

# **FIDELITY MINERALS CORP.**

**Suite 1201 – 1166 Alberni Street  
Vancouver, British Columbia V6E 3Z3**

## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 29, 2022**

**AND**

## **INFORMATION CIRCULAR**

*May 27, 2022*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisors.*

**FIDELITY MINERALS CORP.**  
Suite 1201 – 1166 Alberni Street  
Vancouver, BC, V6E 3Z3  
Tel: 604.671.1353

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the 2021 annual general and special meeting (the “**Meeting**”) of the shareholders of Fidelity Minerals Corp. (the “**Company**”) will be held at 1201 – 1166 Alberni Street, Vancouver, British Columbia V6E 3Z3, on Wednesday, June 29, 2022, at 10:00 a.m. (Pacific time) for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the year ended July 31, 2021 and the reports of the auditor thereon;
2. To set the number of directors of the Company for the ensuing year at four (4) persons;
3. To elect directors for the ensuing year;
4. To appoint the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. To consider and, if thought fit, to approve an ordinary resolution to ratify, confirm and approve the adoption of the Company’s 2022 fixed stock option plan, and the increase to the number of shares reserved for issuance under the 2022 Fixed Stock Option Plan from 9,980,000 to 16,962,843 shares, as described in the information circular (the “**Information Circular**”) accompanying this notice of meeting (the “**Notice of Meeting**”); and
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

This Notice of Meeting is accompanied by the Information Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders. Shareholders are requested to read the Information Circular and, if unable to attend the Meeting in person, complete, date, sign and return the proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

The Board of Directors of the Company has fixed the close of business on May 20, 2022, as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has also fixed 10:00 a.m. (Pacific time) on Monday, June 27, 2022, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company’s registrar and transfer agent, TSX Trust Company.

## COVID-19

In view of the current and rapidly evolving COVID-19 outbreak, the Company encourages Shareholders not to attend the Meeting in person. No more than 6 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

Any person who intends to attend the Meeting in person must register with the Company's corporate secretary at least 72 hours in advance and receive approval, by emailing Anthony Balic at [abalic@fidelityminerals.com](mailto:abalic@fidelityminerals.com).

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

DATED at Vancouver, British Columbia, as of the 27th day of May, 2022.

**FIDELITY MINERALS CORP.**

By: "Dean Pekeski"

Dean Pekeski, Chief Executive Officer

## FIDELITY MINERALS CORP.

### INFORMATION CIRCULAR

The information contained in this Information Circular,  
unless otherwise indicated, is as of May 27, 2022.

This Information Circular is in respect of the annual general and special meeting (the “**Meeting**”) of the shareholders of Fidelity Minerals Corp. (the “**Company**”) to be held on June 29, 2022, at the time and place set out in the accompanying Notice of Meeting. This Information Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting and any adjournment of the Meeting. The Board of Directors of the Company (the “**Board**”) has fixed the close of business on May 20, 2022, as the record date (the “**Record Date**”), being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

#### COVID-19

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**Any person who intends to attend the Meeting in person must register with the Company’s corporate secretary at least 72 hours in advance and receive approval, by emailing Anthony Balic at [abalic@fidelityminerals.com](mailto:abalic@fidelityminerals.com).**

#### PART 1 – PROXY INSTRUCTIONS

##### MANAGEMENT SOLICITATION AND APPOINTMENT OF PROXIES

The persons named in the form of proxy are nominees of the Company’s management. **A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for and on the shareholder’s behalf at the Meeting other than the persons designated as proxyholders in the form of proxy.** To exercise this right, the shareholder must either:

- (a) on the form of proxy, strike out the printed names of the individuals specified as proxyholders and insert the name of the shareholder’s nominee in the blank space provided; or
- (b) complete another proper form of proxy.

To be valid, a proxy must be dated and signed by the shareholder or by the shareholder’s attorney authorized in writing. In the case of a corporation, the proxy must be signed by a duly authorized officer of or attorney for the corporation.

The completed proxy, together with the power of attorney or other authority, if any, under which the proxy was signed or a certified true copy (by Notary or legal counsel) of the power of attorney or other

authority, must be delivered to TSX Trust Company (“**TSX Trust**”), 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1; fax: 416-595-9593, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. TSX Trust also offers voting via the Internet. Instructions for Internet voting can be found on the enclosed form of proxy or voting instruction form.

