



## A.I.S. RESOURCES LIMITED

### 2022 ANNUAL GENERAL AND SPECIAL MEETING

**Notice of the Annual General and Special Meeting of the Shareholders  
Management Information Circular**

**Meeting Date:** Thursday, September 15, 2022

**Time:** 1:00 p.m. (Vancouver time)

**Place:** Suite 1120 – 789 West Pender St.  
Vancouver, B.C. V6C 1H2

Dated: August 11, 2022

## **CORPORATE INFORMATION**

### **Registered Office**

c/o Max Pinsky Personal Law Corporation  
700-1199 West Hastings Street  
Vancouver, BC  
Canada V6E 3T5

### **Canadian Operations**

Suite 1120  
789 West Pender Street  
Vancouver BC  
Canada V6C 1H2

### **Directors**

Martyn Element, Chairman of the Board  
Phillip Thomas, President, CEO & COO  
Kiriaki Smith, Chief Financial Officer & Secretary  
Anthony David Nettleton Balme, Director

### **Auditors**

Manning Elliott LLP  
17<sup>th</sup> Floor, 1030 West Georgia Street  
Vancouver, BC  
V6E 2V3

### **Registrar and Transfer Agent**

Computershare Investor Services Inc.  
510 Burrard Street, 3rd Floor,  
Vancouver, B.C.  
V6C 3B9

### **Legal Counsel**

Max Pinsky Personal Law Corporation  
700-1199 West Hastings Street  
Vancouver, BC  
Canada V6E 3T5

### **Listing**

TSX-V Symbol AIS  
OTCQB Symbol AISSF

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an Annual General and Special Meeting (the "**Meeting**") of Shareholders ("**Shareholders**") of common shares ("**Common Shares**") of **A.I.S. Resources Limited** ("**A.I.S.**") will be held at Suite 1120 – 789 West Pender Street Vancouver, B.C. V6C 1H2, on **September 15, 2022 at 1:00 p.m.** (PST) for the following purposes:

1. to receive the financial statements of A.I.S. for the years ended December 31, 2020 and December 31, 2021 and the auditors' report thereon;
2. to fix the number of directors to be elected at the Meeting at four (4);
3. to elect directors to hold office until the next annual meeting of Shareholders;
4. to appoint auditors to hold office until the next annual meeting of Shareholders and to authorize the board of directors of A.I.S. to fix their remuneration as such; and
5. to approve, ratify and confirm by ordinary resolution the Company's new 10% Rolling Stock Option Plan for the ensuing year, as more particularly described in the accompanying Information Circular;
6. to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular. **In light of the ongoing public health concerns related to COVID-19 and in order to comply with the measures imposed by the federal and provincial governments, the Corporation is encouraging shareholders and others not to attend the meeting in person.** The Corporation is offering its shareholders the option to listen and participate (but not vote) at the Meeting in real time by Zoom Meeting at the following coordinates:

### Join Zoom Meeting

<https://us06web.zoom.us/j/84106571469?pwd=ek91b2JZZHZZanhZjZCcTVvRFBwUT09>

Meeting ID: 841 0657 1469

Passcode: 120501

Dial +1 647 374 4685 Canada

Meeting ID: 841 0657 1469

Passcode: 120501

Find your local number: <https://us06web.zoom.us/j/84106571469>

The record date for the Meeting has been fixed at the close of business on August 11, 2022 (the "**Record Date**"). Only Shareholders of record as at the close of business on the Record Date are entitled to receive notice of and vote at the Meeting.

If you are a registered Shareholder and are unable to attend the Meeting or any adjournment thereof in person, please complete, sign and mail the enclosed form of proxy to, or deposit it with, Computershare Investor Services Inc., 510 Burrard Street, Vancouver, British Columbia, V6C 3A8 (according to the instructions on the proxy), so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. Registered Shareholders may also use the internet site at [www.investorvote.com](http://www.investorvote.com) to transmit their voting instructions. Alternatively, a proxy may be deposited with the secretary of A.I.S. before or at the Meeting.

If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker or other intermediary in accordance with the instructions provided therein.

Dated this 11th day of August, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF A.I.S. RESOURCES  
LIMITED**

“Phillip Thomas”

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**Phillip Thomas**

President, CEO & COO

## INFORMATION CIRCULAR

Dated: August 11, 2022

### General

This Information Circular is furnished in connection with the solicitation of proxies by the management of **A.I.S. Resources Limited** ("A.I.S." or the "Corporation") for use at the Annual General and Special Meeting (the "Meeting") of Shareholders ("Shareholders") of Common Shares ("Common Shares") of A.I.S. to be held on September 15, 2022, and any adjournments thereof. No person has been authorized to give any information or make any representations in connection with the matters to be considered at the Meeting other than those contained in this Information Circular and if given or made, any such information or representation must not be relied upon as having been authorized.

Information contained in this Information Circular is given as of August 11, 2022, unless otherwise specifically stated.

