

CMC METALS LTD.
615 – 800 West Pender Street
Vancouver, BC V6C 2V6

**NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD ON DECEMBER 7, 2021**

TO: The Shareholders of CMC Metals Ltd.

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the Shareholders of CMC Metals Ltd. (“**CMC**”) will be held in Vancouver, British Columbia, at Suite 615 – 800 West Pender Street, Vancouver, BC V6C 2V6, on Tuesday, the 7th day of December, 2021, at 3:00 p.m., for the following purposes:

1. To receive and consider the financial statements of CMC for the fiscal year ended September 30, 2020, together with the report of the auditor thereon;
2. To determine the number of directors to be elected to the board;
3. To elect directors for the ensuing year or until their successors have been duly elected or appointed;
4. To appoint auditors for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
5. To ratify, confirm and approve CMC’s “rolling 10%” Stock Option Plan;
6. To consider and if thought advisable, pass with or without variation, a special resolution to amend the articles of CMC to include Advance Notice Provisions, as more particularly described in the accompanying Information Circular. For detailed information regarding this matter, please refer to the section of the Information Circular entitled “Particulars of Other Matters to be Acted Upon” under the heading “Advance Notice Provisions”.
7. To transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting is an Information Circular and a Form of Proxy.

At the date of this Notice and the accompanying Information Circular, it is the intention of CMC to hold the Meeting at the location stated above in this Notice. CMC is continuously monitoring the status of the coronavirus (“COVID-19”) outbreak. In light of the frequently changing public health guidelines related to COVID-19, CMC ENCOURAGES SHAREHOLDERS AND PROXYHOLDERS NOT TO ATTEND THE MEETING IN PERSON AND URGES ALL SHAREHOLDERS TO VOTE BY PROXY IN ADVANCE OF THE MEETING IN ACCORDANCE WITH THE INSTRUCTIONS BELOW.

CMC reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 pandemic, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the

means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. If any such changes to the Meeting format occur, CMC will announce any and all of these changes by way of news release, which will be filed under CMC's profile on SEDAR as well as on CMC's website at <https://cmcmetals.ca>. CMC strongly recommends that you check CMC's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, CMC will not prepare or mail an amended notice, information circular or meeting materials.

If you are a registered shareholder of CMC and, otherwise, unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the CMC's transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of CMC and received this Notice of Meeting and accompanying materials through a stockbroker, securities dealer, bank, trust company, trustee or nominee of any of the foregoing that holds your securities on your behalf (each, an "Intermediary"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at North Vancouver, British Columbia, this 28th day of October, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"Kevin Brewer"

Kevin Brewer
Chief Executive Officer

CMC METALS LTD.
615 – 800 West Pender Street
Vancouver, BC V6C 2V6

INFORMATION CIRCULAR

INFORMATION PROVIDED AS AT OCTOBER 28, 2021 FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 7, 2021 (THE “MEETING”).

This Information Circular (this “Circular”) is furnished in connection with the solicitation of proxies by management (“Management”) of CMC Metals Ltd. (“CMC”) for use at the Meeting (or any adjournment thereof), at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers or arms-length third parties appointed by CMC. Management is unable at this time to accurately estimate what the cost of such solicitation may be.

All costs of this solicitation will be borne by CMC.

All dollar amounts in this Circular are in Canadian currency unless otherwise specified.

RECORD DATE

Management has set October 28, 2021 as the record date (the “**Record Date**”) for determining which shareholders shall be entitled to receive notice of the Meeting. Only shareholders of record (the “**Shareholders**”) at the close of business on the Record Date, who either attend the Meeting personally or complete and deliver the form of proxy in the manner and subject to the provisions discussed below, will be entitled to vote or to have their shares voted at the Meeting.

COVID-19 MEETING PROTOCOL

At the date of this Circular and the accompanying Notice it is the intention of CMC to hold the Meeting at the location stated in the Notice. CMC is continuously monitoring the status of the coronavirus (“COVID-19”) outbreak. In light of the frequently changing public health guidelines related to COVID-19, CMC ENCOURAGES SHAREHOLDERS AND PROXYHOLDERS NOT TO ATTEND THE MEETING IN PERSON AND URGES ALL SHAREHOLDERS TO VOTE BY PROXY IN ADVANCE OF THE MEETING IN ACCORDANCE WITH THE INSTRUCTIONS BELOW.