## **REVOCABILITY OF PROXIES**

A shareholder who has given a proxy may revoke it at any time before the proxy is exercised proxy exercised:

- (a) by an instrument in writing that is:
  - (i) signed by the shareholder, the shareholder’s attorney authorized in writing or, where the shareholder is a corporation, a duly authorized officer or attorney of the corporation; and
  - (ii) delivered to TSX Trust Company or to the Company’s registered and records office at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of the Meeting, or delivered to the Chairperson of the Meeting on the day of the Meeting or any adjournment of the Meeting before any vote on a matter in respect of which the proxy is to be used has been taken; or
- (b) in any other manner provided by law.

## **VOTING OF SHARES AND PROXIES AND EXERCISE OF DISCRETION BY PROXYHOLDERS**

A shareholder may indicate the manner in which the persons named in the form of proxy are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space. **If the instructions as to voting indicated in the proxy are certain, the shares represented by the proxy will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given in the proxy.**

**If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the shares represented will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the proxyholder named in the form of proxy. It is intended that the proxyholder named by management in the form of proxy will vote the shares represented by the proxy in favour of each matter identified in the proxy and for the nominees of the Company for directors and auditor.**

The form of proxy also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date of this Information Circular, management of the Company is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those set out herein and referred to in the Notice of Meeting. If, however, other matters that are not now known to management properly come

before the Meeting, then the persons named in the form of proxy intend to vote on them in accordance with their best judgment.

### **SOLICITATION OF PROXIES**

It is expected that solicitations of proxies will be made primarily by mail and possibly supplemented by telephone or other personal contact by directors, officers, employees and consultants of the Company without special compensation. The Company will not reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the costs incurred in obtaining authorization to execute forms of proxy from their principals. The cost of solicitation will be borne by the Company.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

ONLY REGISTERED SHAREHOLDERS OR DULY APPOINTED PROXYHOLDERS ARE PERMITTED TO VOTE AT THE MEETING. SHAREHOLDERS WHO DO NOT HOLD THEIR SHARES IN THEIR OWN NAME (REFERRED TO AS "**NON-REGISTERED SHAREHOLDERS**") ARE ADVISED THAT ONLY PROXIES FROM SHAREHOLDERS OF RECORD CAN BE RECOGNIZED AND VOTED AT THE MEETING. Non-Registered Shareholders who complete and return an instrument of proxy or voting instruction form must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder.

If securities are listed in an account statement provided to a shareholder by a broker, then in almost all cases those securities will not be registered in such shareholder's name on the records of the Company and will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such securities are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Securities held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Without specific instructions, brokers/nominees are prohibited from voting securities for their clients.

If you are a Non-Registered Shareholder and TSX Trust has sent Meeting materials directly to you, your name and address and information about your shareholdings have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. Such shareholders can expect to receive a scannable voting instruction form ("**VIF**") with this Meeting material. The VIF is to be completed and returned to TSX Trust in the envelope provided or by facsimile. In addition, TSX Trust offers internet voting as described in the VIF. TSX Trust will tabulate the results of the VIFs received from beneficial shareholders and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive. A NON-REGISTERED SHAREHOLDER RECEIVING A VIF CANNOT USE THAT VIF TO VOTE SECURITIES DIRECTLY AT THE MEETING. THE VIF MUST BE RETURNED TO TSX TRUST WELL IN ADVANCE OF THE MEETING IN ORDER TO HAVE THE SHARES VOTED.

Non-Registered Shareholders who have objected to their broker/nominee disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners ("**OBOs**"). In accordance with securities regulatory policy, we will have distributed copies of the required Meeting materials to the brokers/nominees for onward distribution to OBOs. THE COMPANY DOES NOT INTEND TO PAY FOR A BROKER/NOMINEE TO DELIVER MEETING MATERIALS TO OBOs. THEREFORE, AN OBO WILL NOT RECEIVE THE MATERIALS UNLESS THE OBO'S BROKER/NOMINEE ASSUMES THE COSTS OF DELIVERY. Brokers/nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Every broker/nominee has its own mailing procedures and

provides its own return instructions, which should be carefully followed by OBOs in order to ensure that their securities are voted at the Meeting. Often the form of proxy supplied to a beneficial shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders; however, its purpose is limited to instructing the registered shareholder how to vote on behalf of the beneficial shareholder.

Should a Non-Registered Shareholder receiving a form of proxy or VIF wish to vote at the Meeting, the Non-Registered Shareholder should strike out the names of the management proxyholders named in the form and insert the Non-Registered Shareholder's name in the blank provided and return the materials to the broker or TSX Trust as directed and well before the Meeting date.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

## **PART 2 – VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value (each a “Share”). All issued Shares are entitled to be voted at the Meeting and each has one vote. As of May 20, 2022, there were 84,814,217 Shares issued and outstanding.