**In light of the ongoing public health concerns related to COVID-19 and in order to comply with the measures imposed by the federal and provincial governments, the Corporation is encouraging shareholders and others not to attend the meeting in person.** The Corporation is offering its shareholders the option to listen and participate (but not vote) at the Meeting in real time by Zoom Meeting at the following coordinates:

**Meeting ID: 841 0657 1469**

**Passcode: 120501**

**Dial +1 647 374 4685 Canada**

**Meeting ID: 841 0657 1469**

**Passcode: 120501**

**Find your local number: <https://us06web.zoom.us/j/kbyYe2A32a>**

While as of the date of this Circular, we are intending to hold the Meeting in physical face to face format with a conference call for participation, we are continuously monitoring the current coronavirus (COVID-19) outbreak. In light of the rapidly evolving news and guidelines related to COVID-19, we ask that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **In order to minimize group sizes and respect social distancing regulations, all shareholders are urged to vote on the matters before the Meeting by proxy which can be submitted electronically, by mail, or by phone as further described herein.** We reserve the right to take additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release which would be filed on SEDAR. Please monitor the Corporation's press releases for updated information up until the date of the Meeting. We do not intend to prepare or mail an amended management information circular in the event of changes to the Meeting format.

### Solicitation of Proxies

This Information Circular is provided in connection with the solicitation of proxies by the management of A.I.S. for use at the Meeting for the purposes set forth in the accompanying Notice of Annual Meeting. Solicitations of proxies will be primarily by mail, but may also be by newspaper publication, in person or by telephone, fax or oral communication by directors, officers, employees or agents of A.I.S., who may be specifically remunerated therefor. All costs of the solicitation for the Meeting will be borne by A.I.S.

## Appointment and Revocation of Proxies

Accompanying this Information Circular is a form of proxy (the "**Instrument of Proxy**") for use by Shareholders. The persons named in the enclosed Instrument of Proxy are directors and/or officers of A.I.S. **A Shareholder desiring to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting, other than the persons designated in the Instrument of Proxy enclosed herewith, may do so either by inserting such person's name in the blank space provided in the accompanying Instrument of Proxy or by completing another form of proxy** and, in either case, mailing the completed proxy to Computershare Investor Services Inc., 510 Burrard Street, Vancouver, British Columbia, V6C 3A8 (according to the instructions on the proxy), so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. Registered Shareholders may also use the internet site at [www.investorvote.com](http://www.investorvote.com) to transmit their voting instructions. Failure to so deposit a form of proxy shall result in its invalidation. Alternatively, a proxy may be deposited with the secretary of A.I.S. before or at the Meeting.

## Voting of Proxies for Non-Registered Shareholders

**Only proxies deposited by registered Shareholders whose names appear on the records of A.I.S. as the registered holder of Common Shares can be recognized and acted upon at the Meeting. If you are a non-registered holder of Common Shares and have received these materials from your broker or another intermediary, please complete and return the proxy or other voting instruction form provided to you by your broker or other intermediary in accordance with the instructions provided with it. Failure to do so may result in your Common Shares not being eligible to be voted at the Meeting. See "Advice to Beneficial Shareholders" below.**

## Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy by instrument in writing executed by the Shareholder or such shareholder's attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited either at the registered office of A.I.S. at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. The registered office of A.I.S. is at 700-1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions via the internet in accordance with the above and subsequently wishes to change their appointment, such Shareholder may resubmit their proxy and/or voting direction via the internet prior to the deadline noted above. When resubmitting a proxy via the internet, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

## Proxy Voting

The Common Shares represented by the accompanying Instrument of Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of such direction, the persons set forth in the accompanying Instrument of Proxy, if named as proxy, intend to vote the Common Shares represented thereby FOR each of the matters set forth in the accompanying Notice of Annual Meeting.**

## Exercise of Discretion of Proxy

The enclosed Instrument of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Annual Meeting and this Information Circular and with respect to other matters that may properly come before the Meeting. At the date of this Information Circular, management of A.I.S. does not know of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the accompanying Notice of Annual Meeting.

## Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of them do not hold their Common Shares in their own names. Shareholders who do not hold Common Shares in their own names ("**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of A.I.S. as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of A.I.S. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. The directors and officers of A.I.S. do not know for whose benefit the Common Shares registered in the name of CDS & Co. or of other brokers/agents are held. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Instrument of Proxy provided to registered Shareholders by A.I.S.; however, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form instead of the form of proxy. The Beneficial Shareholder is asked to complete the voting instruction form and return it to Broadridge by mail or facsimile. Alternatively, the Beneficial Shareholder may call a toll-free number to vote the shares held by the Beneficial Shareholder or vote online. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholders for the registered Shareholder should enter their own names in the blank space on the instrument of proxy or other voting instruction form provided to them and return the same to their brokers (or the brokers' agents) in accordance with the instructions provided by such brokers (or agents) well in advance of the Meeting.

## Quorum

Pursuant to the articles of association of A.I.S., a quorum of shareholders at the Meeting shall be one or more Shareholders present or represented by proxy and holding, in the aggregate, not less than 1% of the outstanding Common Shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### Financial Statements

At the Meeting, the Shareholders will receive the annual comparative financial statements of A.I.S. as at and for the years ended December 31, 2020 and December 31, 2021, including the auditors' report thereon.

### Fixing Number of Directors

It is proposed that the number of directors to be elected at the Meeting be set at four (4). There are presently four directors of A.I.S., each of whose term of office shall expire at the termination of the Meeting unless such director is re-elected as a director at the Meeting. Unless otherwise directed, the persons set forth in the accompanying Instrument of Proxy, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of an ordinary resolution setting the number of directors to be elected at the Meeting at four (4).

### Election of Directors

The names and jurisdiction of residence of the persons nominated for election as directors of A.I.S., the date each was originally elected or appointed a director of A.I.S., the principal occupation of each and the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by each nominee, are set forth in the below table. **Unless otherwise directed, the persons set forth in the accompanying Instrument of Proxy, if named as proxy, intend to vote the Common Shares represented by any such proxy for the election of the below nominees to the board of directors (the "Board") of A.I.S.** The directors elected at the Meeting will hold office until the next annual meeting of A.I.S. or until their successors are elected or appointed, subject to the articles and by-laws of A.I.S.