CMC reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 pandemic, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. If any such changes to the Meeting format occur, CMC will announce any and all of these changes by way of news release, which will be filed under CMC’s profile on SEDAR as well as on CMC’s website at <https://cmcmetals.ca/>. CMC strongly recommends that you check CMC’s website prior to the Meeting for the most current

information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, CMC will not prepare or mail an amended notice, information circular or meeting materials.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the Form of Proxy as proxy holders are directors or officers of CMC (the “**Management Designees**”). **A Shareholder has the right to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting and may do so, either by striking out the printed names and inserting the desired person’s name in the blank space provided in the Form of Proxy or by completing another proper form of proxy and delivering it to Computershare Investor Services Inc. (“Computershare”) at the address set out in “Voting of Proxies”. If you appoint a proxyholder, other than the Management Designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.**

A Shareholder who has given a Proxy may revoke it by an instrument in writing, duly executed by the Shareholder or where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered to CMC’s registered office, Suite 1120 – 625 Howe Street, Vancouver, BC V6C 2T6, at any time up to and including the last business day that precedes the day of the Meeting or, if adjourned, the day that precedes any reconvening thereof, or to the Chairman of the Meeting, on the day of the Meeting or, if adjourned, any reconvening thereof, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

VOTING OF PROXIES

Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the Form of Proxy and returning it to Computershare, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to Computershare’s toll-free number. Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder’s account number and the control number; or
- (c) using the internet through Computershare’s website at www.investorvote.com. Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the control number.

In all cases, Shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

If the Proxy is completed, signed and delivered as prescribed above, the persons named as proxyholders in the Proxy will vote or withhold from voting the shares in respect of which they are appointed in accordance with the instructions of the Shareholder appointing them. The Proxy confers discretionary authority upon the proxyholders with respect to all other matters or variations to matters which may properly come before the Meeting or an adjournment thereof. As of the date of this Circular, CMC knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting; however, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgement of the person or persons voting the Proxy.

If no choice is specified by a Shareholder in the Proxy with respect to a matter identified in the Proxy or any amendment or variations to such matters, it is intended that the person designated by Management in the Proxy will vote the shares therein represented in favour of each matter identified on the Proxy and for the nominees of Management for directors and auditors.

BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name. Shareholders who do not hold their shares in their own name (“**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of CMC 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 Beneficial Shareholder by a broker, then in almost all cases those common shares will not be registered in the Beneficial Shareholder’s name on the records of CMC. Such common shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholders. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ 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. Often the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Proxy provided to Shareholders by CMC. However, its purpose is limited to instructing the 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 instructions from clients to Broadridge Investor Communication Solutions (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

CMC is not using the “notice-and-access” provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“**NI 54-101**”) in connection with the delivery of the meeting materials in respect to the Meeting.

This Circular and accompanying materials are being sent to both Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to their identity being made known to the issuers of the securities they own (“**NOBOs**” for Non-Objecting Beneficial Owners). Subject to the provision of NI 54-101 issuers may request and obtain

a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and CMC or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

CMC has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy related materials directly to its NOBOs. By choosing to send these materials to you directly, CMC (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, if you are a NOBO of CMC, you can expect to receive a scannable Voting Instruction Form (“**VIF**”) from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found in the VIF. Computershare will tabulate the results of the VIFs received from CMC’s NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

CMC does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“**Intermediaries**”) to forward the proxy related materials to OBOs. Accordingly, OBOs will not receive such documents unless their respective Intermediaries assume the cost of forwarding such documents to them.

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 at the Meeting as proxy holder 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 proxy holder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at the Record Date, there were a total of **94,707,500** common shares outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of CMC’s directors and executive officers, no person or company beneficially owns, or controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to CMC’s issued and outstanding common shares as at the Record Date.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Circular, no director, executive officer, proposed management nominee, or any associate or affiliate thereof has any material interest, direct or indirect, by way of beneficial ownership of shares of CMC or otherwise in the matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

FIXING THE SIZE OF THE BOARD OF DIRECTORS

It is intended that the number of directors to be elected by the Shareholders will be established at four (4). This requires the approval of the Shareholders by an ordinary resolution which approval will be sought at the Meeting.

ELECTION OF DIRECTORS

At the Meeting, Shareholders will be called upon to elect four (4) directors for the ensuing year or until their successors are duly elected or appointed, unless the director’s office is earlier vacated in accordance with the Articles of CMC, or unless they become disqualified to act as a director. While Management does not contemplate that any of its nominees will be unable to serve as a director, if any Management nominee should become unavailable, the Proxy will be voted for substitute nominees as may be nominated by Management. Set forth below is information regarding each Management nominee for election as a director of CMC:

Name and Present Position with CMC and Residence	Principal Occupation or Employment	Director Since	Approximate Number of Shares Beneficially Owned Directly or Indirectly as of the Record Date ⁽²⁾
Kevin Brewer ⁽¹⁾ Yukon, Canada <i>President, Chief Executive Officer, and Director</i>	Registered professional geoscientist; Owner, principal geologist for 39627 Yukon Inc, a private company owned by Mr. Brewer.	July, 2018	3,514,700 (direct)
Graham Chisholm, A.C.I.S. ⁽¹⁾ British Columbia, Canada <i>Corporate Secretary, Director</i>	Business Executive; Owner of Aisco Industrial Supply Ltd., a private company; Chairman of Timelapse Film Media House Inc., a private company.	March, 2018	1,301,000 (direct)
John Bossio Alberta, Canada <i>Director, Chairman of the Board</i>	Registered Psychologist; Director of Bossio Psychological Services Incorporated.	June, 2010	724,257 (direct)
Robert Wheeler ⁽¹⁾ British Columbia, Canada <i>Director</i>	Businessman.	August, 2014	125,600 (direct)

- (1) Member of the Audit Committee.
 (2) Based upon information provided by the directors.

STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by CMC in adopting its corporate governance practices. CMC’s approach to corporate governance is set out below.

Board of Directors

As at the Record Date, CMC’s Board of Directors (the “**Board**”) consists of four (4) directors: Kevin Brewer, Graham Chisholm, John Bossio and Robert Wheeler.

The Guidelines suggest that the board of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under section 1.4 of NI 52-110. A director is independent if the individual has no direct or indirect material relationship with CMC which could, in the view of CMC’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment whether on the Board or a committee of the Board. Notwithstanding the foregoing, an individual who is, or has been within the last three years, an employee or executive officer of CMC is considered to have a material relationship with CMC.

The following members of the Board are independent: Graham Chisholm, John Bossio and Robert Wheeler. Kevin Brewer is not independent because he is the President and the Chief Executive Officer of CMC.

Directorships

The following table sets forth the current directors of CMC who currently serve as directors of other reporting issuers:

Name of Director	Other Reporting Issuers
John Bossio	Falcon Gold Corp.

Orientation and Continuing Education

CMC does not have a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with CMC’s operations and the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

Ethical Business Conduct

The Board has not yet adopted a formal written Code of Business Conduct and Ethics. In recruiting new board members, the Board considers only persons with a demonstrated record of ethical business conduct.

Nomination of Directors

The Board is responsible for selecting any new nominees to the Board, although no formal process has been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the Chief Executive Officer. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

Board Committees

At this time, CMC has an audit committee (the “**Audit Committee**”). For details on the Audit Committee please refer to the “Audit Committee” section.

Assessments

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on CMC’s size, stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board is responsible for selecting new directors and assessing current directors. A proposed director’s credentials

are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director's nomination.

STATEMENT OF EXECUTIVE COMPENSATION

Interpretation

For the purpose of this Statement of Executive Compensation:

“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 CMC or one of its subsidiaries for services provided or to be provided, directly or indirectly, to CMC or any of its subsidiaries;

“external management company” includes a subsidiary, affiliate or associate of the external management company;

“NEO” or **“named executive officer”** means each of the following individuals:

- (a) each individual who, in respect of CMC, during any part of the most recently completed financial year, served as chief executive officer (**“CEO”**) including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of CMC, during any part of the most recently completed financial year, served as chief financial officer (**“CFO”**) including an individual performing functions similar to a CFO;
- (c) in respect of CMC and its subsidiaries, the most highly compensated executive officer other than the individual identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 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 not an executive officer of CMC, and was not acting in a similar capacity, at the end of that financial year.

“plan” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Arif Merali ⁽⁵⁾ Former Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

- (1) Amounts paid as management fees (\$Nil - 2021; \$52,298 - 2020) to 39627 Yukon Inc. (“**Yukon**”), a wholly owned exploration consulting company owned by Mr. Brewer. Consulting Fees (\$252,029 - 2021; \$191,967 - 2020) paid to Yukon include payroll for exploration personnel and the coverage of field expenses including the purchase of materials and supplies. Yukon receives a 5% administrative fee on the payroll and expenses. Through Yukon, Mr. Brewer also charges professional fees for his services as described under the heading “Employment, Consulting and Management Agreements”.
- (2) Mark Luchinski was appointed as CFO on June 25, 2021 to fill the vacancy left by Morgan Pickering.
- (3) Morgan Pickering resigned as CFO and a director on June 11, 2021.
- (4) Amounts paid for consulting services provided by Mr. Chisholm.
- (5) Arif Merali resigned as a director on July 22, 2021.
- (6) Amounts for 2021 are unaudited.

External Management Companies

CMC pays R7 Capital Ventures Ltd., a private company of which Mark Luchinski, CMC’s CFO, is a consultant, a fee of \$5,000 per month for certain management services. CMC does not have any arrangements with any other external management company to provide executive management services to CMC, most of which are substantially performed by directors or senior officers of CMC.