Only shareholders of record on May 20, 2022, will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, the only company who owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances is:

<b>Name</b>	<b>Number of Common Shares Beneficially Owned, Controlled or Directed</b>	<b>Percentage of Outstanding Common Shares<sup>(1)</sup></b>
Lions Bay Capital Inc.	39,688,811 <sup>(2)</sup>	46.79%

(1) Based on 84,814,217 Shares issued and outstanding as of the Record Date.

(2) The total does not include 9,571,583 warrants convertible into Shares held by Lions Bay Capital Inc.

## **PART 3 – THE BUSINESS OF THE MEETING**

### **CONSOLIDATED FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the years ended July 31, 2021 and 2020, will be placed before you at the Meeting. These consolidated financial statements and management's discussion and analysis are available for review on SEDAR. See Part 9 “OTHER INFORMATION – Additional Information” below.

## ELECTION OF DIRECTORS

### *Nominees for Election*

The Board of the Company presently consists of four (4) directors. At the Meeting, it is proposed to maintain the number of directors elected at four (4) to hold office until the next annual general meeting or until their successors are duly elected or appointed. Management does not contemplate that any of the following nominees will be unable to serve as a director but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy shall have the right to vote for another nominee in their discretion.

The following table and notes thereto state the names, provinces and countries of residence of all persons proposed to be nominated for election as directors, the date on which each of them first became a director of the Company, all positions and offices with the Company held by each of them, the principal occupation or employment of each of them, and the number of Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the Record Date. The biographical information set out below as to principal occupation of, and number of Shares owned by, each of the nominees, not being within the knowledge of the Company, has been furnished by the nominees.

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years <sup>(1)(2)</sup>	Periods during which Nominee has Served as a Director	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>Dean Pekeski<sup>(3)</sup></b> British Columbia, Canada  <i>CEO, President and Director</i>	Dean is the Chief Executive Officer of the Company; he has a proven track record of discovery and project development success through working with Rio Tinto (Senior Project Geologist), Western Potash Corp. (Executive Vice President), Equitorial Exploration Corp. (President and CEO), and Peak Minerals Inc. - formerly Crystal Peak Minerals Inc. (current President and CEO). International Projects include Bunder Diamonds (India), Milestone Potash (Saskatchewan, Canada), Sevier Playa Potash (Utah, USA).	March 1, 2021	666,120 <sup>(4)</sup>
<b>Ian Graham<sup>(3)</sup></b> British Columbia, Canada  <i>Director</i>	Ian Graham is President of nKwazi Resource Management Inc. since February 2009; nKwazi provides management services wherein Ian acts as President of Oroco Resource Corp. and served as CEO of Company since 2015. Mr. Graham resigned as CEO of Company in March, 2021.	March 6, 2015	2,878,913 <sup>(5)</sup>

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years <sup>(1)(2)</sup>	Periods during which Nominee has Served as a Director	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>John Byrne<sup>(3)</sup></b> Australia  <i>Director</i>	John Byrne has 40 years of experience in the natural resource industry as a financial analyst, investor and mine developer. John is the Chairman and CEO of Lions Bay Capital Inc. which is the largest shareholder of the Company.	March 1, 2021	720,000 <sup>(6)</sup>
<b>Anthony Balic</b> British Columbia, Canada  <i>Director</i>	Anthony has worked with Canadian and US publicly listed resource companies in a range of senior roles during the past 10 years. He is the current CFO of Goldgroup Mining where he was part of the finance team which brought their Mexican mine into commercial production and is currently the CFO and a director of Lions Bay Capital Inc. which is a major shareholder of the Company.	September 7, 2018	2,814,779 <sup>(7)</sup>

- (1) Information as to principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Unless otherwise stated above, any nominee named above not elected at the last annual general meeting has held the principal occupation or employment indicated for at least five years.
- (3) Member of the Audit Committee.
- (4) Mr. Pekeski also holds: (i) 2,750,000 stock options held directly exercisable into Shares. (ii) 141,120 options held indirectly in the name of Kraven Geological Inc., a company wholly owned by Mr. Pekeski exercisable into Shares, and (ii) 666,120 warrants held indirectly in the name of Kraven Geological Inc. exercisable into Shares.
- (5) Mr. Graham holds: (i) 2,878,913 Shares directly, and (i) 295,321 Shares held indirectly through nKwazi Resource Management Inc., a company wholly-owned by Mr. Graham; total shareholdings do not include: (i) 1,050,000 stock options held directly exercisable into Shares, and (ii) 372,213 warrants held directly exercisable into Shares;
- (6) Mr. Byrne also holds: (i) 1,300,000 stock options held directly exercisable into Shares, and (ii) 720,000 warrants held jointly in the name of John J. Byrne & Maritza I. Byrne.
- (7) Mr. Balic also holds: (i) 1,200,000 stock options held directly exercisable into Shares, and (ii) 458,646 warrants held directly exercisable into Shares.