Name and Jurisdiction of Residence of Proposed Directors	Date Originally Elected or Appointed a Director	Principal Occupation	Number of Common Shares Held <sup>(1)</sup>
Martyn Element <sup>(2)</sup> <sup>(3)</sup> Vancouver, Canada	February 24, 2014	President and Chief Executive Officer of Martyn Element and Associates, a corporate finance consultant.	3,591,024
Kiriaki Smith <sup>(2)</sup> <sup>(3)</sup> Vancouver, Canada	October 1, 2015	Principal at KSI CPA Inc., a chartered professional accounting corporation.	1,886,578
Phillip Thomas Australia	October 24, 2016	President and CEO of Panopus PLC., a geological consulting, trading, and investment banking company.	506,333 13,005,674 <sup>(4)</sup>  Total: 13,512,007
Anthony David Nettleton Balme <sup>(2)</sup> <sup>(3)</sup> United Kingdom	August 22, 2018	Chairman of Carter Capital Ltd., a private mining finance business and AMC Ltd., a family company in insurance underwriting and investment activities.	1,705,556 4,884,111 <sup>(5)</sup>  Total: 6,589,667

Notes:

(1) Common Shares beneficially owned, controlled or directed, directly or indirectly, is based upon information

- furnished to A.I.S. by the individual directors.
- (2) Member of the Audit Committee.
  - (3) Member of the Compensation Committee.
  - (4) 13,005,674 shares are held through corporations controlled by Mr. Thomas.
  - (5) 4,884,111 shares are held through corporations controlled by Mr. Balme.

To the knowledge of A.I.S., no proposed director of A.I.S. is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including A.I.S.), that: (a) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of A.I.S., no proposed director of A.I.S.: (a) is, as of the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including A.I.S.) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of A.I.S., no proposed director of A.I.S. 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 shareholder in deciding whether to vote for a proposed director.

### **Appointment of Auditors**

Unless otherwise directed, the persons set forth in the accompanying Instrument of Proxy, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution to re-appoint Manning Elliott LLP, Chartered Accountants, as auditors of A.I.S. to hold office until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.

### **Annual Approval of Stock Option Plan**

#### *Background*

The Company's stock option plan (the "**Stock Option Plan**") was most recently approved by the shareholders of the Company at the meeting of shareholders of the Company on February 11, 2021 and subsequently accepted for filing by the TSXV. On November 24, 2021, the TSX Venture Exchange (the "**Exchange**") updated its Policy 4.4 *Security Based Compensation* (the "**Exchange Policy**"). As a result, the Board determined it to be in the best interest of the Company to proceed with the approval of a new stock option plan on August 11, 2022 (the "**New Plan**") to replace its current Stock Option Plan. All existing options granted under the former Stock Option Plan will continue in force, subject to the terms of the New Plan.

Under the New Plan, the maximum number of Common Shares issuable upon the exercise of all options granted under the New Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares, from time to time, provided that the number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. As at the date of this Information Circular, 16,396,667 options were outstanding.

During the year ended December 31, 2020, 4,215,000 options were granted, 1,690,000 options were exercised and 15,000 options were cancelled. The following table summarizes the details of options granted during the year ended December 31, 2020.

<b>Date of grant</b>	<b>Number of Options</b>	<b>Exercise price</b>	<b>Expiry date</b>
August 25, 2020	2,465,000	\$0.07	August 25, 2025
October 2, 2020	1,550,000	\$0.075	October 2, 2020
November 2, 2020	200,000	\$0.065	November 2, 2025
<b>Total</b>	<b>4,215,000</b>		

During the year ended December 31, 2021, 6,466,667 options were granted, nil options were exercised and 530,000 options were cancelled. The following table summarizes the details of options granted during the year ended December 31, 2021.

<b>Date of grant</b>	<b>Number of Options</b>	<b>Exercise price</b>	<b>Expiry date</b>
January 7, 2021	2,250,000	\$0.08	January 7, 2026
January 11, 2021	616,667	\$0.08	January 11, 2026
July 9, 2021	2,500,000	\$0.08	July 9, 2026
November 12, 2021	1,100,000	\$0.05	November 12, 2026
<b>Total</b>	<b>6,466,667</b>		

#### **Approval of New Stock Option Plan**

The purpose of the New Plan is to attract and motivate directors, senior officers, employees, consultants and others providing services to the Company and its subsidiaries, and thereby advance the Company's interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options. The Company is currently listed on Tier 2 of the TSXV and has adopted a "rolling" stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the stock option grant. The New Plan is required to be approved by the Shareholders each year at the Company's Annual General Meeting.

The TSXV's Policy 4.4 and the terms of the New Plan authorize the Board of Directors to grant stock options to optionees on the following terms:

1. The aggregate number of shares that may be issued pursuant to options granted under the New Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the issued and outstanding shares of the Company at the time of the grant.
2. The number of shares subject to each option will be determined by the Board of Directors, provided that the aggregate number of shares reserved for issuance pursuant to options granted to:
  - (a) insiders may not exceed 10% of the issued shares of the Company in any 12 month period (unless disinterested shareholder approval has been obtained);
  - (b) insiders may not exceed 10% of the issued shares of the Company at any point in time;
  - (c) any one individual within a 12 month period may not exceed 5% of the number of issued and outstanding shares of the Company (unless the Company is a Tier 1 Issuer and disinterested shareholder approval has been obtained);
  - (d) any one consultant during any 12 month period may not exceed 2% of the issued shares of the Company;
  - (e) all persons employed to provide investor relations activities (as a group) may not exceed 2% of the issued shares of the Company during any 12 month period;

in each case calculated as at the date of grant of the option, including all other shares under option to such person at that time.

