees of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, to attend and act for you and on your behalf at the Meeting. 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.

VOTING BY PROXYHOLDER

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons 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 appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy.

REGISTERED SHAREHOLDERS

Only registered shareholders (“**Registered Shareholders**”) or duly appointed proxyholders are permitted to vote at the Meeting. Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following procedures to submit their Proxy:

- complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), at Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Attention Proxy Department, before 9:00 am (PDT) no later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the Meeting or any adjournment(s) or postponement(s) of the Meeting; or
- online by logging on to Computershare’s website at (www.investorvote.com) and following the instructions provided on the website. Registered Shareholders should refer to the enclosed proxy form for the holder’s control number. If you vote online, do not also mail the Proxy.

In either case, Registered Shareholders must ensure the Proxy is received at least 48 hours 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the Meeting or any adjournment(s) or postponement(s) of the Meeting. Failure to complete or deposit a Proxy properly may result in its invalidation. Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting.

BENEFICIAL SHAREHOLDERS

If you are a Shareholder who does not hold their Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”), and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities were obtained in accordance with applicable securities regulatory requirements from the Intermediary holding securities on your behalf.

Most Shareholders are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the names of the brokerage firm, bank or other Intermediary or in the name of a clearing agency (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans). Beneficial Shareholders should note that only Registered Shareholders (or duly appointed proxy holders) may complete a Proxy or vote at the Meeting in person. 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 such Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the brokers’ clients.

Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“**NI-54-101**”), issuers may request and obtain a list of their NOBOs from Intermediaries via their transfer agents and use this NOBO list for distribution of proxy-related materials directly to NOBOs.

The Company is taking advantage of those provisions of NI 54-101 that permit the Company to deliver proxy-related materials indirectly to the Company’s NOBOs who have not waived the right to receive them (and is not sending proxy-related materials using notice-and-access). As a result, NOBOs can expect to receive a voting instruction form (“**VIF**”) from the applicable Intermediary or its service company. The VIF is to be completed and returned in accordance with the instructions provided on the VIF. NOBOs should carefully follow the instructions of their intermediary, including those regarding when and where the completed request for voting instructions is to be delivered.

In accordance with the requirements of NI 54-101, we have distributed copies of the Meeting materials to the Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting materials to OBOs unless in the case of certain proxy-related materials the OBO has waived the right to receive them. Very often, Intermediaries will use service companies such as Broadridge to forward the Meeting materials to OBOs. With those Meeting materials, Intermediaries or their service companies should provide OBOs with a request for a VIF which, when properly completed and signed by such OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Common Shares that they beneficially own. The Company will NOT pay for Intermediaries to deliver the proxy-related materials and request for a VIF to OBOs. OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered.

Should a Shareholder who receives a Proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Shareholder), the Shareholder should strike out the names of the persons named in the Proxy and insert the Shareholder’s (or such other person’s) name in the blank space provided.

LEGAL PROXY – U.S. BENEFICIAL SHAREHOLDERS

If you are a Beneficial Shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described

above, you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information, form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare.

REVOCAION OF PROXIES AND VIFS

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 company, by a duly authorized officer or attorney of the company, and delivered to Computershare Investor Services Inc. not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the Meeting or any adjournments 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. Beneficial Shareholders who wish to change their vote must, sufficiently in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary to revoke their Proxy by instrument in writing in accordance with the revocation procedures set out above.

VOTING OF PROXIES AND VIFS

The Common Shares represented by a properly executed Proxy or VIF will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the Proxyholder on any ballot that may be called for; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the Proxy or VIF, be voted in accordance with the specification made in such Proxy or VIF.

If a choice is not so specified with respect to any such matter, and the persons named in the enclosed Proxy or VIF have been appointed as proxyholder, the Common Shares represented by such Proxy will be voted as recommended by management of the Company.

The enclosed Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed as proxyholder thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, the persons designated as proxyholders in the enclosed Proxy will have the discretion to votes in accordance with their judgment on such matters or business. At the time of the printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

ON A POLL SUCH COMMON SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER. The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is

properly brought before the Meeting, it is the intention of the Management Proxyholders to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the Management knows of no such amendment, variation or other matter that may be presented to the Meeting.

ELECTRONIC DELIVERY OF PRODUCTS

Every year, as required by laws governing public companies, the Company delivers documentation to shareholders. In order to make this process more convenient, Shareholders may choose to be notified by email when the Company's documentation, including the Meeting materials, is posted on the Company's website www.darelle.com and accordingly, such documentation will not be sent in paper form by mail other than as required by applicable laws.

Delivery in an electronic format, rather than paper, reduces costs to the Company and benefits the environment. Shareholders who do not consent to receive documentation through email notification will continue to receive such documentation by mail or otherwise, in accordance with securities laws.

By consenting to electronic delivery, Shareholders: (i) agree to receive all documents to which they are entitled electronically, rather than mail; and (ii) understand that access to the Internet is required to receive a document electronically and certain system requirements must be installed (currently Adobe Acrobat Reader to view Adobe's portable document format ("PDF")). Such documents may include the interim consolidated financial reports, the annual report (including audited annual consolidated financial statements and management's discussion and analysis ("MD&A")), the notice of annual and/or special meeting and related management information circular and materials, and other corporate information about the Company.

At any time, the Company may elect to not send a document electronically, or a document may not be available electronically. In either case, a paper copy will be mailed to Shareholders.

Registered Shareholders can consent to electronic delivery by completing and returning the form of consent included with the form of proxy. Non-registered Shareholders can consent to electronic delivery by completing and returning the appropriate form received from the applicable intermediary.

Shareholders are not required to consent to electronic delivery. The Company will notify consenting Shareholders at the email address provided by the Shareholder on the form of proxy when the documents that the Shareholder is entitled to receive are posted on the Company's website, with a link to the specific pages of the website containing the PDF document.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The directors of the Company have set June 5, 2024 as the record date (the "**Record Date**") for determining which Shareholders shall be entitled to receive a Notice of Meeting and to vote at the Meeting.

As of the Record Date, there were 73,708,147 Common Shares issued and outstanding, each carrying the right to one vote. Only Registered Shareholders holding Common Shares at the close of business on the Record Date who either attend the Meeting in person or who complete, sign and deliver a Proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a Shareholder or as a representative of one or more Shareholders, or who is holding a valid Proxy on behalf of a Shareholder who is not present at the Meeting, will have one vote, and on a poll every Shareholder present in person or represented by a valid Proxy and every person who is a representative of one or more Shareholders will have one vote for each Common Share registered in that Shareholder's name on the list of Shareholders, which will be available at the Meeting. Shareholders represented by proxyholders are not entitled to vote on a show of hands.

To 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 any class of voting securities of the Company except as follows.