The Company does not have an executive committee. Pursuant to the policies of the Exchange, the Company is required to have an audit committee whose members are indicated above. See also Part 5 "AUDIT COMMITTEE" below.

### *Corporate Cease Trade Orders or Bankruptcy*

As at the date of this Information Circular, and within the last 10 years before the date of this Information Circular, no proposed director (or any of their personal holding companies) of the Company was a director, chief executive officer or chief financial officer of any company (including the Company) that:

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

### EastCoal Inc.

John Byrne, a director of the Company standing for election as a director at the meeting to which this Circular relates, was a director and the Chairman of EastCoal Inc. ("**EastCoal**") from July 2010 to June 2014, and he was EastCoal's Chief Executive Officer from April 2011 to June 2014. On November 5, 2013, EastCoal filed a Notice of Intention to Make a Proposal pursuant to the provisions of Part III of the Bankruptcy and Insolvency Act (Canada) (the "**BIA**"). Pursuant to the Notice, Deloitte Restructuring Inc. ("**Deloitte**") was appointed as the trustee in EastCoal's proposal proceedings to assist EastCoal in its restructuring efforts. The proposal to EastCoal's creditors under the BIA was unanimously approved by the creditors at the meeting of creditors held on April 22, 2014. Pursuant to the requirements of the BIA, Deloitte, as the proposal trustee, and EastCoal sought an order from the Supreme Court of British Columbia approving the proposal, which order approving the proposal and the associated transactions was granted on May 20, 2014. EastCoal's obligations under the proposal were completed and the associated transactions were effected as of June 23, 2014.

Wasabi Energy Limited (subsequently Enhanced Systems Technologies Limited, now Kalina Power Limited)

John Byrne, a director of the Company standing for election as a director at the meeting to which this Circular relates, was, at the time, a director and the Executive Chair (since July 2009) of Wasabi Energy Limited (“**Wasabi**”), and as of the date of this Circular is a director and the Executive Chair of Kalina Power Limited. On December 30, 2013, Wasabi, subsequently following a name change, Enhanced Systems Technologies Limited and, subsequently following a further change of name, Kalina Power Limited entered into Voluntary Administration as a result of failure to raise sufficient funds under a rights issue. On February 20, 2014, Wasabi and its directors entered into a Deed of Company Arrangement (“**DOCA**”) with Wasabi’s creditors, which gave Wasabi the opportunity to recover value for shareholders, which then included the majority of Wasabi’s major creditors. On May 16, 2014, Wasabi’s shareholders approved a proposed consolidation and issuance of shares to Wasabi’s creditors to allow the DOCA to be implemented. The terms of the DOCA were completed and on June 23, 2014, the administrator of the DOCA filed forms with the Australian Securities & Investments Commission confirming that the DOCA had been effectuated.

*Conflicts of Interest*

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Except as disclosed in this Information Circular, to the Company’s knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management now or may in the future serve as directors, officers, promoters and members of management of other public companies, some of which are or may be involved in the exploration and development of natural resources, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of the Company and their duties as a director, officer, promoter or member of management of such other companies.

**APPOINTMENT OF THE AUDITOR**

At the Meeting, shareholders will be asked to pass an ordinary resolution to appoint Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending July 31, 2022 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending July 31, 2022. An ordinary resolution needs to be passed by a simple majority of the votes cast by the shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Davidson & Company LLP, Chartered Professional Accountants, were first appointed as auditors of the Company on November 30, 2017.

**Management recommends shareholders vote for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company’s auditors for the Company’s fiscal year ending**

**July 31, 2022 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending July 31, 2022.**

#### **PART 4 – EXECUTIVE COMPENSATION**

Under this heading, the Company is including the disclosure required by Form 51-102F6 Statement of Executive Compensation.