3. The exercise price of an option may not be set at less than the minimum price permitted by the TSXV. The Company must obtain disinterested shareholder approval of any decrease in the exercise price of, or extension of the term of, any stock options granted to individuals who are insiders at the time of the proposed amendment.
4. Options may be exercisable for a period of up to ten years from the date of grant.
5. The options are non-assignable and non-transferable. The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the New Plan or within a period of not more than 30 days after ceasing to be an eligible optionee or, if the optionee dies, within one year from the date of the optionee's death.
6. Options granted to consultants engaged to perform investor relations activities must be subject to a vesting requirement, whereby such options will vest over a period of not less than 12 months, with a maximum of 25% vesting in any 3 month period.
7. The Board of Directors will have the right to accelerate the date on which any option, other than an option granted in respect of consultants engaged to perform investor relations activities, becomes exercisable.

The Company's New Plan terminates upon the termination of all outstanding plan awards unless previously terminated by the Board of Directors. Upon such Plan termination, all outstanding plan awards shall thereafter continue to have force and effect in accordance with the provisions of the documents evidencing such plan awards.

A copy of the New Plan may be inspected at the office of the Company, Suite 1120 – 789 West Pender Street, Vancouver, BC, V6C 1H2 during normal business hours at any time up to the Meeting and at the Meeting. In addition, a copy of the New Plan will be mailed, free of charge, to any holder of common shares who requests a copy, in writing, from the Company at the address above.

Notice of options granted under the New Plan must be given to the TSXV on a monthly basis. Any amendments to the Plan must also be approved by the TSXV and, if necessary, by the shareholders of the Company prior to becoming effective.

Accordingly, Shareholders will be asked to pass an ordinary resolution, in substantially the following form, to approve for the ensuing year, the Company's New Plan:

"BE IT RESOLVED, as an ordinary resolution, that:

- A) the Company's New Plan, as described in the Company's Information Circular dated August 11, 2022, and the grant of options thereunder in accordance therewith, be and is hereby approved, ratified, and confirmed; and
- B) The Company's New Plan shall terminate upon the termination of all outstanding plan awards unless earlier terminated by the Board of Directors. Upon such New Plan termination, all outstanding plan awards shall thereafter continue to have force and effect in accordance with the provisions of the documents evidencing such plan awards."

#### **Additional Business**

At the Meeting, the Shareholders will also transact such further or other business as may properly come before the Meeting or any adjournments thereof. Management of A.I.S. knows of no amendments, variations or other matters to come before the Meeting, other than the matters referred to in the accompanying Notice of Annual Meeting. However, if any other matter properly comes before the Meeting, the persons set forth in the accompanying Instrument of Proxy, if named as proxy, will vote on such matter in accordance with their best judgment.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date hereof, the Company has issued and outstanding **194,215,409** fully paid and non-assessable Common shares without par value, each share carrying the right to one vote. The Company also has authorized an unlimited number of Preferred shares, none of which have been issued or are outstanding. **The Company has no other outstanding voting securities other than 194,215,409 Common shares.**

Any shareholder of record at the close of business on August 11, 2022 who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting.

To the knowledge of the directors and executive officers of A.I.S., as at the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding shares of each class of the Company:

Member	Number of Common Shares	Percentage of Issued Common Share Capital (of 194,215,409)
CDS & CO. <sup>(1)</sup>	165,678,041	85.31%

(1) The beneficial owners of common shares held by depositories and brokerage firms are not known to the directors or executive officers of the Company.

As at August 11, 2022, the total number of common shares owned or controlled by management and directors of the Company and their associates or affiliates was 17,103,031 common shares, representing 9.61% of the total issued and outstanding common shares.

## INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth herein, to the knowledge of the directors and executive officers of A.I.S., there are no material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of A.I.S. at any time since the beginning of its most recently completed financial year, or of any associate or affiliate of any of the foregoing, in the matters set forth in the accompanying Notice of Annual General and Special Meeting.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management of A.I.S. is not aware of any material interest, direct or indirect, of any director or executive officer of A.I.S., any person who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other "informed person" (as defined in National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators) or any associate or affiliate of such persons, in any transaction since the commencement of A.I.S.'s most recently completed financial year or in any proposed transaction which has materially affected, or is reasonably expected to materially affect, A.I.S. or any of its subsidiaries.

## STATEMENT OF EXECUTIVE COMPENSATION

### Named Executive Officers

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officer"):

- (a) the Company's chief executive officer ("CEO");
- (b) the Company's chief financial officer ("CFO");
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

This Statement of Executive Compensation describes the compensation paid, made payable, awarded, granted, gave or otherwise provided during the financial years ended December 31, 2020 and December 31, 2021, to the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of A.I.S. (collectively, the "NEOs" or "Named Executive Officers"), as well as each person that acted as a director of A.I.S. at any time during the last completed financial year.

During the financial years ended December 31, 2020 and December 31, 2021, the Company had two Named Executive Officers, namely, Phillip Thomas, President, CEO and COO, and Kiriaki Smith, CFO and Secretary.