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾	Percentage of Outstanding Shares
CDS & Co.	45,785,547	62.1
Dean Bethune	9,378,502	13.2
Kyle Kotapski	8,038,374	10.9

(1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information and/or furnished by the Shareholder.

(2) On a non-diluted basis of 73,708,147 Common Shares.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of the Company, any nominee for election as a director of the Company or any associate or affiliate of any such person, in any matter to be acted upon at the Meeting other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The Company's audited consolidated financial statements for the financial year ended August 31, 2023 (the "**Financial Statements**") and the report of the auditors therein will be placed before the Meeting. Copies of the Financial Statements, the auditor's report and management's discussion and analysis ("**MD&A**") for the year ended August 31, 2023 have been mailed to all Shareholders who have opted to receive such materials. These documents can also be found under the Company's profile on SEDAR at <https://www.sedarplus.ca/darelle> . No vote by the shareholders is required to be taken with respect to the Financial Statements.

2. Appointment of Auditors

At the Meeting, shareholders will be asked, upon the recommendation of the Board's Audit Committee and of the Board, to appoint the independent auditor. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of MNP LLP ("**MNP**") as auditors of the Company to hold office until the close of the next annual meeting of the Company, at a remuneration to be fixed by the directors of the Company. MNP was first appointed as auditors of the Company June 23, 2014.

The Audit Committee, in accordance with its Charter, approves all audit services provided by MNP and determines and approves in advance non audit services, if requested, in compliance with applicable legal and regulatory requirements.

Services	2023	2022
Audit Fees	33,688	28,088
Tax Fees	-	-
All Other Fees	-	-
Total	33,688	28,088

Unless the Shareholder has specified in the enclosed Proxy that the Common Shares represented by such Proxy are to be withheld from voting in the appointment of auditors, the persons named in the enclosed Proxy intend to vote FOR the appointment of MNP LLP as auditors of the Company to hold office until the next annual general meeting of Shareholders, and to authorize the directors to fix the remuneration of the auditors.

3. Number of Directors

The Articles of the Company provide that the Board must consist of a minimum of three directors, to be elected annually by the Shareholders. The Board currently consists of four directors, and it is intended to set the number of directors at five directors for the ensuing year. At the Meeting, the Shareholders will be asked to set the number of directors of the Company at five. **The Board recommends a vote “FOR” the setting of the number of directors of the Company at five (5). In absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the setting of the number of directors of the Company at five (5).**

4. Election of Directors

The term of office of each of the present directors expires at the Meeting. The Board proposes to nominate the persons named in the table below for election as directors of the Company. The nominees consist of each of the existing directors of the Company and the addition of one new director. Each Director elected will hold office until the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the *Business Corporations Act* (British Columbia) or he becomes disqualified to act as a Director.

Advance Notice Policy

The Company has adopted an advance notice policy (the “**Advance Notice Policy**”). The Advance Notice Policy provides that any Shareholder seeking to nominate a candidate for election as a Director (a “**Nominating Shareholder**”) at any annual meeting of the Shareholders, or for any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors. For a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Company.

To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Company must be made (a) in the case of an annual meeting of shareholders, not less than thirty (30) nor more than sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than fifty (50) days after the date (the “**Notice Date**”) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the later of the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day

following the day on which the first public announcement (as defined below) of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting and/or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders, or the reconvening of any adjourned or postponed meeting of shareholders, or the announcement thereof, commence a new time period for the giving of a Nominating Shareholder's notice as described above.

The chair of the Meeting shall have the power and duty to determine whether a nomination was made in accordance with the notice procedures set forth in the Advance Notice Policy and, if any proposed nomination is not in compliance with such provisions, the discretion that such defective nomination will be disregarded.

The Advance Notice Policy also prescribes the proper written form for a Nominating Shareholder's notice. The Advance Notice policy is available on the Company's website at www.darelle.com

Majority Voting Policy

In accordance with good corporate governance practices and procedures, the board of directors of the Company adopted a Majority Voting Policy at a meeting of the Board on October 29, 2017 (the "**Majority Voting Policy**"). The Majority Voting Policy provides that each Director of the Company must be elected by the vote of a majority of the Company's Common Shares, represented in person or by proxy, at any meeting held for the election of directors. Forms of proxy for the election of directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each Director nominee.

If any nominee for Director does not receive a majority vote in favour of his or her election from the shares voted at the meeting in person or by proxy, the Corporate Governance and Nominating Committee of the Company will expeditiously consider whether to recommend that the Board request that such Director tender his or her resignation. In making this recommendation, the Corporate Governance and Nominating Committee of the Company may consider such extenuating circumstances as it deems appropriate including without limitation circumstances relating to the composition of the Board or voting results.

The Board shall consider any recommendation to this regard within ninety days (90) of the relevant shareholders' meeting.

Director Nominees

The following table provides the name, residence, participation on the Company's Board and Board committees, number of common shares beneficially owned or controlled or directed as of the date of this Information Circular and principal occupation during the preceding five years of each of the nominated directors of the Company. The Company has been advised that each of the nominated directors is willing to serve on the Board for the ensuing year. Each Director will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless his or her office is earlier vacated in accordance with the Company's articles.

The following table sets forth the name, province and country of residence, principal occupation, date they first became a Director of the Company and the number of shares beneficially owned by each Nominee. The statement as to the Common Shares beneficially owned, directly or indirectly, or over

which control or direction is exercised by the Nominees is in each instance based upon information furnished by the Nominee concerned and is as at the Record Date.

Name, province and current position(s) held in the Company ⁽¹⁾	Period of Service as a Director	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾	Principal Occupation within the Preceding Five Years ⁽¹⁾
Dean Bethune British Columbia President & CEO and Director	March 15, 2005 to present	9,378,502	President & CEO of the Company
Scott Hamilton Alberta CFO, Director	June 23, 2013 to present	300,000	CFO and Consultant
Michael Ellis British Columbia Director Independent: Yes	June 23, 2013 to present	-	Director of Sales GINQO Consulting Ltd.
John Newman Alberta Director Independent: Yes	December 17, 2015 to present	650,000	Chief Financial Officer of Nue Corp and Arrow Exploration Ltd.
David Eaton British Columbia Director Independent: Yes	Nominee	5,000	Chairman of Baron Global Financial Canada Ltd.

Notes:

- (1) The information as to province and jurisdiction of residence, and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors.
- (2) The information as to Common Shares beneficially owned, controlled, or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually.