##### **General**

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 the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

**“NEO” or “named executive officer”** means:

- (a) each individual who served as chief executive officer (**“CEO”**) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (**“CFO”**) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor 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; and

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

##### **Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit,

gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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 (\$)
Ian Graham <sup>(1)</sup> <i>Director and former CEO and President</i>	2021	\$48,000	Nil	Nil	Nil	Nil	\$48,000
	2020	\$68,500	\$6,000	Nil	Nil	Nil	\$74,500
Bahay Ozcakmak <sup>(2)</sup> <i>Former Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	\$68,000	\$6,780	Nil	Nil	Nil	\$74,780
Dean Pekeski <sup>(4)</sup> <i>Director, CEO and President</i>	2021	\$80,500	Nil	Nil	Nil	Nil	\$80,500
	2020	Nil	Nil	Nil	Nil	Nil	Nil
John Byrne <sup>(5)</sup> <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Anthony Balic <sup>(6)</sup> <i>Director and CFO</i>	2021	\$55,000	\$55,000	Nil	Nil	Nil	\$55,000
	2020	\$58,000	\$5,700	Nil	Nil	Nil	\$63,700

(1) Mr. Graham was appointed as CEO on March 6, 2015 and appointed as a director on March 6, 2015. Mr. Graham resigned as CEO and President on March 1, 2021.

(2) Mr. Ozcakmak was appointed as a director on September 7, 2018 and resigned on March 1, 2021.

(3) Dean Pekeski was appointed as the CEO, President and as a director on March 1, 2021.

(4) John Byrne was appointed as a director on March 1, 2021.

(5) Anthony Balic was appointed as CFO on January 12, 2017. Mr. Balic was appointed as a director on September 7, 2018.

#### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the year ended July 31, 2021 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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	Expiry Date
Ian Graham <sup>(3)</sup> Director and Former CEO and President	Stock Options	200,000 stock options / 200,000 Shares / 0.41% <sup>(1)</sup>	August 12, 2020	\$0.105	\$0.105	\$0.09	August 12, 2025
Bahay Ozcakmak <sup>(4)</sup> Former Director	Stock Options	200,000 stock options / 200,000 Shares / 0.41% <sup>(1)</sup>	August 12, 2020	\$0.105	\$0.105	\$0.09	August 12, 2025
Dean Pekeski <sup>(6)</sup> CEO, President and Director	Stock Options	250,000 stock options / 250,000 Shares / 0.29% <sup>(1)</sup>	March 9, 2021	\$0.15	\$0.125	\$0.09	March 9, 2026
John Byrne <sup>(7)</sup> Director	Stock Options	200,000 stock options / 200,000 Shares / 0.50% <sup>(1)</sup>	August 12, 2020	\$0.105	\$0.105	\$0.09	August 12, 2025
Anthony Balic <sup>(8)</sup> Director and CFO	Stock Options	200,000 stock options / 200,000 Shares / 0.41% <sup>(1)</sup>	August 12, 2020	\$0.105	\$0.105	\$0.09	August 12, 2025

- (1) Calculated on a partially diluted basis, based on the 49,106,951 common shares of the Company (“Shares”) outstanding as of the date of grant.
- (2) Calculated on a partially diluted basis, based on the 49,906,951 common shares of the Company (“Shares”) outstanding as of the date of grant.
- (3) As at July 31, 2021, Mr. Graham held 450,000 stock options which stock options are exercisable at \$0.075 per share until expiry on January 21, 2025, 300,000 stock options which are exercisable at \$0.075 per share until expiry on July 6, 2025, 200,000 stock options which are exercisable at \$0.105 per share until expiry on August 12, 2025. Mr. Graham resigned as CEO and President on March 1, 2021.
- (4) As at July 31, 2021, Mr. Ozcakmak held 450,000 stock options which stock options are exercisable at \$0.075 per share until expiry on January 21, 2025, 300,000 stock options which are exercisable at \$0.075 per share until expiry on July 6, 2025, 200,000 stock options which are exercisable at \$0.105 per share until expiry on August 12, 2025. Mr. Ozcakmak resigned as a director on March 1, 2021 and has continued working with the Company as a consultant.
- (5) As at July 31, 2021, Mr. Pekeski held 250,000 stock options which are exercisable at \$0.15 per share until expiry on March 9, 2026
- (6) As at July 31, 2021, Mr. Byrne held 150,000 stock options which stock options are exercisable at \$0.075 per share until expiry on January 21, 2025, 300,000 stock options which are exercisable at \$0.075 per share until expiry on July 6, 2025, 200,000 stock options which are exercisable at \$0.105 per share until expiry on August 12, 2025.
- (7) As at July 31, 2021, Mr. Balic held 450,000 stock options which stock options are exercisable at \$0.075 per share until expiry on January 21, 2025, 300,000 stock options which are exercisable at \$0.075 per share until expiry on July 6, 2025, 200,000 stock options which are exercisable at \$0.105 per share until expiry on August 12, 2025.

### **Exercise of Compensation Securities by Directors and NEOs**

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended July 31, 2021.