### Compensation Discussion and Analysis

The Company's executive compensation is paid primarily in the form of the management, consulting or accounting fees, annual cash bonus, and grant of options under the Corporation's Share Option Plan, which aligns executive compensation with the achievement of the Corporation's business objectives and financial and operational results. The Company's executive compensation practices are designed to attract and retain talented personnel capable of achieving the Company's objectives. The Company also utilizes compensation programs to motivate and reward the Company's executives for the ultimate achievement of the Company's goals. The Board does not set specific objectives in assessing the performance of the Corporation and its executive officers, but rather the Board uses its collective experience and judgment in assessing performance and determining overall compensation, including the number of options to grant A.I.S.' executive officers and directors. The Corporation does not have a formal policy with respect to directors and officers purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Common Shares held, directly or indirectly, by the director or officer.

### Summary Compensation

The following table sets forth details of all compensation paid to the Named Executive Officers during the Company's financial years ended December 31, 2020 and December 31, 2021:

					Non-equity incentive plan compensation (\$)				
Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Annual incentive plans	Long-term incentive plans	Pension Value (\$)	All other compensation (\$)	Total Compensation (\$)
Phillip Thomas President, CEO, COO & Director	2021	\$180,000	Nil	\$38,584	N/A	N/A	N/A	Nil	\$218,584
	2020	\$120,000	Nil	\$48,693	N/A	N/A	N/A	Nil	\$168,693
	2019	\$140,000	Nil	\$103,145	N/A	N/A	N/A	Nil	\$243,145
Kiriaki Smith CFO, Secretary & Director	2021	\$126,000	Nil	\$37,265	N/A	N/A	N/A	Nil	\$163,265
	2020	\$118,637	Nil	\$19,384	N/A	N/A	N/A	Nil	\$138,021
	2019	\$167,709	Nil	\$44,457	N/A	N/A	N/A	Nil	\$212,166

(1) The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

Phillip Thomas	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years

Kiriaki Smith	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option	November 2021 \$0.0508 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%	1.44%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%	121.56%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years	5 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

#### Incentive Plan Awards

##### Outstanding option-based awards and share-based awards

The following table sets out the outstanding option-based awards and share-based awards held by the Named Executive Officers as at December 31, 2020 and December 31, 2021:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options 2020/2021 (\$) <sup>(1)</sup>	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Phillip Thomas President, CEO, COO & Director	175,000	\$0.20	August 25, 2022	N/A / N/A	N/A	N/A
	240,000	\$0.91	November 24, 2022	N/A / N/A	N/A	N/A
	175,000	\$0.20	August 17, 2023	N/A / N/A	N/A	N/A
	895,000	\$0.10	July 23, 2024	N/A / N/A	N/A	N/A
	50,000	\$0.12	September 23, 2024	N/A / N/A	N/A	N/A
	350,000	\$0.07	August 25, 2025	\$1,750 / N/A	N/A	N/A
	350,000	\$0.075	October 2, 2025	N/A / N/A	N/A	N/A
Kiriaki Smith CFO, Secretary & Director	155,000	\$0.91	November 24, 2022	N/A / N/A	N/A	N/A
	99,000	\$0.20	August 17, 2023	N/A / N/A	N/A	N/A
	385,000	\$0.10	July 23, 2024	N/A / N/A	N/A	N/A
	35,000	\$0.12	September 23, 2024	N/A / N/A	N/A	N/A
	150,000	\$0.07	August 25, 2025	\$1,500 / N/A	N/A	N/A
	150,000	\$0.075	October 2, 2025	N/A / N/A	N/A	N/A

<sup>(1)</sup> This value was determined by calculating the difference between the market price of the underlying common shares and the exercise price of the options on December 31, 2020, and on December 31, 2021. The closing market price of the Company's common shares on December 31, 2020 was \$0.075 and on December 31, 2021 it was \$0.045.

The following table sets out the value vested or earned in incentive plan awards held by the Named Executive Officers during the financial years ended December 31, 2020 and December 31, 2021:

## **2020**

Name	Option-based awards – Value vested during the year 2020 (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year 2020 (\$)	Non-equity incentive plan compensation – Value earned during the year 2020 (\$)
Phillip Thomas President, CEO, COO & Director	\$48,693	N/A	N/A
Kiriaki Smith CFO, Secretary & Director	\$19,384	N/A	N/A

(1) The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

## 2021

Name	Option-based awards – Value vested during the year 2021 (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year 2021 (\$)	Non-equity incentive plan compensation – Value earned during the year 2021 (\$)
Phillip Thomas President, CEO, COO & Director	\$38,584	N/A	N/A
Kiriaki Smith CFO, Secretary & Director	\$37,265	N/A	N/A

(1) The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

Phillip Thomas	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years

Kiriaki Smith	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option	November 2021 \$0.0508 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%	1.44%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%	121.56%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years	5 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these

### Compensation of Directors

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial years ended December 31, 2020 and December 31, 2021 or subsequently, up to and including the date of this Information Circular.