The board of directors does not have an executive committee. There are presently three standing committees of the Board: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. The following table sets out the current members of such committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
John Newman (Chair)	Michael Ellis (Chair)	Scott Hamilton (Chair)
Michael Ellis	John Newman	Michael Ellis
Dean Bethune	Scott Hamilton	Dean Bethune

Neither any of the proposed directors ((or any of their personal holding companies) of the Company:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a Director, chief executive officer or chief financial officer of any company, including the Company, that:
- i. was the subject of a cease trade order or similar 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 (an “order”) that was issued while that person was acting in the capacity as Director, chief executive officer or chief financial officer; or
 - ii. was the subject of an order that was issued after the person ceased to be a Director, chief executive officer or chief financial officer in the Company and which resulted from an event that occurred while that person was acting in the capacity as Director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information 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 manager or trustee appointed to hold its assets; or
- (c) has within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold the assets of that individual.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

Management of the Company recommends that Shareholders vote in favour of the foregoing nominees, and the persons named in the enclosed Proxy intend to vote FOR the election of such nominees at the Meeting, unless otherwise directed.

5. Ratification of 2024 Stock Option Plan

Pursuant to the policies of the TSXV, rolling stock option plans (where the number of shares reserved under the plan automatically increases (or decreases) as the number of issued and outstanding shares increases (or decreases)) such as the Company’s Stock Option Plan (the “**2024 Stock Option Plan**”) which was approved by Shareholders at the last Annual General Meeting of the Company held on November 5, 2021, are required to be ratified by shareholders annually to remain in existence. A summary of the key terms of the 2024 Stock Option Plan is set forth in this Information Circular under the heading “Stock Option Plan and Other Security-Based Compensation Plans”

As a result, at the Meeting, Shareholders will be asked to consider and approve an ordinary resolution, in substantially the following form, in order to approve the continued use of the 2024 Stock Option Plan:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF SHAREHOLDERS OF THE COMPANY THAT,

1. the continued use of the Company’s 2024 Stock Option Plan is hereby approved, ratified and confirmed; and
2. any one (1) director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such acts and things as may be deemed advisable in such individual’s discretion for the purpose of giving effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination”

Management of the Company recommends that Shareholders vote in favour of the foregoing resolution. Proxies received in favour of management will be voted FOR the reapproval of the 2024 Stock Option Plan unless a Shareholder has specified in the Proxy that his or her or its Common Shares are to be voted against such resolution.

6. Approval of Proposed Share Consolidation

The Company is asking Shareholders to consider and, if thought appropriate, to pass a special resolution as set out below to give the Board authority to cause the Company to change its authorized share structure in accordance with the *Business Corporations Act* (British Columbia) (“**BCBCA**”) and its constating documents to effect a proposed consolidation of the Common Shares on the basis of a consolidation ratio to be selected by the Board in its sole discretion, within a range of between ten (10) pre-consolidation Common Shares for one (1) post-consolidation Common Shares and thirty (30) pre-consolidation Common Shares for one (1) post-consolidation Common Share (the “**Consolidation**”).

The Board believes shareholder approval of a range of consolidation ratios (rather than a single consolidation ratio) up to one post-consolidation Common Share for up to twenty (20) pre-consolidation Common Shares provides the Board with flexibility to achieve the desired aims of the Consolidation, as set out below. If the Consolidation resolution is approved, the Consolidation will be implemented, if at all, only upon a determination by the Board that the Consolidation is in the best interests of the Company and its shareholders at that time. In connection with any determination to implement a Consolidation, the Board will set the timing for such a consolidation and select the specific ratio from within the range set forth in the Consolidation Resolution.

Prior to making any amendment to effect the Consolidation, the Company shall first be required to obtain any and all applicable regulatory and TSXV approval.

In the opinion of management of the Company, the current share structure of the Company will make it more difficult or impossible for the Company to attract business opportunities or any additional equity financing that may be required by the Company or to allow for the funding of its ongoing operations and business. Management is of the opinion that a consolidation of the Common Shares may increase its flexibility and present additional opportunities with respect to potential business transactions, including equity financings, if determined by the Company to be necessary.

Effect of Consolidation

If approved and implemented, the Consolidation will occur simultaneously for all of the Company’s issued and outstanding Common Shares. The Common Shares will be consolidated at a ratio to be

determined by the Board in its sole discretion within the applicable range and as such following the completion of the proposed Consolidation, the number of Common Shares issued and outstanding will depend on the ration selected by the Board.

The implementation of the Consolidation would not affect the total Shareholders equity of the Company, or any components of Shareholders' Equity as reflected on the Company's financial statements except to change the number of issued and outstanding Common Shares to reflect the Consolidation.

No fractional Common Shares will be issued as a result of the Consolidation. In the event that the Consolidation would otherwise result in a Shareholder holding a fraction of a Common Share, such fractional share, if less than one-half, shall be rounded down to zero and, if equal to or greater than one-half, shall be rounded up to one and added to the number of Common Shares which the Shareholder is entitled to receive. The Consolidation will not affect any Shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares. Instead, the Consolidation will reduce proportionately the number of Common Shares held by all shareholders.

Effect on Convertible Securities

The exercise or conversion price and/or the number of Common Shares issuable under any outstanding convertible securities, including under outstanding options, warrants, rights, and any other similar securities of the Company will be proportionately adjusted upon the implementation of the Consolidation, in accordance with the terms of such securities, on the same basis as the Consolidation.

Certain Risks Associated with the Consolidation

There can be no assurance that the total market capitalization of the Company (the aggregate value of all Common Shares at the market price then in effect) immediately after 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 the market price per Common Share following the Consolidation will be higher than the market price per Common Share immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. 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 a Consolidation, and the liquidity of the Common Shares could be adversely affected. There can be no assurance that, if the Consolidation is implemented, the margin terms associated with the purchase of Common Shares will improve or that the Company will be successful in receiving increased attention from potential investors or facilitate potential business transaction.

Implementation

The Consolidation Resolution (the "**Consolidation Resolution**"), as set out below, provides that the Board is authorized, in its sole discretion, to determine not to proceed with the proposed Consolidation without further approval of the Shareholders of the Company. The Board is authorized to revoke the Consolidation Resolution in its sole discretion without further approval of the Shareholders of the Company at any time prior to implementation of the Consolidation.

Procedures for Registered Shareholders

If the Consolidation Resolution is approved by Shareholders at the Meeting and implemented by the Board, and it is determined that new share certificates or DRS advice representing the post-consolidation Common Shares are to be issued, a letter of transmittal will be mailed to Registered Shareholders (the

“**Letter of Transmittal**”) providing instructions with respect to exchanging their certificates representing pre-consolidation Common Shares for post-consolidation Common Shares. In order to obtain a certificate(s) or DRS advice representing the post-consolidation Common Shares if and after giving effect to the Consolidation, each Shareholder will be requested to complete and execute the Letter of Transmittal and deliver the same to Computershare, who act as the Company’s depository, together with their Common Share certificate(s), if applicable, in accordance with the instructions set out in the Letter of Transmittal. Certificates or DRS advice that are surrendered shall be exchanged for new certificates or DRS advice representing the number of post-consolidation Common Shares to which such Shareholder is entitled as a result of the Consolidation. No delivery of a new certificate to a Shareholder will be made until the Shareholder has surrendered its existing certificates. **Upon the Consolidation taking effect each share certificate representing pre-consolidation Common Shares shall 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.**

Shareholders are advised NOT to mail in the certificates representing their Common Shares until they receive a Letter of Transmittal and confirmation from the Company by way of a news release that the Board has decided to implement the Consolidation.