Stock Options and Other Compensation Securities

During the most recently completed financial year, 2,960,000 options were granted to directors and NEOs under CMC’s Stock Option Plan (“**Stock Option Plan**”) as set out in the following table:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (m/d/y)	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 ⁽¹⁾ (\$)	Expiry date (m/d/y)
Kevin Brewer CEO, President and Director	Stock options	320,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26
	Stock options	200,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (m/d/y)	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 ⁽¹⁾ (\$)	Expiry date (m/d/y)
Mark Luchinski CFO	Stock options	50,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26
Morgan Pickering Former CFO and Director	Stock options	240,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26 ⁽¹⁾
John Bossio Chairman and Director	Stock options	380,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26
	Stock options	150,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26
Graham Chisholm Corporate Secretary and Director	Stock options	265,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26
	Stock options	100,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26
Arif Merali Former Director	Stock options	170,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26 ⁽²⁾
	Stock options	25,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26 ⁽²⁾
Robert Wheeler Director	Stock options	245,000	01/13/21	\$0.20	\$0.175	\$0.09	01/13/26
	Stock options	100,000	07/02/21	\$0.13	\$0.135	\$0.09	07/02/26

1. Morgan Pickering resigned as CFO and a director on June 11, 2021. His options expired on July 11, 2021 in accordance with CMC's stock option plan.
2. Arif Merali resigned as a director on July 22, 2021. His options expired on August 21, 2021 in accordance with CMC's stock option plan.

No stock options were exercised by any NEOs or directors during the financial year ended September 30, 2021.

Stock Option Plans and Other Incentive Plans

CMC has a rolling Stock Option Plan. Pursuant to Policy 4.4 of the TSX Venture Exchange (the “**Exchange**”), companies that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive yearly shareholder approval of the stock option plan. For a summary of the Stock Option Plan, please refer to the section herein entitled “Particulars of Other Matters to be Acted Upon –Stock Option Plan”. At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass the Stock Option Plan Resolution.

Employment, Consulting and Management Agreements

Kevin Brewer, President and CEO and a director of CMC

Since August 31, 2019, CMC has had a verbal arrangement with Kevin Brewer whereby CMC paid Mr. Brewer, through his wholly owned consulting company 39627 Yukon Inc. (“**Yukon**”), for management and geological services provided to CMC. The arrangement provides that Mr. Brewer is paid a consulting/management fee of \$75.00 per hour for his services, as and when required. The fees paid to Yukon includes reimbursement of payroll expenses for exploration personnel and other supplies and field expenses incurred by Yukon on behalf of CMC. Mr. Brewer receives a 5% administration fee on all such disbursements.

Oversight and Description of Director and Named Executive Officer Compensation

The Board is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to CMC’s directors, officers, and eligible consultants. The Board is also responsible for reviewing recommendations for compensation of the Chief Executive Officer and other officers of CMC, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board will consider: (i) recruiting and retaining officers critical to CMC’s success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and CMC’s shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. CMC’s compensation program currently relies heavily on the granting of stock options and performance bonuses.

The long-term incentive program is intended to align the interests of the NEOs, directors, consultants and employees with those of CMC’s shareholders over the longer term and to provide a retention incentive for each NEO. This component of the compensation package consists of grants of options to purchase common shares. Numerous factors are taken into consideration by the Board in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question.

Currently, CMC’s compensation program consists primarily of stock options. Grants of stock options are intended to align the interests of the NEOs and directors with those of CMC’s shareholders over the longer term and to provide a retention incentive for such persons. Numerous factors are taken into consideration by the Board of Directors in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question. All grants of stock options are subject to the terms and conditions of CMC’s Stock Option Plan.

Pension Disclosure

CMC does not have any pension, defined benefit, defined contribution or deferred compensation plan in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which CMC had in place as at September 30, 2021 is the Stock Option Plan which was approved by CMC’s shareholders on September 24, 2020. See “Particulars Of Other Matters To Be Acted Upon – Stock Option Plan”. The following table sets out, as of the end of CMC’s financial year ended September 30, 2021, all information required with respect to compensation plans under which equity securities of CMC are authorized for issuance:

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 (a)) (c)
Equity compensation plans approved by securityholders	2,425,000 ⁽¹⁾	\$0.18	7,025,750 ⁽²⁾
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,425,000	\$0.18	7,025,750

(1) Options outstanding which have been granted pursuant to CMC’s Stock Option Plan.

(2) CMC currently has a “rolling” Stock Option Plan. The aggregate number of common shares reserved for issuance is a maximum of 10% of the issued and outstanding share capital of CMC as at the date of grant. As at September 30, 2021, 7,025,750 options remain available for issuance.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the executive officers, directors, employees and former executive officers, directors and employees of CMC had amounts outstanding as at the Record Date in connection with: (a) a purchase of securities; and (b) all other indebtedness.