### Director compensation table

The following table sets out the compensation provided to all directors of the Company, who are not Named Executive Officers, for the Company's financial years ended December 31, 2020 and December 31, 2021:

Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Anthony David Nettleton Balme	2021	\$30,000	Nil	\$16,150	N/A	N/A	N/A	Nil	\$46,150
	2020	\$30,000	Nil	\$8,990	N/A	N/A	N/A	Nil	\$38,990
	2019	\$30,000	Nil	\$33,784	N/A	N/A	N/A	Nil	\$63,784
Martyn Element	2021	\$126,000	Nil	\$142,657	N/A	N/A	N/A	Nil	\$268,657
	2020	\$94,500	Nil	\$129,224	N/A	N/A	N/A	Nil	\$223,724
	2019	\$94,500	Nil	\$103,146	N/A	N/A	N/A	Nil	\$197,646

<sup>(1)</sup> The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

Anthony David Nettleton Balme	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.43%	0.47%
Expected Dividend Yield	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	119.98%	125.96%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years

Martyn Element	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option	November 2021 \$0.0508 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%	1.44%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%	121.56%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years	5 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

## Incentive Plan Awards

### Outstanding share-based awards and option-based awards

The following table sets out the outstanding share-based awards and option-based awards held by the directors of the Company, who are not Named Executive Officers, as at December 31, 2020 and December 31, 2021:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options 2020/2021 (\$) <sup>(1)</sup>	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
<b>Anthony David Nettleton Balme</b>	100,000	\$0.91	November 24, 2022	N/A	N/A	N/A
	50,000	\$0.20	August 17, 2023	N/A	N/A	N/A
	300,000	\$0.10	July 23, 2024	N/A	N/A	N/A
	50,000	\$0.12	September 23, 2024	N/A	N/A	N/A
	100,000	\$0.07	August 25, 2025	\$5,000/N/A	N/A	N/A
	150,000	\$0.08	January 7, 2026	N/A	N/A	N/A
	100,000	\$0.08	July 9, 2026	N/A	N/A	N/A
<b>Martyn Element</b>	175,000	\$0.91	November 24, 2022	N/A	N/A	N/A
	100,000	\$0.20	August 17, 2023	N/A	N/A	N/A
	300,000	\$0.10	July 23, 2024	N/A	N/A	N/A
	50,000	\$0.12	September 23, 2024	N/A	N/A	N/A
	1,000,000	\$0.07	August 25, 2025	\$50,000/N/A	N/A	N/A
	1,000,000	\$0.075	October 2, 2025	N/A	N/A	N/A
	1,250,000	\$0.08	January 7, 2026	N/A	N/A	N/A
	800,000	\$0.08	July 9, 2026	N/A	N/A	N/A
1,100,00	\$0.05	November 12, 2026	N/A	N/A	N/A	

(1) This value was determined by calculating the difference between the market price of the underlying common shares and the exercise price of the options on December 31, 2020 and December 31, 2021. The closing market price of the Company's common shares on December 31, 2020 was \$0.075 and on December 31, 2021 was \$0.045.

### Value vested or earned during the year

The following table sets out the value vested or earned in incentive plan awards by the directors of the Company, who are not Named Executive Officers, during the financial years ended December 31, 2020 and December 31, 2021:

## 2020

Name	Option-based awards – Value vested during the year 2020 (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year 2020 (\$)	Non-equity incentive plan compensation – Value earned during the year 2020 (\$)
Anthony David Nettleton Balme	\$8,990	N/A	N/A
Martyn Element	\$129,224	N/A	N/A

(1) The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

## 2021

Name	Option-based awards – Value vested during the year 2021 (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year 2021 (\$)	Non-equity incentive plan compensation – Value earned during the year 2021 (\$)
Anthony David Nettleton Balme	\$16,150	N/A	N/A
Martyn Element	\$142,657	N/A	N/A

(1) The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

<b>Anthony David Nettleton Balme</b>	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.43%	0.47%
Expected Dividend Yield	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	119.98%	125.96%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years

<b>Martyn Element</b>	July 2019 \$0.0981 Per Option	September 2019 \$0.0812 Per Option	August 2020 \$0.0599 Per Option	October 2020 \$0.0692 Per Option	January 2021 \$0.0658 Per Option	July 2021 \$0.0628 Per Option	November 2021 \$0.0508 Per Option
Risk Free Interest Rate	1.39%	1.4%	0.4%	0.35%	0.43%	0.47%	1.44%
Expected Dividend Yield	0%	0%	0%	0%	0%	0%	0%
Expected Stock Price	115.08%	120.42%	130.24%	132.13%	119.98%	125.96%	121.56%
Expected Life of Options in Years	5 years	5 years	5 years	5 years	5 years	5 years	5 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

#### **Pension Plan Benefits**

A.I.S. does not have a pension plan or similar benefit program.

#### **Stock Option Plan and Other Incentive Plans**

Stock options are granted pursuant to the Company's New Plan to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Board of Directors. See also "PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING – Approval of New Stock Option Plan" on page 6.

#### **Termination of Employment, Change in Responsibilities and Employment Contracts**

There are no contracts, agreements, plans or arrangements that provide for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of A.I.S. or a change in a NEO's responsibilities.

#### **Indebtedness of Directors and Executive Officers**

No current or former director, executive officer or employee of A.I.S. or any of its subsidiaries, or any proposed director of A.I.S., nor any associate of the foregoing persons, is now or has been indebted to A.I.S. or any of its subsidiaries since the commencement of the last two completed fiscal years, other than for routine indebtedness, nor is, or at any time since the beginning of the two most recently completed financial years of A.I.S. has, any indebtedness of any such person been subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by A.I.S. or any of its subsidiaries.

### **AUDIT COMMITTEE INFORMATION**

#### **Audit Committee Charter**

The Charter of the Audit Committee of the board of directors is attached hereto as Schedule A-1.