Non-Registered Shareholders

Non-registered Shareholders holding the Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Consolidation than those put in place by the Company for registered Shareholders. If you hold Common Shares with such bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee to obtain instructions for processing the Consolidation.

No Dissent Rights

Under the BCBCA, Shareholders do not have any dissent and appraisal rights with respect to the proposed Consolidation.

Shareholder Approval

In order to effect the Consolidation, the Company will file articles of amendment pursuant to the BCBCA to amend its current notice of articles (the “**Articles of Amendment**”). Such Articles of Amendment shall only be filed upon the Company deciding, in its sole discretion, to proceed with the Consolidation. The Consolidation will become effective on the date shown in the certificate of amendment issued pursuant to the BCBCA.

The Consolidation Resolution must be approved by not less than two-thirds of the votes cast by Shareholders represented at the Meeting in person or by proxy.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve and authorize the Consolidation Resolutions, as follows:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION OF SHAREHOLDERS OF THE COMPANY, THAT,:

1. the board of directors of the Company (the “**Board**”) is authorized to take such actions as are necessary to consolidate (the “**Consolidation**”) all of the issued and outstanding common shares at such a consolidation ratio to be determined by the Board in its sole discretion;
-

2. the Board be and is hereby authorized in its sole discretion to fix the ratio to be used in the Consolidation, provided that such ratio shall not exceed one (1) post-consolidation Common Share for every thirty (30) pre-consolidation Common Shares outstanding;
3. in the event that the Consolidation Ratio would otherwise result in the issuance to any shareholder of a fractional post-consolidation Common Share, no fractional post-consolidation Common Shares shall be issued and the number of post-consolidation Common Shares issuable to such shareholder shall be rounded up to the next higher whole number if the fraction is 0.5 or greater, and rounded down to the next lower whole number if the fraction is less than 0.5;
4. the Board, in its sole discretion, may act upon this resolution to effect the Consolidation, or, if deemed appropriate and without any further approval from the shareholders of the Company, may choose not to act upon this special resolution notwithstanding shareholder approval of the Consolidation, and it is authorized to revoke this special resolution in its sole discretion at any time prior to effecting the Consolidation;
5. any officer or director of the Company is authorized to cancel (or cause to be cancelled) any certificates evidencing the existing common shares and to issue (or cause to be issued) certificates representing the new common shares to the holders thereof; and
6. any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this ordinary resolution, including without limitation, articles of amendment in the form required pursuant to the British Columbia *Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board recommends that Shareholders vote in favour of the above Consolidation Resolution. Absent contrary instructions, shares represented by proxies in favour of the management nominees will be voted in favour of the Consolidation Resolution.

7. Other Matters

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or postponement thereof. Management of the Company 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 Common Shares represented by the proxies solicited hereby will be voted on such matters in accordance with the best judgement of the persons named in the proxy.

EXECUTIVE COMPENSATION

General

“**CEO**” means each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

“**CFO**” means each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer; and

“**Named Executive Officer**” or “**NEO**” means: (a) a CEO; (b) a CFO; (c) in respect of the Company and its subsidiaries, the most highly compensated executive officers other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (“**Form 51-102F6V**”), for that financial year; and (d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

During the financial year ended August 31, 2023 the Company had two (2) NEO’s, as follows:

Name	Title
Dean Bethune	Chief Executive Officer
Scott Hamilton	Chief Financial Officer

All dollar amounts referred to herein are in Canadian currency unless otherwise indicated. The Company uses the Canadian dollar in its financial statements.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6V under National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”)) sets out all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for each of the Company’s two most recently completed financial years ended August 31, 2023 and 2022.

Table of Compensation Excluding Compensation Securities

Name and Principal Position	Year Ended Aug.31	Salary, consulting fee, retainer (\$)	Bonus (\$)(5)	Committee or meeting fees (\$)	Value of perquisites (\$)(1)(2)	All Other Compensation (\$)	Total Compensation (\$)
Dean Bethune, President and CEO ⁽³⁾	2023	120,000	Nil	Nil	Nil	Nil	120,000
	2022	120,000	Nil	Nil	Nil	Nil	120,000
Scott Hamilton CFO	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Kyle Kotapski Former President DMI ⁽¹⁾	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	30,000	Nil	Nil	Nil	Nil	30,000
John Newman, Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Michael Ellis, Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Kyle Kotapski was appointed President of a wholly owned subsidiary (Darelle Media Inc.) on February 6, 2015. Consulting fees paid to 1047356 B.C. Ltd.; a private company controlled by Mr. Kotapski. Mr. Kotapski resigned as an officer and director on February 1, 2022.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO of the Company in the most recent financial year, being the financial year ended August 31, 2023.

During the Company's most recently completed financial year, all stock options issued to directors and NEOs expired and there are no stock options issue and outstanding as at August 31, 2023.

Compensation Securities							
Name and position	Type of compensation security (1)	Number of compensation securities, number of underlying securities, and percentage of class (2)	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 (3)
Dean Bethune, President & CEO	Option	Nil	N/A	N/A	N/A	N/A	N/A
Scott Hamilton, CFO	Option	Nil	N/A	N/A	N/A	N/A	N/A
Kyle Kotapski, former President of DMI ⁽²⁾	Option	Nil	N/A	N/A	N/A	N/A	N/A
John Newman, Director	Option	Nil	N/A	N/A	N/A	N/A	N/A
Michael Ellis, Director	Option	Nil	N/A	N/A	N/A	N/A	N/A

(1) "Compensation Securities" includes stock options, convertible securities, exchangeable securities, and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

(2) Mr. Kotapski resigned as an officer and director of a wholly owned subsidiary (Darelle Media Inc.) effective February 1, 2022.

(3) As of August 31, 2023, there were no Stock Options outstanding.

No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.

During the most recently completed financial year, no options were exercised by any director or NEO of the Company.

Stock Option Plans and Other Security-Based Compensation Plans

Description of the 2024 Stock Option Plan

The 2024 Stock Option Plan was amended on December 23, 2011 when the Shareholders approved the adoption of a new "rolling" stock option plan at the annual general meeting of Shareholders which was last reapproved by Shareholders on November 5, 2021, at the annual general meeting of shareholders.