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of CMC, a proposed nominee for election as a director of CMC, or an associate of any of the foregoing individuals, has been indebted to CMC at any time since the commencement of CMC’s last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Circular or in the financial statements, no informed person of CMC, any proposed director of CMC, or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since the commencement of CMC’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect CMC. An “informed person” means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary

of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of the 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; and a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

No management functions of CMC are to any substantial degree performed by a person other than its directors or senior officers.

APPOINTMENT AND REMUNERATION OF AUDITORS

The persons named as proxyholders in the form of proxy intend to vote for the continued appointment of Dale, Matheson, Carr-Hilton, Labonte, Chartered Professional Accountants, as CMC's auditor until the next annual general meeting at a remuneration to be fixed by the Board.

AUDIT COMMITTEE

The Audit Committee's Charter

A copy of CMC's Audit Committee Charter is attached as Schedule "A" to this Circular.

Composition of the Audit Committee

The following are currently the members of the Audit Committee:

	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Kevin Brewer	N	Y
Robert Wheeler	Y	Y
Graham Chisholm	Y	Y

(1) As defined by National Instrument 52-110 ("**NI 52-110**").

CMC is relying on the exemption provided under Section 6.1 of NI 52-110 for venture issuers which exempts venture issuers from the requirements of Part 3 (Audit Committee Composition) and Part 5 (*Reporting Obligations*) of NI 52-110. Part 5 requires that if management of an issuer solicits proxies from the shareholders for the purpose of electing directors, the issuer must include a cross-reference to the issuer's AIF that contains additional information about the qualifications of its directors. CMC has not filed an AIF.

Relevant Education and Experience

Mr. Brewer holds a Master of Business Administration degree from Memorial University in Newfoundland, and has been a member of CMC's audit and finance committee since July 15, 2020. He also has experience as a director and owner of numerous private companies.

Mr. Wheeler holds a Bachelor of Commerce degree with a major in Business Marketing. He worked for several years with Future Electronics, a global distributor of electronic components as Vice President of

Sales in Western USA and Canada and oversaw the management of sales, operations and financial responsibilities.

Mr. Chisholm holds the professional British designation of A.C.I.S. and has had extensive accounting experience as a financial executive of several companies and more prominently as a group financial executive for the Mobil Oil operation in Africa preparing consolidated balance sheets. Mr. Chisholm was a practicing accountant in Chilliwack, British Columbia for 3 years and has had experience in producing income statements and balance sheets in Canada.

Each Audit Committee member has had extensive experience reviewing financial statements. Each member has an understanding of CMC's business and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditor Service Fees (By Category)

The aggregate fees billed by the CMC's external auditors in each of the last two fiscal years for audit fees are as follows:

Year Ended	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
September 30, 2021 ⁽⁴⁾	\$39,415	\$Nil	\$3,000	\$Nil
September 30, 2020	\$34,000	\$Nil	\$3,000	\$Nil

(1) Pertains to assurance and related services by CMC's auditor that are reasonably related to the performance of the audit or review of CMC's financial statements and are not disclosed under "Audit Fees".

(2) Pertains to professional services for tax compliance, tax advice and tax planning. These fees related to the preparation of CMC's corporate income tax returns and GST returns.

(3) Pertains to professional services other than those listed in the other categories.

(4) Amounts for 2021 are unaudited.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Stock Option Plan

CMC's Stock Option Plan was approved by CMC's shareholders at the last annual general meeting held on September 24, 2020. The purpose of the Stock Option Plan is to encourage ownership of the common shares of CMC by persons ("**Eligible Persons**") who are directors, senior officers and Employees of, as well as Consultants and employees of management companies providing services to, CMC. Given the competitive environment in which CMC operates its business, the Stock Option Plan will assist it to attract and retain valued directors, senior officers, Employees, Consultants and employees of management companies.

The aggregate number of CMC's common shares reserved for issuance under the Stock Option Plan is a maximum of 10% of the issued and outstanding share capital at the date of grant. If any options granted under the Stock Option Plan expire or terminate for any reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan. As the Stock Option Plan is a "rolling plan", the policies of the Exchange provide that CMC must seek shareholder approval of the Stock Option Plan annually.

"Consultant", "Employee", "Eligible Charitable Organizations", "Eligible Persons", "Investor Relations Activities" and "Discounted Market Price" all have the same definition as in the Policies of the Exchange.

