



INFORMATION CIRCULAR

SOLICITATION OF PROXIES BY MANAGEMENT

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Avaron Mining Corp. (the "Company" or "Avaron") for use at the annual general meeting (the "Meeting") of the shareholders of the Company (the "Shareholders") to be held virtually via Zoom (www.zoom.us/join; Meeting ID: 881 4441 2543; Passcode: Uns8a8) on Tuesday, December 30, 2025, at 10:00 a.m. (PT) and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, electronically or by telephone by directors, officers, employees or consultants of the Company. Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Company ("Common Shares") pursuant to the requirements of National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("National Instrument 54-101").

The Canadian securities regulators have adopted new rules under National Instrument 54-101, which permit the use of notice-and-access for proxy solicitation, instead of the traditional physical delivery of material. This new process provides the option to post meeting related materials, including management information circulars, as well as annual financial statements, and related management's discussion and analysis, on a website in addition to SEDAR+. Under notice-and-access, such meeting related materials will be available for viewing for up to one (1) year from the date of posting, and a paper copy of the material can be requested at any time during this period. The Company is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy related materials to registered shareholders or beneficial owners of shares in connection with the Meeting.

The Company may reimburse shareholders' nominees or intermediaries (including brokers or their agents holding shares on behalf of clients) for the cost incurred in obtaining from their principals' authorization to execute forms of proxy. The cost of any such solicitation will be borne by the Company. Unless otherwise stated, the information contained in this Information Circular is given as at November 17, 2025.

APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons named in the enclosed proxy (the "Management Designees") have been selected by the directors of the Company.

A Shareholder has the right to designate a person (who need not be a Shareholder), other than the Management Designees to represent the Shareholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the proxy the name of the person to be designated, and by deleting from the proxy the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder's shares are to be voted. The nominee should bring personal identification with them to the Meeting.

To be valid, the proxy must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy). The proxy must then be delivered to the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6, or by fax within North America to 1-866-249-7775, and outside North America to (416) 263-9524, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting their shares. A Shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the registered Shareholder or by their authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Company's registrar and transfer agent at the foregoing address or the registered office of the Company, at 3847 Vance Road, Cultus Lake, British Columbia, V2R 5A6, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting, or any adjournment thereof. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

VOTING OF PROXIES

Voting at the Meeting will be by a show of hands, each registered Shareholder and each proxyholder (representing a registered or unregistered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the Management Designees, if named as proxyholder, will vote in favour of the matters set out therein.**

The enclosed proxy confers discretionary authority upon the Management Designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters properly come before the Meeting, then the Management Designees intend to vote in a manner which in their judgment is in the best interests of the Company.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an **"ordinary resolution"**), unless the motion requires a **"special resolution"** in which case a majority of 66 2/3% of the votes cast will be required.

BENEFICIAL HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" or "beneficial" shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the **"Beneficial Holder"**) but which are registered either: (a) in the name of an intermediary (an **"Intermediary"**) that the Beneficial Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the **"Meeting Materials"**) directly, and to the clearing agencies and Intermediaries for onward distribution to Beneficial Holders. These securityholder materials are being set to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Intermediaries are required to forward the Meeting Materials to Beneficial Holders unless a Beneficial Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Beneficial Holders. Generally, Beneficial Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Beneficial Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Holder when submitting the proxy. In this case, the Beneficial Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deposit it with the Company's transfer agent as provided above; or**
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Beneficial Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Beneficial Holders to direct the voting of the shares which they beneficially own. Should a Beneficial Holder who receives one of the above forms wish to vote at the Meeting in person, the Beneficial Holder should strike out the names of the Management Designees named in the form and insert the Beneficial Holder's name in the blank space provided. **In either case, Beneficial Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share structure of the Company consists of an unlimited number of Shares without par value and an unlimited number of preferred shares without par value. As at November 17, 2025, the Company had 15,046,497 issued and outstanding Shares, each Share carrying the right to one vote. The Company has no other classes of voting securities.

Only Shareholders of record at the close of business on November 17, 2025, who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions detailed therein, shall be entitled to vote or to have their Shares voted at the Meeting.

The Articles of the Company provide that a quorum for the transaction of business at the Meeting is two (2) Shareholders, or one or more proxyholders representing two Shareholders, or one Shareholder and a proxyholder representing another Shareholder.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company, other than the following:

Name	Number of Voting Securities	Percentage⁽¹⁾ (%)
Miloje Vicentijevic	5,726,000 Common shares ⁽²⁾	38.06

⁽¹⁾ Calculated using the issued and outstanding share capital figure as at November 17, 2025, being 15,046,497 common shares.