The principal purposes of the 2024 Stock Option Plan are to provide the Company with the advantages inherent in equity ownership by directors, officers, employees, management company employees, and

persons engaged to provide consulting, technical, management or other services to the Company, including investor relations services (the “**Consultants**”) who are responsible for the continued success of the Company. Additionally, the 2024 Stock Option Plan will create a proprietary interest in, and a greater concern for, the welfare and success of the Company as well as encouraging directors, officers, employees, management company employees and Consultants to remain with the Company and to attract new officers, employees, management company employees and Consultants.

The following is a summary of the material terms of the 2024 Stock Option Plan:

The maximum number of Common Shares reserved for issuance under the 2024 Stock Option Plan and all of the Company’s other security-based compensation arrangements at any given time is 10% of the issued and outstanding share capital of the Company.

The Board or, if applicable, a committee appointed by the Board, administers the 2024 Stock Option Plan, subject to the rules of TSXV and applicable laws, and except as provided for in the 2024 Stock Option Plan, the Board has the full authority to:

- (a) grant options to purchase Common Shares;
- (b) determine the time or times, when, and the manner in which, each option will be exercisable and the duration of the exercise period;
- (c) set the option price, provided the pricing is congruent with the 2024 Stock Option Plan; and
- (d) interpret the 2024 Stock Option Plan and to make such rules and regulations relating to the 2024 Stock Option Plan and establish such procedures as it may from time to time deem appropriate.

Pursuant to the 2024 Stock Option Plan, the Board will set the option exercise price, provided that the option exercise price will not be less than the fair market value of the Common Share on the date of grant, being the last closing price per Common Share on the TSXV before the grant of the option or such minimum option exercise price as permitted by the TSXV. Options may be granted for a maximum term of 10 years from the date of grant. Any option that is cancelled, terminated, surrendered or expires unexercised will be considered to be part of the pool of Common Shares available for options under the 2024 Stock Option Plan and may be granted.

Pursuant to the 2024 Stock Option Plan, there are no mandatory vesting provisions, except for certain parameters for the vesting of options granted to any Investor Relations Service Provider (as defined in the 2024 Stock Option Plan). At the discretion of the Board (or a committee thereof), options granted under the 2024 Stock Option Plan may contain vesting conditions.

All options granted under the 2024 Stock Option Plan are non-transferable and non-assignable.

Under the 2024 Stock Option Plan and under any other share compensation arrangement, the total number of Common Shares reserved for issuance will not exceed 10% of the outstanding Common Shares at the date of grant. Additionally, the following restrictions also apply to option grants:

- (a) the total number of Common Shares reserved for issuance for options under the 2024 Stock Option Plan, when combined with the number of Common Shares reserved for issuance under all security-based compensation arrangements, granted to any one person within any 12-month period before the date of grant, will not exceed 5% of the outstanding Common Shares on the date of grant, unless the Company has obtained disinterested Shareholder approval as required by the policies of the TSXV;
-

- (b) the total number of Common Shares reserved for issuance for options under the 2024 Stock Option Plan, when combined with the number of Common Shares reserved for issuance under all security-based compensation arrangements, to an insider of the Company within any 12-month period before the date of grant, will not exceed 10% of the outstanding Common Shares on the date of grant, unless the Company has obtained disinterested Shareholder approval as required by the policies of the TSXV;
- (c) the total number of Common Shares reserved for issuance of options under the 2024 Stock Option Plan, when combined with the number of Common Shares reserved for issuance under all security-based compensation arrangements, granted to a Consultant within any 12-month period before the date of grant, will not exceed 2% of the outstanding Common Shares on the date of grant; and
- (d) the total number of Common Shares reserved for issuance of options under the 2024 Stock Option Plan, when combined with the number of Common Shares reserved for issuance under all security-based compensation arrangements, granted to all persons employed to provide investor relations services to the Company within any 12-month period before the date of grant, will not exceed 2% of the outstanding Common Shares on the date of grant.

Provided that an option granted to a participant in the 2024 Stock Option Plan will expire no later than the date that is twelve (12) months following the date the participant ceases to be eligible to participate in such plan, all rights to exercise options will terminate upon the earliest of:

- (a) the expiration date of the option;
- (b) 90 days (or such later day as the Board in its sole discretion may determine) after the date the option holder ceases to be employed by (for any reason other than death, disability or cause), provide services to, or be a director of the Company;
- (c) 180 days after the date on which the option holder ceases to be employed by the Company by reason of disability or retirement;
- (d) the first anniversary of the date of death of the option holder;

in all other cases, immediately after the option holder leaves the employ or service of the Company.

The 2024 Stock Option Plan provides that options granted to any Investor Relations Service Provider must vest in stages over a minimum of 12 months from the date of grant with no more than 25% vesting in any successive three-month period over such 12-month period. In addition, the 2024 Stock Option Plan provides that in the event of an actual or potential Change of Control Transaction (as defined in the 2024 Stock Option Plan), the Board has the authority to (i) determine that outstanding options will remain in full force and effect in accordance with their terms after the Change of Control Transaction, (ii) cause any outstanding options to be converted or exchanged to acquire shares of another entity involved in the Change of Control Transaction, having the same value and terms and conditions as the outstanding options; (iii) accelerate the vesting of any unvested options, subject to the prior written approval of the TSXV in the case of options granted to Investor Relations Service Providers, (iv) provide Participants with the right to surrender any outstanding options for an amount per underlying Common Share equal to the positive difference, if any, between the fair market value of the Common Share on the date of surrender and the exercise price of the option; and (v) accelerate the expiry date of any outstanding options.

Employment, Consulting and Management Agreements

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

On February 6, 2015, the Company entered into consulting agreements with each of Mr. Dean Bethune (President and CEO of Company) and Mr. Kyle Kotapski (collectively, the “Agreements”). Mr. Kotapski was the President of the Company’s wholly owned subsidiary Darelle Media Inc. (“DMI”). Mr. Kotapski resigned as an officer and director of DMO with an effective date of February 1, 2022. There was no set term for the Agreements, but the Agreements will run until such time that either party provides 90 days’ notice of their intention to terminate the Agreements. Pursuant to the terms of the Agreements, each of Messrs. Bethune and Kotapski were to be paid a monthly consulting fee of \$10,000 (“Consulting Fee”), exclusive of bonuses, benefits, and other compensation.

In the event of the death, retirement, or disability of Messrs. Bethune, the Agreement provides for the lump sum payment of an amount equal to 12 monthly Consulting Fee payments. In the event the Agreement for Mr. Bethune is terminated for any other reason or not for just cause, Mr. Bethune will be entitled to a payment that, in the aggregate, equals twelve monthly Consulting Fee payments applicable at the time of termination.