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

The Company's current stock option plan (the "Plan") is a "fixed" Stock Option Plan whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed twenty (20%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares.

As at the date hereof, there are 8,300,000 options outstanding under the Plan. The Plan was last approved by the shareholders of the Company on May 12, 2021.

A copy of the Plan is available for review on the Company's profile at [www.sedar.com](http://www.sedar.com) and at the office of the Company at Suite 1201 – 1166 Alberni Street, Vancouver, British Columbia, V6E 3Z3 or at the registered offices of the Company, at Suite 900 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1 during normal business hours up to and including the date of the Meeting.

### **Employment, Consulting and Management Agreements**

For the year ended July 31, 2021, other than described below, the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

On March 15, 2020, the Company entered into an executive employment agreement with Mr. Graham where Mr. Graham was entitled to \$35,000 in severance upon termination without cause by the Company. Mr. Graham resigned as CEO on March 1, 2021.

On March 15, 2020, the Company entered into an executive employment agreement with Mr. Balic where Mr. Balic is entitled to \$35,000 in severance upon termination without cause by the Company.

## Oversight and Description of Director and NEO Compensation

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

### Pension Plan Benefits

The Company has no pension, defined benefit or defined contribution plans in place.

## PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMEPENSATION PLANS

The following table sets out equity compensation plan information as at the financial year ended July 31, 2021:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	4,934,999	\$0.12	5,045,001 <sup>(2)</sup>
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>4,934,999</b>	<b>\$0.12</b>	<b>5,045,001<sup>(2)</sup></b>

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

<sup>(2)</sup> Based on the previously approved 9,980,000 allowable options and 4,934,999 granted.

## **PART 6 – AUDIT COMMITTEE**

National Instrument 52-110 Audit Committees (“NI 52-110”) requires the Company to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its external auditor as set forth below.

### **1. The Audit Committee Charter**

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Schedule “A” to this Information Circular.

### **2. Composition of Audit Committee**

The current members of the audit committee are Ian Graham, Dean Pekeski and John Byrne. Ian Graham and John Byrne are considered “independent”. Dean Pekeski is not considered “independent” as he is an officer of the Company. All of the members of the audit committee are considered “financially literate”.

For the purposes of NI 52-110, 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, reasonably interfere with the exercise of a member’s independent judgment. An individual is “financially literate” if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

### **3. Relevant Education and Experience**

All of the audit committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

*Ian Graham* is an accomplished mining professional with over 20 years of experience in the development and exploration of mineral deposits, mostly gained with the major mining companies Rio Tinto and Anglo American. Mr. Graham was formerly Chief Geologist of the Project Generation Group for Rio Tinto Exploration from March 2006 until January 2009, and also consulted to Western Potash Corp. as Evaluation and Project Development. Mr. Graham is a director at WPC Resources Inc., Commerce Resources Corp., CMC Metals Inc. and Cache Exploration Inc.

*Dean Pekeski* is a motivated and results-driven senior executive with more than 25 years of progressive, international experience in mineral exploration and project development. Mr. Pekeski has demonstrated multifaceted leadership building teams across cultures and complex geographies. Mr. Pekeski has a proven track record of discovery and project development success through working with Rio Tinto (Senior Project Geologist), Western Potash Corp. (Executive Vice President), Equitorial Exploration Corp. (President and CEO), and Peak Minerals Inc. - formerly Crystal Peak Minerals Inc. (current President and CEO). International Projects include Bunder Diamonds (India), Milestone Potash (Saskatchewan, Canada), Sevier Playa Potash (Utah, USA). Mr Pekeski is a professional

geologist registered in the Province of Saskatchewan and has an H. B.Sc. in Earth Science from the University of Western Ontario.

*John Byrne* has 40 years of experience in the natural resource industry as a financial analyst, investor and mine developer. Mr. Byrne formed Cambrian Mining Plc in 2002 with net assets of £1.4 million and before being acquired in 2008 had net assets of GBP£149 million. Mr. Byrne has been Chairman and CEO of numerous successful resource companies, including Western Coal Corp which was capitalized at less than C\$1 million when he joined, and was sold for C\$3.3billion in 2010. Mr. Byrne is a founder of Lions Bay Capital, the Company's largest shareholder.

#### **Audit Committee Oversight**

Since the commencement of the Company's financial year ended July 31, 2021, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

#### **4. Reliance on Certain Exemptions**

Since the commencement of the Company's financial year ended July 31, 2021, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

#### **5. Pre-Approval Policies and Procedures**

The audit committee is authorized by the Board 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 reviewing the range of services provided in the context of all consulting services bought by the Company.