⁽²⁾ Of which, 496,000 shares are held by Mr. Vicentijevic's spouse.

Those shareholders so desiring may be represented by proxy at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

TO THE KNOWLEDGE OF THE COMPANY'S DIRECTORS, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS INFORMATION CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

Additional detail regarding each of the matters to be acted upon at the Meeting is set forth below.

1. Financial Statements

The audited financial statements of the Company for fiscal years ended March 31, 2024 and 2025 (the "**Financial Statements**"), together with the Auditors' Reports thereon, will be presented to the shareholders at the Meeting. Shareholders should note that in accordance with the rules of National Instrument 51-102 *Continuous Disclosure Obligations*, Shareholders will no longer automatically receive copies of financial statements unless the Financial Statements Request Form (*in the form enclosed herewith or on the Proxy*) has been completed and returned as instructed. Copies of all previously issued annual and quarterly financial statements and related Management Discussions and Analysis are available to the public on the SEDAR+ website at www.sedarplus.ca.

2. Appointment of Auditors

Management proposes the appointment of Lancaster & David, Chartered Professional Accountants, as Auditors of the Company for the ensuing year and that the directors be authorized to fix their remuneration.

In the absence of instructions to the contrary the shares represented by proxy will be voted in favour of a resolution to appoint Lancaster & David, Chartered Professional Accountants, as Auditors of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors, unless the Shareholder has specified in the Shareholder's proxy that the Shareholder's Common Shares are to be withheld from voting on the appointment of auditors.

3. Election of Directors

The board of directors of the Company (the "**Board**" or the "**Board of Directors**") currently consists of five (5) directors, all of whom are elected annually. The term of office for each of the present directors of the Company expires at the Meeting. All of the current directors of the Company will be standing for re-election, except for Gordon Bub. It is proposed that the number of directors for the ensuing year be fixed at five (5) subject to such increases as may be permitted by the Articles of the Company. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at five (5).

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next Annual General Meeting of the Company or until his successor is duly elected or appointed pursuant to the Articles of the Company unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's Articles.

It is the intention of the management designees, if named as proxy, to vote for the election of the said persons to the Board of Directors, unless the Shareholder has specified in its proxy that its Common Shares are to be withheld from voting on the election of directors. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following information relating to the nominees for election to the Board of Directors is based on information received by the Company from said nominees:

Miloje Vicentijevic ⁽¹⁾ British Columbia, Canada <i>Director since February 2021</i> <i>President and Chief Executive Officer since February 2021</i> Common Shares: 5,726,000 ⁽²⁾	Mining Engineer with more than 32 years of international experience spanning operations, consulting, and capital markets. Mr. Vicentijevic's background includes over 14 years in construction and operations across lead-zinc, gold, coal, and oil sands projects; more than 6 years in consulting; and over 12 years in the capital markets. He holds a Master's in Management from the University of Alberta and a BSc in Mining Engineering from the University of Belgrade, Serbia. Mr. Vicentijevic is also the co-founder and former President, CEO, and Director of Benz Mining Corp.
Carlos Escribano ⁽¹⁾ <i>Director since February 2021</i> <i>Chief Financial Officer since February 2021</i> Common Shares: 860,000	Chartered Professional Accountant; CFO of Reconnaissance Energy Africa Ltd. since January 2020. Mr. Escribano has more than 20 years of experience in senior level financial management. He has served as CFO for publicly traded multi-national corporations in the resource sector, including leadership roles with Vancouver-based precious metals producers operating in the Americas. He has demonstrated ability in successfully managing key aspects of finance, accounting and administration, including debt and equity financing, financial reporting and compliance, budgeting and treasury.
Jason Birmingham ⁽¹⁾⁽³⁾ British Columbia, Canada <i>Director since February 2021</i> Common Shares: 400,000	President of Birmingham Consulting Ltd. Mr. Birmingham has over 33 years of experience as an entrepreneurial executive and consulting professional. He has vast and multi-level experience in domestic and international private and public company start-ups. He has cultivated strong relationships with a broad base of investors based in North America and Europe. Mr. Birmingham is or has been a director and/or senior officer of other publicly listed companies.
Ronald A. Hall ⁽¹⁾⁽³⁾ British Columbia, Canada <i>Director since February 2021</i> Common Shares: 250,000	Retired Engineer. Director of Panoro Minerals Ltd. from December 2016 to present. Director of Benz Mining Corp. from November 2011 to September 2019.
Nicholas Tintor ⁽¹⁾⁽³⁾ Ontario, Canada <i>Director since February 2021</i> Common Shares: 710,000	Managing Director of RG Mining Investments Inc. since January 2007. Mr. Tintor is a mining executive and geologist who holds a Bachelor of Science in Geology from the University of Toronto and has more than 30 years of experience in the Canadian mining industry. For the past 20 years, he has been involved in all aspects of junior mining company management from project generation to finance and executive management. He also brings deep global relationships in the mining industry and especially in the Canadian resources investment banking sector.