The following summary is a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review by shareholders at the Meeting:

1. The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding common shares at the time of the grant.
2. Stock options can be issued to Eligible Charitable Organizations or persons who are directors, senior officers, Employees, and Consultants of, or employees of management companies providing services to, CMC.
3. The minimum exercise price of a stock option cannot be less than the Discounted Market Price of CMC's common shares.
4. The number of options granted to any one optionee may not exceed 5% of the outstanding listed shares in any 12 month period, unless CMC obtains disinterested shareholder approval.
5. The number of options granted to any one Consultant may not exceed 2% of CMC's outstanding listed shares in any 12 month period.
6. The number of options granted to any person employed or retained to conduct Investor Relations Activities may not exceed 2% of CMC's outstanding listed shares in any 12 month period.
7. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the Board grants the option.
8. If the optionee is a director, senior officer, Employee, Consultant or management company employee and ceases to be (other than by reason of death) an Eligible Person, then the option

granted shall expire within a period of 30 days after such cessation, and in no event, after the expiry date of the option.

9. If an optionee ceases to be an Eligible Person by reason of death, an optionee's heirs or administrators shall have within the period of one year after the death of the option holder, and in no event, after the expiry date of the option, to exercise any portion of options outstanding at the time of death of the optionee.
10. The Stock Option Plan will be administered by CMC's Board, who will have the full authority and sole discretion to grant options under the Stock Option Plan to any Eligible Person.
11. The options are non-assignable and non-transferable, otherwise than by will or by laws of descent and distribution.
12. The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

A copy of the Stock Option Plan may be inspected at the offices of CMC during normal business hours until the date of the Meeting.

Accordingly, Shareholders will be asked to consider and, if thought appropriate, to pass, with or without amendment, the Stock Option Plan Resolution set out in Schedule "B" to this Information Circular. In order to be effective, the Stock Option Plan Resolution must be approved by a majority of the votes cast in person or by proxy in respect thereof by the Disinterested Shareholders and approved by the Exchange.

Advance Notice Provisions

The Board proposes that CMC's Articles be amended to include provisions requiring advance notice of director nominees from Shareholders (the "**Advance Notice Provisions**").

Advance Notice Provisions

Purpose of the Advance Notice Provisions

The purpose of the Advance Notice Provisions is to provide Shareholders, directors and management of CMC with direction on the procedure for shareholder nomination of directors. The Advance Notice Provisions are the framework pursuant to which CMC fixes a deadline by which holders of record of common shares must submit director nominations to CMC prior to any annual or special meeting of Shareholders, and set forth the information that a Shareholder must include with such nominations to CMC for any nominees to be eligible for election. CMC believes the Advance Notice Provisions are in the best interests of CMC, its Shareholders, and other stakeholders.

Effect of the Advance Notice Provisions

Subject to the *Business Corporations Act (British Columbia)* (the "**BCA**"), the Advance Notice Provisions to be incorporated into CMC's Articles provide that only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of CMC. Nominations of persons for election to the Board may be made with respect to any annual meeting of Shareholders, or at any special meeting of Shareholders (which is not also an annual meeting) if one of the purposes for which the special meeting was called was the election of directors:

1. by or at the direction of the Board, including pursuant to a notice of meeting;

2. by or at the direction or request of one or more Shareholders pursuant to a valid proposal made in accordance with the provisions of the BCA, or a requisition of Shareholders made in accordance with the provisions of the BCA; or
3. by any person (a “**Nominating Shareholder**”):
 - (a) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
 - (b) who complies with the notice procedures set forth below.

In addition to any other applicable requirements, 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 Secretary of CMC at the principal executive offices of CMC.

To be timely, a Nominating Shareholder's notice to the Secretary of CMC must be made:

1. in the case of an annual meeting of Shareholders, not less than 30 nor more than 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 50 days after the date (the “**Notice Date**”) on which the first public announcement 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 Notice Date; and
2. 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 of the date of the special meeting of Shareholders was made.

For greater certainty, the time periods for the giving of notice by a Nominating Shareholder as described above shall, in all cases, be determined based on the original date of the applicable annual or special meeting. In no event shall any adjournment or postponement of a meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above.

To be in proper written form, a Nominating Shareholder's notice to the Secretary of CMC must set forth, among other things, the name, age, business address, residential address (including country) and principal occupation or employment of the proposed nominee, and the security holdings of CMC controlled or owned beneficially or of record by the person. In addition, the notice by the Nominating Shareholder must also disclose any other information relating to the proposed nominee as well as any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of CMC, and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the BCA and applicable securities laws.