#### **6. External Audit Service Fees (By Category)**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its external auditors, Davidson & Company LLP, Chartered Professional Accountants for services rendered to the Company in each of the last two financial years, by category, are as follows:

<b>Financial Year Ended July 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2021	\$30,000	Nil	Nil	Nil
2020	\$30,000	Nil	Nil	Nil

## **7. Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 6 (Composition of the Audit Committee) and Part 7 (Reporting Obligations) of NI 52-110.

## **PART 7 – CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines, which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices. As a “venture company”, the Company is required to make such disclosure with reference to the requirements of Form 58-101F2, which disclosure is set forth below.

### **1. Board of Directors**

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110.

The Board is currently composed of four directors. The independent status of each individual director is reviewed annually by the Board. The Board considers a director to be independent if he has no direct or indirect material relationship with the Company which, in the view of the Board, could reasonably be perceived to materially interfere with the exercise of the director’s independent judgment. The Board has determined that John Byrne and Ian Graham are independent. In addition, the Company has put forward for election at the Company’s Annual General Meeting a total of 4

directors.

## 2. Board Mandate

The Board is responsible for the conduct of the Company's affairs generally. The Board is responsible for reviewing and approving the Company's operating plans and budgets as presented by management. The Board is responsible for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent practicable. Succession planning, including the recruitment, supervision, compensation and performance assessment of the Company's senior management personnel also falls within the ambit of the Board's responsibilities. The Board is responsible for ensuring effective communication by the Company with its shareholders and the public and for ensuring that the Company adheres to all regulatory requirements with respect to the timeliness and content of its disclosure. In keeping with its overall responsibility for the stewardship of the financial affairs of the Company, the Board created an Audit Committee which is responsible for the integrity of the Company's internal control and management information systems.

The Board is responsible for approving annual operating plans recommended by management. Board consideration and approval is also required for all material contracts and business transactions and all debt and equity financing proposals.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements.

The Board believes the Company is well served and the independence of the Board from management is not compromised. The Board does not have, and does not consider it necessary under the circumstances to have, any formal structures or procedures in place to ensure that the Board can function independently of management. The Board believes that its current composition is sufficient to ensure that the Board can function independently of management.

## 3. Position Descriptions

The Chief Executive Officer and the Board have not, to date, developed a formal, documented position description for the Chief Executive Officer and to define the limit of management's responsibilities. The Board is currently of the view that the respective corporate governance roles of the Board and management are clear and that the limits to management's responsibility and authority are reasonably well-defined.

## 4. Directorships

As of the date of this Information Circular, the directors of the Company are currently directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows.

Name of Director of the Company	Names of Other Reporting Issuers
Ian Graham	Green Battery Minerals Inc. <sup>(1)(2)</sup> Commerce Resources Corp. <sup>(1)(2)</sup>

Name of Director of the Company	Names of Other Reporting Issuers
	Oroco Resource Corp. <sup>(1)(2)(6)</sup> Pantera Silver Corp. <sup>(1)(2)</sup> Spey Resources Corp. <sup>(3)</sup> Goldeneye Resources Corp <sup>(1)</sup> Cache Exploration Inc. <sup>(1)</sup>
Dean Pekeski	N/A
John Byrne	Lions Bay Capital Inc. <sup>(1)</sup>
Anthony Balic	Lions Bay Capital Inc. <sup>(1)</sup> RSI International Systems Inc. <sup>(1)</sup> Goldgroup Mining Corp. <sup>(5)</sup>

Notes

- (1) TSX Venture Exchange
- (2) Frankfurt
- (3) CSE
- (4) ASX
- (5) Toronto Stock Exchange
- (6) OTXQB

The above information has been provided by the directors and has not been independently verified by the Company.

## 5. Orientation and Continuing Education

There is no formal orientation or training program for new members of the Board, and the Board considers this to be appropriate given the Company's size and current limited operations.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies and have the opportunity to become familiar with the Company by meeting with the other directors and with the executive officers. Orientation activities are tailored to the particular needs and experience of each director and the overall needs of the Board.

The skills and knowledge of the Board as a whole is such that the Board believes no formal continuing education process is currently required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records.

## 6. Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges but, to date, the Board has not adopted a formal written code of business conduct and ethics.

The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing corporate and securities legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, are sufficient, at present, to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders. In addition, the current limited size of the Company's operations and the small number of officers and consultants allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal code of business conduct and ethics.