#### **Composition of the Audit Committee**

The members of the Audit Committee as at the date hereof are Martyn Element, Kiriaki Smith and Anthony Balme. Anthony Balme is independent and Martyn Element and Kiriaki Smith are not independent in accordance with National Instrument 52-110 ("NI 52-110") and all three of the members are financially literate. The following is a description of the education and experience of each member of the Audit Committee.

##### *Martyn Element*

Martyn is an established businessman and has 30 years of experience in public financial markets. He was previously involved in the food and beverage industry, and remarkable record of securing financing for new business ventures globally.

*Kiriaki Smith*

Kiriaki is a Chartered Professional Accountant and has over 20 years of experience assisting private and public companies in the roles of accountant, corporate controller and chief financial officer in mining, oil and gas, real estate, high technology, food production, and investment fund management.

*Anthony David Nettleton Balme*

Anthony is Chairman of Carter Capital Ltd, a private mining finance business, and AMC Ltd a family company in insurance underwriting and investment activities

**Pre-Approval of Policies and Procedures**

The Audit Committee has not adopted a policy to review and pre-approve any non-audit services to be provided to the Corporation by the external auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member report to the Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the Committee from time to time.

**External Auditor Service Fees**

*Audit Fees*

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit services were \$37,500 in 2021, \$24,500 in 2020, and \$16,500 in 2019.

*Audit-Related Fees*

There were no fees billed in the last three fiscal years for assurance and related services rendered by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit Fees".

*Tax Fees*

The aggregate fees billed the last three fiscal years for professional services rendered by the Corporation's external auditor for tax compliance, tax advice or tax planning were \$ Nil in 2021, \$Nil in 2020 and Nil in 2019.

*All Other Fees*

There were no other fees billed in the last three fiscal years for products and services provided by the Corporation's auditors other than services reported above.

*Exemption*

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 with respect to the composition of the audit committee and reporting obligations under Parts 3 and 5, respectively, of NI 52-110.

**CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101, entitled "Disclosure of Corporate Governance Practices" ("**NI 58-101**") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The TSX Venture Exchange also requires companies that are listed on the TSX Venture Exchange to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

1. **Board of Directors – Disclose how the Board facilitates its exercise of independent supervision over management, including**

(a) **the identity of directors that are independent.**

The independent director in the board of the Company for purposes of NI 58-101 is Anthony Balme.

(b) **the identity of directors who are not independent, and the basis for that determination.**

Martyn Element is not independent as he is Chairman of the Board, Kiriaki Smith is not independent as she is Chief Financial Officer and Secretary, and Phillip Thomas is not independent as he is President, CEO and COO.

2. **If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.**

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

<b>Name of Director</b>	<b>Name of Other Issuers</b>
Phillip Thomas	N/A
Kiriaki Smith	N/A
Martyn Element	N/A
Anthony David Nettleton Balme	Forum Energy Metals Corp.

3. **Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board take to provide continuing education for directors.**

While A.I.S. does not currently have a formal orientation and education program for new members of the Board, A.I.S. has historically provided such orientation and education on an informal basis. As new directors have joined the Board, A.I.S. has provided these individuals with corporate policies, historical information about A.I.S., as well as information on A.I.S.'s performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures have proved to be a practical and effective approach in light of the A.I.S.'s particular circumstances, including the size of A.I.S., limited turnover of the directors and the experience and expertise of the members of the Board.

No formal continuing education program currently exists for the directors of A.I.S. Each director of A.I.S. has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

4. **Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.**

Each director, officer and employee of A.I.S. is required in exercising their duties and responsibilities to act honestly and good faith and in compliance with applicable laws, rules and regulations.

Any director and officer, in the case of conflict of interest, must declare the nature and extent of his conflict in any important contract or proposed contract of A.I.S. as soon as he has knowledge of an agreement or proposed contract. In such case, the director must abstain on voting on the resolution to approve the transaction.

5. **Disclose what steps, if any, are taken to identify new candidates for board nomination, including:**

- (a) **who identifies new candidates; and**
- (b) **the process of identifying new candidates.**

Nomination and review of potential new directors is conducted by the Board and senior management of A.I.S.

6. **Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including**

- (a) **who determines compensation; and**
- (b) **the process of determining compensation.**

Compensation of the Board and A.I.S.'s executive officers is determined by the Board. See "*Statement of Executive Compensation*" above.

7. **If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.**

The Board maintains only an audit committee and a compensation committee. All other matters are addressed by the full Board.

8. **Disclose what steps, if any, that the Board take to satisfy itself that the Board, its committees, and its individual directors are performing effectively.**

To date, no formal assessments have been undertaken, however, performance is reviewed on an informal basis from time to time.

#### ADDITIONAL INFORMATION

Additional information relating to A.I.S. is available under A.I.S.' profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information in respect of A.I.S. is provided in A.I.S.'s annual comparative financial statements and management's discussion and analysis for A.I.S.'s most recently completed financial year, copies of which are available upon request from A.I.S. Resources Limited at Suite 1120 – 789 West Pender Street,, Vancouver, British Columbia V6C 1H2, Attention: Chief Financial Officer.

DATED at Vancouver, British Columbia, as of this 11th day of August, 2022.

ON BEHALF OF THE BOARD

*"Phillip Thomas"*

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Phillip Thomas  
Director, President, CEO & COO

**SCHEDULE A-1**  
**A.I.S. Resources Limited**  
**Audit Committee Charter**

The Board of Directors of A.I.S. Resources Limited (the "Corporation") has established an Audit Committee (the "Committee") with authority, responsibility and specific duties as described in this charter. The Committee shall review and reassess the adequacy of this charter at least annually and report its conclusion and any recommendations to the Board of Directors.