Oversight and Description of Director and NEO Compensation

Compensation of Named Executive Officers

The Board delegates the administration of the Company’s executive compensation program to its Compensation Committee. The Compensation Committee discusses and approves the executive compensation in order to attract, motivate and retain highly skilled and experienced executive officers, to provide fair and competitive compensation, to align the interest of management with those of Shareholders and to reward corporate and individual performance.

Compensation Review Process

The Compensation Committee reviews, from time to time, the cash compensation, and any bonus stock option grants to each executive officer, including the NEOs. It is the intention of the Company that cash compensation to NEOs shall remain more or less constant, while the granting of any options or bonuses may fluctuate from year to year.

Assessment of Individual Performance

The Compensation Committee’s review of the compensation for the Company’s executive officers is based on their time of service with the Company, responsibilities and duties in that position, and performance. The Compensation Committee believes that stock options can create a strong incentive to the performance of each officer and are intended to recognize extra contributions and achievements towards the goals of the Company. The Compensation Committee does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies.

Elements of Executive Compensation

There are three main elements of direct compensation, namely base salary, bonuses and equity participation through the Company’s Stock Option Plan.

In determining the compensation of the NEOs, the Compensation Committee considers the following goals and objectives of the Company, including:

- (a) attracting and retaining qualified and experienced executives;
- (b) encouraging and rewarding outstanding performance by those people who are in the best position to enhance the Company's near-term results and long-term prospects; and
- (c) ensuring the compensation paid is competitive with the current market.

Base Salary

Base salary is the principal component of an executive officer's compensation package. In determining the base salary, the Compensation Committee considers an executive officer's performance and his or her level of responsibility and importance to the Company.

Bonuses

The CEO recommends to the Compensation Committee the bonuses to be paid by the Company to eligible employees and consultants.

Equity Participation through Security-based Compensation Plans

The stock option component of the Company's executive compensation program is intended to encourage and reward outstanding performance over the short and long terms, and to align the interests of the NEOs with those of the Shareholders. Options are awarded by the Board, which bases its decisions upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. The Board also takes into consideration the amount and terms of outstanding stock options in determining its recommendations regarding the options to be granted during any fiscal year.

The stock option component of executive compensation acts as an incentive for the NEOs to work to enhance the Company's value over the long term, and to remain with the Company.

The Compensation Committee is of the view that the Company's compensation structure appropriately takes into account the factors relevant to the technology industries, the Company's performance within those industries, and the NEO's individual contributions to the Company's performance.

Security-based Awards

Stock option grants awards to directors, officers, other employees and consultants, as applicable, are determined by an assessment of the individual's current and expected future performance, level of responsibility, importance of the position held, contribution to the Company and previous option grants. In making such assessment, the Compensation Committee considers a range of factors, including:

- (a) the remuneration paid to the individual as at the grant date in relation to the total remuneration payable by the Company to all of its directors, officers, employees and consultants as at the grant date;
 - (b) the length of time that each individual has been employed or engaged by the Company; and
 - (c) the quality of work performed by such director, officer, employee or consultant.
-

Director Compensation

In 2024, the Board adopted the *Corporate Governance Overview and Guidelines* (“**Guidelines**”), which were established by the Business Roundtable which was an association of chief executive officers of leading U.S. Companies. The Guidelines provide that the form and amount of director compensation will be recommended by the Compensation committee and approved by the Board in accordance with the general principles set forth in the Guidelines and in the Compensation Committee charter.

Pursuant to the Guidelines, the Company’s policy is to compensate directors competitively relative to comparable companies. The Company’s management will, from time to time, present a report to the Compensation committee comparing the Company’s director compensation with that of comparable companies.

Pension Disclosure

As at the year ended August 31, 2023 and to the date of this Information Circular, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans for its NEOs, directors or officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

During the year ended August 31, 2023, the Company had in effect the Stock Option Plan.

The following table sets forth the Company’s compensation plans under which equity securities are authorized for issuance as August 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (c)) (c)
Equity compensation plans approved by security holders	Not Applicable	Not Applicable	7,370,815
Equity compensation plans not approved by security holders	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	\$0.05	7,370,818 ⁽¹⁾

(1) As at August 31, 2023, an aggregate of 7,370,818 Common Shares, representing 10% of the then outstanding number of Common Shares, were available for issue under the Stock Option Plan, of which, Nil stock options were issued and outstanding.

Annual Burn Rate Under Equity Compensation Plans

The following sets forth the total number of Options granted in each of the past two years (to all Eligible Participants), and the potential dilutive effect of such awards have assuming that each is paid out in darelle Shares.

Period	Options Granted (Burn Rate) ⁽¹⁾	Weighted-average darelle Shares Outstanding
2023	-	73,708,147
2022	-	73,708,147

(1) The burn rate for a given year is calculated by dividing the number of Options granted during the year by the weighted average number of darelle shares outstanding during the year. No Options were granted during the fiscal years ending August 31, 2023, and 2022.

INDEBEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There was no indebtedness outstanding for any current or former director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which 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, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

Furthermore, none of such persons was indebted to a third party during such period where his indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Applicable securities legislation defines “*informed person*” to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting

rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

None of the informed persons 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, in any transactions since the commencement of the Company's last completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries, except as otherwise disclosed elsewhere in this Information Circular.

MANAGEMENT CONTRACTS

No management functions of the Company or any subsidiary of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company or the applicable subsidiary.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Company's board of directors and management have established certain corporate governance practices which, in the opinion of the Board, are consistent with the overall business of the Company and its stage of development. The following represents the disclosure required by National Instrument 58-101 - "Disclosure of Corporate Governance Practices" ("NI 58-101").

Corporate Governance Practices

National Policy 58-201 – Corporate Governance Guidelines sets out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of Board members and other items dealing with sound corporate governance. NI 59-101 requires that if management of an issuer solicits proxies from its security holders for the purpose of electing directors, specified disclosure of the corporate governance practices must be included in its Information Circular.

The Board of Directors

Four of the proposed nominees for election as directors at the Meeting are current directors of the Company. The Board is currently comprised of Dean Bethune, Scott Hamilton, John Newman, and Michael Ellis. With the exception of Messrs. Bethune and Hamilton, all members of the board of directors are independent within the meaning of NI 58-101. Messrs. Bethune and Hamilton are not independent as there are executive officers of the Company. The proposed nominee (David Eaton) is also considered independent.

The independent directors exercise their responsibilities for independent oversight of management and are provided with leadership through their position on the Board and ability to meet independently of management whenever deemed necessary.