(1) Information as to the Province or State of residence, principal occupation, and shares beneficially owned, directly or indirectly, or controlled or directed, has been obtained from SEDI or furnished by the respective directors.

(2) Of which, 496,000 shares are held by Mr. Vicentijevic's spouse.

(3) Member or proposed member of the audit committee.

Advance Notice Policy for Nominations of Directors: The Company's Articles include an advance notice provision (the "Advance Notice Provision"), which provides Shareholders, directors and management of the Company with direction on the procedure for Shareholder nomination of directors. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form. A copy of the Company's Articles which include the Advance Notice Provision can be found under the Company's issuer profile on SEDAR + at www.sedarplus.ca.

No director nominations have been made by the Shareholders in connection with the Meeting under the terms of the Advance Notice Provision as at the date hereof.

Corporate Cease Trade Orders or Bankruptcies: To the knowledge of the Company, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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.

Individual Bankruptcies: To the knowledge of the Company, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

Penalties or Sanctions: To the knowledge of the Company, no proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

4. Stock Option Plan

The Company's currently maintains a stock option plan (the "**Stock Option Plan**"). The policies of the TSX Venture Exchange (the "**TSXV**" or the "**Exchange**") require the approval of the Stock Option Plan by the Company's shareholders annually. The following is a summary of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan. A copy of the Stock Option Plan has been posted on SEDAR+ and is available for review and inspection under the Company's profile on SEDAR+ at www.sedarplus.ca, for complete details.

The Stock Option Plan is a "rolling" plan, permitting the issuance of stock options totalling up to ten percent (10%) of the issued and outstanding shares, calculated as at the date of the grant. There are currently 15,046,497 shares of the Company issued and outstanding, and therefore the current 10% threshold is 1,504,649 shares available for incentive stock option grants under the Stock Option Plan. Incentive stock options under the Stock Option Plan may be granted by the Board of Directors to eligible persons, who are directors, officers or consultants of the Company or its subsidiaries (if any), or who are employees of a company providing management services to the Company, or who are eligible charitable organizations. Stock options may be granted under the Stock Option Plan with a maximum exercise period of up to ten (10) years, as determined by the Board of the Company.

The purpose of the Stock Option Plan is to align the interests of those directors, employees and consultants designated by the Board as being eligible to participate in the Stock Option Plan with those of the Company and its Shareholders and to assist in attracting, retaining and motivating key employees by making a portion of the incentive compensation of participating employees directly dependent upon the achievement of key strategic, financial and operational objectives that are critical to ongoing growth and increasing the long-term value of the Company. In particular, the Stock Option Plan is designed to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of directors, key employees and consultants of the Company and its subsidiaries; (b) encouraging such directors, key employees and consultants to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such directors, key employees and consultants with the interests of the Company.

In the event that shareholder approval is not obtained at the Meeting, the Company will implement a new fixed stock option plan for up to 10% of the Company's issued shares (which does not require shareholder approval), and any existing option grants under the Stock Option Plan as previously approved by the shareholders of the Company at the last Annual General Meeting will not be affected.

Approval of Stock Option Plan: At the Meeting, shareholders will be asked to approve a resolution approving the Stock Option Plan (the "**Stock Option Plan Resolution**"). The text of the Stock Option Plan Resolution to be considered and, if thought fit, approved at the Meeting is as follows:

"BE IT RESOLVED THAT:

1. The Company's stock option plan (the "**Stock Option Plan**") be ratified, confirmed and approved;
2. The form of the Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without requiring further approval of the shareholders of the Company;
3. Any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution."

Management recommends that shareholders vote FOR the Stock Option Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the Stock Option Plan Resolution as set out above.

DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

(For the financial year ended March 31, 2025)

Executive Compensation: For purposes of this Circular, "named executive officer" of the Company means:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a Chief Executive Officer ("**CEO**"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a Chief Financial Officer ("**CFO**"), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than individuals identified in paragraphs (a) and (b) above 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 paragraphs (a), (b) or (c) above, but for the fact that the individual not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

(each a "**Named Executive Officer**" or "**NEO**").

Based on the foregoing definition, during the last completed financial year of the Company, the Named Executive Officers were as follows:

- Miloje Vicentijevic: President and CEO
- Carlos Escribano: CFO and Director

Director and NEO Compensation, excluding Compensation Securities: The following table provides a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company to each NEO and director of the Company during the last fiscal years ended March 31, 2024 and 2025:

Director and Named Executive Officer Compensation

Name and Principal Position	Year	Salary, Consulting Fee, Retainer of Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Miloje Vicentijevic President, CEO and Director	2025	88,000	Nil	Nil	Nil	Nil	88,000
	2024	105,500	Nil	Nil	Nil	Nil	105,500
Carlos Escribano CFO and Director	2025	54,552	Nil	Nil	Nil	Nil	54,552
	2024	55,800	Nil	Nil	Nil	Nil	55,800
Jason Birmingham Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Bub Director	2025	22,800	Nil	Nil	Nil	Nil	22,800
	2024	Nil	Nil	Nil	Nil	Nil	Nil
Nick Tintor Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	Nil	Nil	Nil	Nil	Nil	Nil

Stock Options and Other Compensation Securities

There were stock options granted to directors and NEOs by the Company during the year ended March 31, 2025, as follows:

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	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
Jason Birmingham Director	Stock options	75,000 stock options ⁽¹⁾ 75,000 underlying Shares 5.5% of stock options; 0.5% of Shares	Dec 6, 2024	0.10	0.07	0.065	Dec 5, 2029
Gordon Bub Director	Stock options	50,000 stock options ⁽¹⁾ 50,000 underlying Shares 3.7% of stock options; 0.3% of Shares	Dec 6, 2024	0.10	0.07	0.065	Dec 5, 2029

Name and position	Type of Compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end ⁽¹⁾ (\$)	Expiry date
Nick Tintor Director	Stock options	130,000 stock options ⁽¹⁾ 130,000 underlying Shares 9.5% of stock options; 0.8% of Shares	Dec 6, 2024	0.10	0.07	0.065	Dec 5, 2029
Carlos Escribano CFO and Director	Stock options	100,000 stock options ⁽¹⁾ 100,000 underlying Shares 7.3% of stock options; 0.6% of Shares	Dec 6, 2024	0.10	0.07	0.065	Dec 5, 2029
Miloje Vicentijevic President, CEO and Director	Stock options	149,000 stock options ⁽¹⁾ 149,000 underlying Shares 10.9% of stock options; 0.9% of Shares	Dec 6, 2024	0.10	0.07	0.065	Dec 5, 2029

⁽¹⁾ These stock options vest in their entirety on the grant date.

As at the year ended March 31, 2025, the following compensation securities were issued and outstanding to directors and NEOs:

Name	Number of Compensation Securities (Options, RSUs, DSUs or PSUs)	Price per Compensation Securities		Grant Date	Expiry Date
			(\$)		
Jason Birmingham	90,000		0.10	Jul 20, 2023	Jul 20, 2028
Gordon Bub	90,000		0.10	Jul 20, 2023	Jul 20, 2028
Nick Tintor	90,000		0.10	Jul 20, 2023	Jul 20, 2028
Carlos Escribano	120,000		0.10	Jul 20, 2023	Jul 20, 2028
Miloje Vicentijevic	120,000		0.10	Jul 20, 2023	Jul 20, 2028

Exercise of Compensation Securities by Directors and NEOs: No compensation securities were exercised by Directors and NEOs during the year ended March 31, 2025.

Stock Option Plans and Other Incentive Plans

Stock Option Plan: The purpose of the Stock Option Plan is to attract and retain directors, officers, employees and consultants and to motivate them to advance the interests of the Company by affording them with the opportunity acquire an equity interest in the Company through options granted under the Stock Option Plan.

The Stock Option Plan provides that unless authorized by the shareholders in accordance with applicable securities laws, the aggregate number of Shares reserved for issuance under the Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, is subject to the restrictions imposed under applicable securities laws.

The Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. Options granted under the Stock Option Plan will have an exercise price of not less than the minimum prevailing price of the Company's Shares permitted by the Exchange on the day prior to the date of the grant.

The Board establishes the expiry date for each option at the time such option is granted. The expiry date cannot be longer than the maximum exercise period as determined by the applicable securities laws and the policies of the Exchange. No Option is exercisable until it has vested. The Board establishes a vesting period or periods at the time each option is granted to an optionee, subject to the compliance with applicable securities laws and the policies of the Exchange. An optionee who wishes to exercise an Option must pay the exercise price in cash, a certified cheque or a bank draft payable to the Company for the aggregate exercise price for the optioned Shares being acquired.

Termination and Change of Control Benefits

There are no management or consulting agreements with any directors or officers of the Company which contain termination or change of control benefits.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth certain information pertaining to the Company's equity compensation plan as at March 31, 2025:

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	1,369,000	0.10	3,649
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
TOTAL	1,369,000	0.10	3,649

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, and no associates or affiliates of any of them, is or has been indebted to the Company or its subsidiaries at any time since the beginning of the Company's last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No Insider of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors, of any person or company who has been: (a) if the solicitation is made by or on behalf of management of the Company, a director or executive officer of the Company at any time since the beginning of the Company's last financial year; (b) if the solicitation is made other than by or on behalf of management of the Company, any person or company by whom or on whose behalf, directly or indirectly, the solicitation is made; (c) any proposed nominee for election as a director of the Company; or (d) any associate or affiliate of any of the foregoing persons or companies.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not performed to any substantial degree by any person or company other than the directors and executive officers of the Company or its subsidiaries.

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

The Board is comprised of five (5) directors, of whom Jason Birmingham, Gordon Bub and Nick Tintor are independent for the purposes of NI 58-101. Miloje Vicentijevic and Carlos Escribano are not independent since they serve as the Company's President and Chief Executive Officer, and Chief Financial Officer, respectively.

Directorships

Certain of the director are also directors of other reporting issuers, as follows:

Director	Other Reporting Issuers
Jason Birmingham	Abound Energy Inc. Apex Critical Metals Corp. Cassius Ventures Ltd.
Ronald A. Hall, <i>Nominee</i>	Panoro Minerals Ltd.

Director	Other Reporting Issuers
Nick Tintor	Big Ridge Gold Corp. Benz Mining Corp. Hercules Metals Corp. Puranium Energy Ltd.

Orientation and Continuing Education: New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

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

Nomination of Directors: The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation Governance: The Company does not have a separate Compensation Committee, so the entire Board of Directors comprises the Compensation Committee, and is responsible for, among other things, evaluating the performance of the Company's executive officers, determining or making recommendations with respect to the compensation of the Company's executive officers, making recommendations with respect to director compensation, incentive compensation plans and equity-based plans, making recommendations with respect to the compensation policy for the employees of the Company or its subsidiaries and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Board has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

The Board is currently composed of five (5) directors, of whom Jason Birmingham, Gordon Bub and Nick Tintor are independent directors within the meaning set out in NI 58-101. Miloje Vicentijevic and Carlos Escribano are not independent since they serve as the Company's President and Chief Executive Officer, and Chief Financial Officer, respectively. All members of the Board are experienced participants in business or finance, and have sat on the board of directors of other companies, charities or business associations, in addition to the Board of the Company.

The Board does not have a pre-determined compensation plan. The Company does not engage in benchmarking practices and the process for determining executive compensation is at the discretion of the Board.

The Board has not engaged the services of independent compensation consultants to assist it by making recommendations to the Board with respect to director and executive officer compensation.

Other Board Committees: The Board has no other committees, other than the Audit Committee.

Assessments: Due to the minimal size of the Company's Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

Audit Committee Information

Under National Instrument 52-110 – Audit Committees (“NI 52-110”) reporting issuers are required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee’s Charter, composition of the Committee, and the fees paid to the external auditor. The Company provides the following disclosure with respect to its Audit Committee:

Audit Committee Charter: The Company’s Audit Committee is governed by an audit committee charter, the text of which is set out in Schedule “A” attached to this Information Circular.