**Purpose**

The primary function of the Committee is to assist the Board of Directors in fulfilling its fiduciary oversight responsibilities relating to the Corporation's financial statements, accounting policies, the adequacy of disclosures, the Corporation's compliance with legal and regulatory requirements, the financial reporting process, the systems of internal accounting and financial controls, and the sufficiency of auditing relative thereto.

The Committee is responsible for evaluating the quality, independence and objectivity of the independent auditors and internal auditors. It is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, the internal auditors and management of the Corporation. The opportunity for the independent auditors and the internal auditors to meet with the entire Board of Directors is not to be restricted. The Committee is to ensure that the independent auditors are ultimately accountable to it. The Committee has the ultimate authority and responsibility to evaluate and appoint the independent auditors, determine their compensation and, if appropriate, to terminate the independent auditors.

In discharging its oversight role, the Committee is granted the authority to investigate any activity of the Corporation and its subsidiaries, and all employees shall be directed to cooperate as may be requested by members of the Committee. If the Committee determines that additional expertise is required in order to fulfill its responsibilities, the Committee is empowered to retain and compensate persons or firms as necessary to assist the Committee in fulfilling its responsibility.

**Composition**

The Committee shall consist of three or more members of the Board of Directors, all of whom must be financially literate and two of whom must be independent. An independent member, in general terms, is one who is not an employee, Control Person, or an officer of the Issuer or any of its Associates or Affiliates. Financially literate means 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 be reasonably be expected to be raised by the issuer's financial statements. Financial statements include a balance sheet income statement and cash flow statement. Committee members receive no compensation from the Corporation, except for retainer fees and reimbursement of expenses in connection with Board and Committee service.

Martyn Element, Kiriaki Smith and Anthony David Nettleton Balme comprise the Audit Committee. Mr. Element is the Chairman. All members are financially literate.

**Meetings**

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

**Responsibilities**

The following are the principal responsibilities of the Committee:

- 1. Review of Documents and Reports**
- (a) Review and update this Charter annually.

(b) Review the Corporation's financial statements, MD&A and any annual and interim earnings, press release before the Corporation 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.

## **2. Relationship with External Auditors**

(a) Request from the independent auditors at least annually a formal written statement delineating all relationships between the auditors and the Corporation consistent with Independent Standards Board Standard No. 1, as may be modified or supplemented; discuss with the independent auditors any such disclosed relationships, including non-audit services, and their impact on the auditors' objectivity and independence; and take action, if appropriate, in response to the independent auditors' statement in order to satisfy itself of the auditors' independence.

(b) Select, and retain the services of, the Corporation's independent auditor, which will be subject to the shareholders' ratification, and terminate their services when appropriate. Review annually, the performance of the external auditors who shall be ultimately accountable to the Committee and the Board of Directors as representatives of the shareholders of the Corporation.

(c) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.

(d) Review with management and the external auditors the audit plan for the year-end statements and the intended form of such statements.

(e) Review the scope and results of the annual audit with the independent auditor.

(f) Pre-approve "permitted" audit and non-audit services.

(g) Establish policies for the hiring of employees and former employees of the independent auditor.

(h) Review and discuss with the internal auditors the overall scope and plans for their audits and determine whether the internal audit function has the appropriate resources and expertise.

(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 Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) The aggregate of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of billings paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;

(ii) Such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

(iii) Such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

## **3. Financial Reporting**

(a) In consultation with the external auditors, review with management the integrity of the corporation's financial reporting process, both internal and external.

(b) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.

(c) Review significant judgements made by management in the preparation of the financial statements and the view of the external auditors as to the appropriateness of such judgements.

- (d) Review separately with management and the external auditors, following completion of the annual audit, any significant difficulties encountered during the course of the audit, including any restrictions on the scope of the audit, including any restrictions on the scope of work or access to required information.
- (e) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (f) Review with external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (g) Review and discuss with management, the internal auditors, and the independent auditors, the adequacy and effectiveness of the Corporation's internal accounting and financial controls, the quality of the financial and accounting personnel, and any relevant recommendations and management's responses thereto.
- (h) Discuss the Corporation's policies with respect to risk assessment and risk management, review contingent liabilities and risks that may be material to the Corporation, and review major legislative and regulatory developments which could materially impact the Corporation's contingent liabilities and risks.
- (i) Make, or cause to be made, all necessary inquiries of management, the independent auditors and the internal auditors concerning established standards of corporate conduct and performance and deviations there from. Annually, a report relative to compliance with the Corporation's code of business conduct is to be furnished to the Committee.
- (j) Meet with management and the independent auditors prior to the filing of the Corporation's Quarterly Reports to review and discuss the interim financial statements and the Corporation's specific disclosures under "Management's Discussion and Analysis".
- (k) Meet with management and the independent auditors to review and discuss the financial statements and the Corporation's specific disclosures under "Management's Discussion and Analysis", including their judgment about the quality, not just acceptability, of accounting principles, the consistency of accounting policies, unusual transactions, the reasonableness of significant estimates and judgments, the clarity and completeness of the disclosures in the financial statements, and any other matters required to be discussed. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors, including any disagreements with management.
- (l) Review and reassess, at least annually, the adequacy of this charter and report its conclusion and any recommendations to the Board of Directors.
- (m) Review its own performance annually and report to the Board.