Directorships

The current and proposed directors of the Company may serve as directors of other reporting issuers. Currently, the following directors and nominee Director serve on the board of directors of other reporting issuers or reporting issuer equivalents(s) as follows:

Director	Reporting Issuer(s) or Equivalent(s)
David Eaton	Jayden Resources Inc. (TSXV) Prisma Exploration Inc. (CSE) Penbar Capital Ltd. (TSXV) LDB Capital Corp. (TSXV)

Below is the attendance record of each Director for all Board and Committee meetings held during the period from September 1, 2022 to August 31, 2023:

Name and position	Board (4 meetings)		Audit (4 meetings)		Compensation (0 meetings)		Corporate Governance (1 meeting)	
	No.	%	No.	%	No.	%	No.	%
Dean Bethune	4	100	4	100	n/a	n/a	1	100
Scott Hamilton	4	100	4	100	1	100	1	100
John Newman	4	100	4	100	1	100	n/a	n/a
Michael Ellis	2	50	4	100	1	100	1	100

Board Governance

The Board has the responsibility for the overall stewardship of the conduct of the business of the Company and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Company meets its obligations on an ongoing basis and that the Company operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Company. In overseeing the conduct of the business, the Board, through the CEO, sets the standards of conduct for the Company.

The Board operates by delegating certain of its authorities to management and be reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Company and the *Business Corporations Act* (British Columbia), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

Board Mandate

The Board has a written mandate which includes responsibility to supervise and evaluate management, to oversee the conduct of the Company's business, to set policies appropriate for the business of the Company and to approve corporate strategies and goals. The Board is to carry out its mandate in a manner consistent with the fundamental objective of enhancing shareholder value. In discharging its duty of stewardship over the Company the Board expressly undertakes the following specific duties and responsibilities: (i) adopting, supervising and providing guidance on the Company's strategic planning process; (ii) identifying the principal risks of the Company's business and ensuring the implementation of appropriate risk management systems; (iii) ensuring that the Company has management of the highest caliber and maintaining adequate and effective succession planning for senior management; (iv) placing limits on management's authority; (v) overseeing the integrity of the Company's internal control and management information systems; and (vi) overseeing the Company's communication policy with its shareholders and with the public generally.

Position Descriptions

The Board has adopted a written position description for the CEO. The CEO position description addresses, among other things, reporting, integrity, strategic planning, business and risk management and organizational effectiveness.

Orientation and Education

Under its mandate, the Corporate Governance and Nominating Committee is responsible for developing and implementing an orientation program for new directors, where necessary.

Board members are encouraged to communicate with management and auditors, to keep current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records.

Board Diversity

The Company recognizes that improving diversity on the Board and among its senior executives presents the Company with an opportunity to develop a competitive advantage by ensuring that the Company appeals to potential employees from the broadest possible talent pool. The focus always has been, and will continue to be, to recruit and appoint the most qualified individuals.

Ethical Business Conduct

The Board has adopted a formal written code of Business Conduct and Ethics (the "**Code of Conduct**") for its directors, officers, consultants, and employees.

Individuals governed by the Code of Conduct are required to disclose in writing all business, commercial or financial interests or activities which might reasonably be regarded as creating an actual or potential conflict with their duties. Individuals must avoid all situations in which their personal interests' conflict or might conflict with their duties to the Company or with the economic interest of the Company. All business transactions with individuals, corporations or other entities that could potentially, directly or indirectly, be considered to be a related party, must be approved by the Board regardless of the amount involved.

directors, officers, consultants, and employees are encouraged to report violations of the Code of Conduct on a confidential and, if preferred, anonymous basis, in accordance with the complaints procedure set out in the Code of Conduct or the Company's Whistle Blower Policy. The Audit Committee may request special treatment for any complaint, including the involvement of the Company's external auditors or outside counsel or other advisors. All complaints are required to be documented in writing by the person(s) designated to investigate the complaint, who shall report forthwith to the Chair of the Audit Committee. On an annual basis, or otherwise upon request from the Board, the Code of Conduct requires the Chair of the Audit Committee to prepare a written report to the Board summarizing all complaints received during the previous year, all outstanding unresolved complaints, how such complaints are being handled, the results of any investigations and any corrective action taken.

A copy of the Code of Conduct and the Company's Whistle Blower Policy is available on the Company's website at www.darelle.com

Whistle Blower Policy

The Company has adopted a written Whistle Blower Policy to encourage the Company's officers, directors, consultants and employees to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment. The Whistle Blower Policy is administered by the Audit Committee, a copy of which is posted on the Company's website at www.darelle.com

In addition, the Company has adopted policies to assist in the conduct of ethical business which includes the following:

- a Blackout Period Policy for its directors, executive officers and senior management of the Company to raise the general level of awareness of the trading and confidential obligations of directors, executive officers and senior management. All directors, executive officers and senior management are expected to comply with the Blackout Period Policy.
- A Corporate Disclosure Policy to ensure effective communication between the Company, its shareholders and the public.

Corporate Governance and Nominating Committee

The purpose of the Corporate Governance and Nominating Committee is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the Board and Shareholders that the Company's corporate governance system is effective in the discharge of its obligations to the Company's shareholders.

The Corporate Governance and Nominating Committee also has the responsibility of proposing nominees for Director. The Committee considers the competencies and skills that the Board as a whole should possess, the competencies and skills of existing Board members and the competencies and skills of proposed new Board members. The Committee members utilize their extensive knowledge of the industry and personal contacts to identify potential nominees that possess the desired skills and competencies.

The duties and responsibilities of the Corporate Governance and Nominating Committee include, without limitation, the following:

- (a) to develop and monitor the Company's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- (b) to report annually to the Company's Shareholders, through the Company's annual Information Circular or annual report to Shareholders, on the Company's system of corporate governance and the operation of its system of governance;
- (c) to analyze and report annually to the Board the relationship of each Director to the Company as to whether such Director is a related Director or an unrelated Director; and
- (d) to advise the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered by the Board or any such committee.

The Company has adopted a formal written mandate for the Corporate Governance and Nominating Committee. The mandate provides that the Corporate Governance and Nominating Committee shall consist of at least three members of the Board and should be composed of a majority of "independent" directors within the meaning of NI 58-101. The Corporate Governance and Nominating Committee members were Messrs. John Newman (Chair), Michael Ellis and Scott Hamilton. All Committee members with the exception of Mr. Scott Hamilton, were considered to be independent.

The Board appoints the members of the Corporate Governance and Nominating Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Shareholders of the Company. The Board may at any time remove or replace any member of the Corporate Governance and Nominating Committee and may fill any vacancy in the committee.