Composition of Audit Committee: Following the election of directors pursuant to this Information Circular, the following will be members of the Audit Committee:

Jason Birmingham	Independent ⁽¹⁾	Financially literate ⁽²⁾
Nick Tintor	Independent ⁽¹⁾	Financially literate ⁽²⁾
Ronald A. Hall (nominee)	Independent ⁽¹⁾	Financially literate ⁽²⁾

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member’s independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Relevant Education and Experience: The relevant education and/or experience of each member of the Audit Committee is as follows:

Jason Birmingham, Director: Mr. Birmingham is or has been a director of other publicly listed companies including experience with other mining issuers. He currently serves on the board of directors of Cassius Ventures Ltd. and Eagle Bay Resources Corp. and previously served on the board of directors of Nortec Minerals Corp., Friday’s Dog Holdings Inc. (now “Cerro Mining Corp”), Clean Seed Capital Group Ltd., First Hydrogen Corp. (now “Fitch Street Capital Corp.”) and Irwin Naturals Inc. (now “Datinvest International Ltd.”). Mr. Birmingham completed the Canadian Securities Course in 1995 and completed the Real Estate Salesperson’s Sub-Mortgage Broker’s Pre-Licensing Course through the Faculty of Commerce and Business Administration at the University of British Columbia in 1996.

Nick Tintor, Director: Mr. Tintor is a mining executive and geologist who holds a Bachelor of Science in Geology from the University of Toronto and has more than 30 years of experience in the Canadian mining industry. For the past 22 years, he has been involved in all aspects of junior mining company management from project generation, to finance and executive management. He also has deep global relationships in the mining industry and especially in the Canadian resources investment banking sector.

Ronald A. Hall, Nominee: Mr. Hall has over 40 years professional experience in the management, operation, evaluation and design of global mining projects. A graduate from Cardiff University in Wales, Mr. Hall has lived and worked in the UK, South Africa, Botswana, Canada, Australia and China and in addition has been involved in business and mining opportunities in India, Russia, North America, Chile, Brazil and Mexico. He was a Non-Executive director on the board of Chinalco Mining International (a subsidiary of the Chinese State Owned Enterprise Chinalco) engaged in the development of the Torromochu copper project in Peru. Mr. Hall is also director of Panoro Minerals Ltd.

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

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

Pre-Approval Policies and Procedures: The Audit Committee is authorized by the Board of Directors to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

External Auditor Service Fees: The fees billed by the Company's external auditors in each of the last two financial years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

Financial Year Ending March 31	Audit Fees (\$)	Audit Related Fees (\$)	Tax Fees (\$)	All other Fees (\$)
2025	17,500	Nil	1,500	Nil
2024	17,500	Nil	1,500	Nil

Exemption: As a TSX Venture Exchange listed issuer, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

OTHER MATTERS

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Financial information is provided in the Company's audited annual financial statements and accompanying management's discussion and analysis ("**MD&A**") for the its fiscal years ended March 31, 2024 and 2025.

Under National Instrument 51-102, *Continuous Disclosure Obligations*, any person or company who wishes to receive financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, Computershare Investor Services Inc., 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6. The Company will maintain a supplemental mailing list of persons or companies wishing to receive financial statements.

Shareholders may obtain copies of the Company's financial statements and related MD&A by contacting the Company at 3847 Vance Road, Cultus Lake, British Columbia or by telephone at (604) 319-6174. Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

GENERAL

Unless otherwise specified, all matters referred to herein for approval by the Shareholders require a simple majority of the Shareholders voting, in person or by proxy, at the Meeting. Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

DATED as of the 17th day of November, 2025.

BY THE ORDER OF THE BOARD OF DIRECTORS OF
AVARON MINING CORP.

"Miloje Vicentijevic"

Miloje Vicentijevic
President and Chief Executive Officer

SCHEDULE A

AVARON MINING CORP. AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the “**Committee**”) of the board of directors (the “**Board**”) of **Avaron Mining Corp.**, formerly Benz Capital Corp. (the “**Company**”) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements, as they relate to the Company’s financial statements;
- (c) the qualifications, independence and performance of the Company’s auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company’s internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

- (i) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (ii) communicate directly with the Company’s auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. A majority of the Committee’s members must be “independent” and “financially literate” as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) **Auditor**

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) Related Party Transactions

All transactions between the Company and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (British Columbia)), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure for Reporting of Fraud or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chair of the Audit Committee. Should a new Chair be appointed prior to the updating of this document, current Chair will ensure that the whistleblower is able to reach the new Chair in a timely manner. In the event that the Chair of the Audit Committee cannot be reached, the whistleblower should contact the Chair of the Board of Directors. Access to the names and place of employment of the Company's Directors can be found in the Company's website.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.