CMC may require any proposed nominee to furnish such other information as may reasonably be requested by CMC to determine the eligibility of such proposed nominee to serve as an independent director of CMC or that could be material to a reasonable Shareholder's understanding of the independence, or lack thereof, of such proposed nominee. No person shall be eligible for election as a director of CMC unless nominated

in accordance with the provisions of the Advance Notice Provisions; provided, however, that nothing in the Advance Notice Provisions shall be deemed to preclude discussion by a Shareholder (as distinct from the nomination of directors) at a meeting of Shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the BCA.

The Chairman of any annual or special meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding any other provision of the Advance Notice Provisions, notice given to the Secretary of CMC pursuant to the Advance Notice Provisions may only be given by personal delivery, facsimile transmission, or by email (at such email address as stipulated from time to time by the Secretary of CMC for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Secretary at the address of the principal executive offices of CMC; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

The Advance Notice Provisions applies to CMC so long as CMC is a public company. Notwithstanding the foregoing, CMC may in its sole discretion, waive any requirement of the Advance Notice Provisions.

A complete copy of the proposed new Article 26 incorporating the Advance Notice Provisions is attached as Schedule "C" to this Information Circular.

In order to implement the Advance Notice Provisions, the Shareholders of CMC will be asked to consider and, if thought fit, pass a special resolution (the "**Advance Notice Provisions Resolution**"), with or without variation, to amend CMC's current Articles, the text of which is attached as Schedule "B" to this Information Circular. If the Advance Notice Provisions Resolution is passed, the amendment to the Articles will become effective on the date and time that the resolution is received for deposit at CMC's records office, which CMC anticipates will be immediately after the Meeting.

Approval of the Advance Notice Provisions (and resulting amendment of the Articles of CMC) requires the approval of the Shareholders by a special resolution, being a majority of at least two-thirds of the votes cast by Shareholders on the Advance Notice Provisions Resolution. If the Advance Notice Provisions Resolution is not approved by the requisite number of Shareholders, the Articles will not be amended.

The Board recommends voting in favour of the Advance Notice Provisions Resolution. Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the Advance Notice Resolution.

ADDITIONAL INFORMATION

Additional information concerning CMC is available on SEDAR at www.sedar.com. Financial information concerning CMC relating to its financial year ended September 30, 2020 is provided in CMC's comparative financial statements and management's discussion and analysis its financial year ended September 30, 2020 which are available on SEDAR, and may also be obtained by sending a written request to the Chief Financial Officer of CMC at Suite 615 – 800 West Pender Street, Vancouver, BC, V6C 2V6.

Financial information concerning CMC relating to its financial year ended September 30, 2021 will be provided in CMC's comparative financial statements and management's discussion and analysis its financial year ended September 30, 2021 which will be available on SEDAR on or about January 28, 2022 at which time they may also be obtained by sending a written request to the Chief Financial Officer of CMC at Suite 615 – 800 West Pender Street, Vancouver, BC, V6C 2V6.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING; HOWEVER, SHOULD ANY OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

THIS CIRCULAR HAS BEEN APPROVED BY THE BOARD OF DIRECTORS OF CMC.

BY ORDER OF THE BOARD OF DIRECTORS

“Kevin Brewer”

Kevin Brewer

President and Chief Executive Officer

SCHEDULE "A"

CMC METALS LTD.

(the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as CMC's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of CMC. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of CMC.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with CMC's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for CMC;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of CMC. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within CMC; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to CMC or any subsidiary of CMC shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
- (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by CMC and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
- (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by CMC regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of CMC of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and

- (c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and CMC's adoption of them.

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which CMC reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

- (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in CMC's operations and financing practices;
- (iii) generally accepted accounting principles have been consistently applied;
- (iv) there are any actual or proposed changes in accounting or financial reporting practices;
- (v) there are any significant or unusual events or transactions;
- (vi) CMC's financial and operating controls are functioning effectively;
- (vii) CMC has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
- (viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with CMC's counsel, any legal matters that could have a significant impact on CMC's financial statements.

SCHEDULE "B"

SHAREHOLDERS' RESOLUTIONS

STOCK OPTION PLAN RESOLUTION

BE IT RESOLVED as an ordinary resolution of the Shareholders, with or without amendment, that:

1. The Stock Option Plan as set forth in the Information Circular dated October 28, 2021, be ratified, confirmed and approved and that the Board of Directors of CMC be authorized in their absolute discretion to establish and administer the Stock Option Plan in accordance with its terms and conditions.
2. The Board of Directors be authorized on behalf of CMC to make any amendments to the Stock Option Plan as may be required by regulatory authorities, without further approval of CMC's Shareholders, in order to ensure adoption of the Stock Option Plan.
3. Any one director or executive officer of CMC be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary to desirable to give effect to this resolution, including making any amendments to the Stock Option Plan as may be required by regulatory authorities, without further approval of CMC's Shareholders."