The Corporate Governance and Nominating Committee meets regularly each year on such dates and at such locations as the Chair of the committee determines. The Corporate Governance and Nominating Committee has access to such officers and employees of the Company and to such information respecting the Company and may engage independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

AUDIT COMMITTEE AND NATIONAL INSTRUMENT 52-110, AUDIT COMMITTEES ("NI-52-110") DISCLOSURE

As a reporting issuer in British Columbia, the Company is required to have an audit committee (the "Audit Committee"). Messrs. John Newman, Michael Ellis and Scott Hamilton are currently members of the Company's Audit Committee. The Company has no Executive Committee.

The principal purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts on financial and tax related matters.

The Company has adopted a formal written mandate The Audit Committee Charter is attached to this Information Circular as **Appendix A**. The mandate is also available on the Company's website at www.darelle.com The mandate provides that the Audit Committee shall consist of at least three members of the Board, a majority of whom shall be "independent" within the meaning of National Instrument 52-

110 *Audit* Committees (“NI 52-110”). NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect relationship with the issuer, which could, in the view of the Issuer’s board of directors, reasonably interfere with the exercise of the member’s independent judgment. The Company is relying upon the exemption provided by Part 6 of NI 52-110, which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in the form as prescribed by NI 52-110.

The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the Shareholders and the compensation of the auditors. The Audit Committee meets a minimum of four times per year.

Composition of the Audit Committee and Relevant Education and Experience

Below are details of each current Audit Committee member, including their name, whether they are independent and financially literate as such terms are defined under NI 52-110, and a summary of the Audit Committee member’s education and experience which is relevant to the performance of their responsibilities as an audit committee member.

Member Name	Independent (1)	Financially Literate (2)	Education and experience relevant to performance of audit committee duties
John Newman (Chair)	Yes	Yes	Mr. Newman is a Fellow of CPA (Australia) and has acted as a director and, officer of several public and private oil and gas exploration companies, as well as several oilfield service companies in Western Canada.
Michael Ellis	Yes	Yes	Mr. Ellis has acted as a director, officer and member of audit committee of a public company for several years. Mr. Ellis has also owned and operated several businesses over the course of his professional career.
Dean Bethune	No	Yes	Mr. Bethune is a CPA, C.A. and has acted as a director, officer and audit committee member of public companies listed on the TSX Venture Exchange and the TSX for many years.

Note:

1. To be considered independent, a member of the audit committee must not have any direct or indirect “material relationship” with the Company. A material relationship which could, in the view of the board of directors of the Company, reasonably interfere with the exercise of a member’s independent judgement.
2. To be considered financially literate, a member of the audit committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the board of directors.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained 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 engagement of non-audit services as described in the Audit Committee Charter.

Exemption

The Company is relying upon the exemption in section 6.1 of the NI 52-110 — Audit Committees, which exempts venture issuers (as defined therein) from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of that instrument.

Compensation Committee

The principal purpose of the Compensation Committee is to implement and oversee compensation policies approved by the Board. The duties and responsibilities of the Compensation Committee include, without limitation, the following:

- (a) to recommend to the Board compensation policies and guidelines for the Company; and
- (b) to review and approve corporate goals and objectives relevant to the compensation of the CEO and, in light of those goals and objectives, to recommend to the Board the annual salary, bonus and other benefits, direct and indirect, of the CEO and to approve compensation for all other designated officers of the Company, after considering the recommendations of the CEO, all within the human resources and compensation policies and guidelines approved by the Board.

The Company has adopted a formal written mandate for the Compensation Committee. The mandate provides that the committee shall consist of at least three members of the Board, a majority of whom shall be "independent" within the meaning of the Governance Guidelines. During the most completed financial year, the Compensation Committee members were Messrs. Michael Ellis (Chair), John Newman and Scott Hamilton. All of the members of the Compensation Committee were independent, except for Mr. Hamilton, the Company's CFO.

All members of the Compensation Committee have direct experience that is relevant to their responsibilities as Compensation Committee members. All of the members of the Compensation Committee have acted as directors and/or Officers for a public company, and therefore have a good understanding of how compensation works and how to motivate staff. All of the members have good financial understanding, which allows them to assess the costs versus benefits of compensation plans. The members combined experience provides them with the understandings of the Company's success factors and risks which is important when determining the metrics for measuring success. The Company did not retain any compensation consultants or advisors during or since the year ended August 31, 2020.

The Board appoints the members of the Compensation Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Company's Shareholders. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the committee.

The Compensation Committee meets at least once annually on such dates and at such locations as the Chair of the Compensation Committee determines. The Compensation Committee has access to such officers and employees of the Company and to such information respecting the Company and may engage independent counsel or advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities. During the 2020 financial year, the Company did not engage independent counsel or advisors to assist the Compensation Committee in performing its duties and responsibilities.

Assessment of the Board

The Board, the Committee and individual directors are not regularly assessed with respect to their effectiveness and contribution. The Board believes that such assessments are more appropriate for companies of a larger size and complexity which may have significantly larger boards of directors. Where appropriate, the chair of the Board meets with individual directors to discuss their contribution and that of the other directors. Arising from such meetings, if appropriate, the Board considers procedural and substantive changes to increase the effectiveness of the Board, its committees and members.

Any Other Matters

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or postponement thereof. Management of the Company knows of no other matters which will be brought before the Meeting, other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting; the Common Shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting such proxies.

Additional Information

The Board approves the Company's annual Financial Statements and annual MD&A, interim quarterly reports to shareholders and the content of the Company's other significant public disclosure documents. These and other prescribed documents are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Financial information regarding the Company is provided in the annual financial statements and annual MD&A for the fiscal year ended August 31, 2023. The Company will provide, at no charge to the shareholder, a copy of its latest Financial Statements and MD&A for the year ended August 31, 2023, interim quarterly reports for subsequent periods, and a copy of this Information Circular upon request to the Company as follows:

- (i). email: info@darelle.com
 - (ii). telephone: (778) 840-3325
 - (iii). mail: 4610 Sheridan Ridge Road
Nanaimo, B.C. V9T 6S6
Attn: Corporate Secretary
-

BOARD APPROVAL

The contents and distribution of this Information Circular and its mailing has been authorized by the Board.

Dated this fifth day of June, 2024

By Order of the Board of Directors

(Signed) Dean Bethune
Chief Executive Officer and Director



Appendix A

DARELLE ONLINE SOLUTIONS INC.

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's system of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control systems and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Audit Committee shall be comprised of at least three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise off his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee should have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumable be expected to be raised by the Company's financial statements. The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting.

Meetings

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, The Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update and update the Charter annually.
-

- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
 - (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
 - (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
 - (d) Take, or recommend that the full Board, take appropriate action to oversee the independence of the external auditors.
 - (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
 - (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
 - (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
 - (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
 - (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to
-

whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.

Other

Review any related-party transactions.

THIS PAGE INTENTIONALLY LEFT BLANK