ADVANCE NOTICE PROVISIONS RESOLUTION

BE IT RESOLVED, as a special resolution of the Shareholders, with or without amendment, that:

1. CMC is hereby authorized to amend the Articles of CMC by adding the provisions set out in Schedule "C" to this information circular to the Articles of CMC as Article 26.
2. Any one director or executive officer of CMC be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary to desirable to give effect to this resolution.
3. The directors of CMC be and are hereby authorized, at any time in their absolute discretion, to determine whether or not to proceed with the above resolutions without further approval, ratification or confirmation by CMC's Shareholders.

Schedule "C"

Advance Notice Provisions

26. ADVANCE NOTICE PROVISIONS

26.1 Definitions

In this Article 26:

- (1) "Annual Meeting" means any annual meeting of Shareholders;
- (2) "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such laws and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission or similar securities regulatory authority of each province and territory of Canada;
- (3) "Common Shares" means common shares in the capital of the Company;
- (4) "Nominating Shareholder" has the meaning ascribed to that term in Article 26.2(1)(c);
- (5) "Notice Date" has the meaning ascribed to that term in Article 26.2(3)(a);
- (6) "Public Announcement" means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com;
- (7) "Shareholder" means a holder of Common Shares; and
- (8) "Special Meeting" means any special meeting of Shareholders, which is not also an Annual Meeting and one of the purposes for which it was called was the election of directors.

26.2 Nomination of Directors

- (1) Nominations of persons for election to the board may be made at any Annual Meeting or at any Special Meeting. In order to be eligible for election to the board at any Annual Meeting or Special Meeting, persons must be nominated in accordance with one of the following procedures:
 - (a) by or at the direction of the board or an authorized officer, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - (c) by any person (a "**Nominating Shareholder**"):
 - (i) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Article 26.2 and at the close of business on the record date for notice of such meeting, is entered in the central

securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and

(ii) who complies with the notice procedures set forth below in this Article 26.2.

- (2) In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must give notice which is both timely (in accordance with Article 26.2(3) below) and in proper written form (in accordance with Article 26.2(4) below) to the Secretary of the Company at the principal executive offices of the Company.
- (3) A Nominating Shareholder's notice to the Secretary of the Company will be deemed to be timely if:
 - (a) in the case of an Annual Meeting, such notice is made not less than 30 nor more than 65 days prior to the date of the Annual Meeting; provided, however, that in the event that the Annual Meeting is to be held on a date that is less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the Annual Meeting is made, notice by the Nominating Shareholder is made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) in the case of a Special Meeting, such notice is made not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the Special Meeting was made.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement of this Article 26.2(3).

For greater certainty, the time periods for the giving of notice by a Nominating Shareholder as aforesaid shall, in all cases, be determined based on the original date of the applicable Annual Meeting or Special Meeting, and in no event shall any adjournment or postponement of an Annual Meeting or Special Meeting or the announcement thereof commence a new time period for the giving of such notice.

- (4) A Nominating Shareholder's notice to the Secretary of the Company will be deemed to be in proper form if:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director, such notice sets forth:
 - (i) the name, age, business address and residential address of the person;
 - (ii) the principal occupation or employment of the person for the 5 year period preceding the effective date of the Notice;
 - (iii) the citizenship of such person;
 - (iv) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and also as of the date of such notice;
 - (v) the amount and material terms of any other securities, including any options, warrants or convertible securities, in the capital of the Company, which are

controlled or which are owned beneficially or of record by the person as of the record date of the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and also as of the date of such notice;

- (vi) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
- (b) as to the Nominating Shareholder giving the notice, such notice sets forth full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Company may require any proposed nominee for election as a Director to furnish such additional information as may reasonably be requested by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- (5) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 26.2; provided, however, that nothing in this Article 26.2 shall be deemed to restrict or preclude discussion by a shareholder (as distinct from the nomination of directors) at an Annual Meeting or Special Meeting of any matter that is properly brought before such meeting pursuant to the provisions of the Act or at the discretion of the Chairman of the meeting. The Chairman of the meeting shall have the power and duty to determine whether any nomination for election of a director was made in accordance with the procedures set forth in this Article 26.2 and, if any proposed nomination is not in compliance with such procedures, to declare such nomination defective and that it be disregarded.
- (6) Notwithstanding any other provision of this Article 26.2, notice given to the Secretary of the Company pursuant to this Article 26.2 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Secretary of the Company for purposes of this Article 26.2), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
- (7) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement of this Article 26.

26.3 Application

- (1) Article 26.2 does not apply to the Company in the following circumstances:
 - (a) if and for so long as the Company is not a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply; or

- (b) to the election or appointment of a director or directors in the circumstances set forth in Article 14.7.