## **7. Nomination of Directors**

Given its current size and stage of development, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. Nominees are generally the result of recruitment efforts by Board members and recommendations made by management and shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

## **8. Compensation**

At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee. The Board as a whole is responsible for determining all forms of compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and to the directors to ensure such arrangements reflect the responsibilities and risks associated with each position.

When determining the compensation of its executive officers in the future, the Board will consider: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, it is the Board's intention that compensation paid to its executive officers should consist of three components: i) base fee or salary; ii) discretionary annual bonus based on actual performance relative to pre-set annual operation targets; and iii) long-term incentive in the form of stock options. See Part 4 "EXECUTIVE COMPENSATION – Compensation Discussion and Analysis" above.

## **9. Other Board Committees**

At the present time, the Board has appointed only an audit committee.

### *Audit Committee*

The audit committee will meet with the Chief Financial Officer of the Company and the independent auditors to review and inquire into matters affecting financial reporting, the system of internal accounting and financial controls and procedures and the audit procedures and audit plans. The audit committee will also recommend to the Board the auditors to be appointed, subject to shareholder approval. In addition, the audit committee will review and recommend to the Board for approval the annual financial statements and certain other documents required by regulatory authorities.

The chair of the Audit Committee will be generally responsible for overseeing the audit committee in its responsibilities as outlined in the Audit Committee Charter. The chair's duties and responsibilities will include presiding at each meeting of the audit committee, referring specific matters to the Board in the case of a deadlock on any matter or vote, receiving and responding to all requests for information from the Company or the independent auditors, leading the audit committee in discharging its tasks and reporting to the Board on the activities of the audit committee.

For further information regarding the mandate of the audit committee, its specific authority, duties and responsibilities, as well as the Audit Committee Charter, see Part 5 "AUDIT COMMITTEE" above.

As the Company grows, and its operations and management structure become more complex, the Board may find it appropriate to constitute formal standing committees, such as a Corporate Governance Committee, Compensation Committee and Nominating Committee, and to ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

## **10. Assessments**

The Board has not implemented a process for assessing its effectiveness. As a result of the Company's size, its 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 plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board also monitors but does not formally assess the performance or contribution of individual Board members or committee members.

## **PART 8 – PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Approval of the 2022 Fixed Stock Option Plan**

On April 5, 2021, the Board adopted the 2021 "fixed" Stock Option Plan (the "**2021 Plan**") whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed twenty (20%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. As of the date hereof, a total of 8,300,000 stock options are outstanding under the 2021 Plan.

At the Meeting, the shareholders of the Company will be asked to consider and, if thought advisable, pass an ordinary resolution approving a new 20% fixed stock option plan, a copy of which is attached to this Information Circular as Schedule "B" (the "**2022 Plan**"). The Board adopted the 2022 Plan on May 27, 2022, subject to approval of the shareholders at the Meeting and acceptance of the TSX Venture Exchange (the "**TSXV**"). With the adoption of the 2022 Plan, the Company seeks to, among other things, increase the maximum number of Shares reserved for issuance on the exercise of stock options granted pursuant to the Stock Option Plan to 16,962,843 and to provide for other changes to comply with the new Policy 4.4 Security Based Compensation of the TSXV which became effective on November 24, 2021. If the 2022 Plan is approved by the shareholders at the Meeting, no further stock options will be granted under the 2021 Plan.

Upon request, the Company will provide a copy of the 2022 Plan free of charge to a shareholder. A shareholder may contact the Company at its registered and records office at Suite 800 - 885 West

Georgia Street Vancouver, BC V6C 3H1, to request a copy during normal business hours up to and including the date of the Meeting.

The following information is intended as a brief description of the 2022 Plan and is qualified in its entirety by the full text of the 2022 Plan.

### ***Purpose of the 2022 Plan***

The purpose of the 2022 Plan is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company by providing opportunities for such eligible persons to acquire an ownership interest in the Company.

### ***Shares Subject to the 2022 Plan***

The 2022 Plan is a “fixed” stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed 16,962,843 being 20% of the total number of issued Shares (calculated on a non-diluted basis) on the Record Date. A total of 8,662,843 stock options are expected to be available for grant under the 2022 Plan, being the maximum number of options permitted for grant under the 2022 Plan less any options that are outstanding as of the date hereof under the Current Plan. In the event that a stock option granted under the 2021 Plan or the 2022 Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to the exercise of the stock option, the Shares that were issuable thereunder will be returned to the 2022 Plan and will be available again for an option grant under the 2022 Plan.

### ***Administration of the 2022 Plan***

The 2022 Plan shall be administered by the Board and the Board has full authority to administer the 2022 Plan, including the authority to interpret and construe any provision of the 2022 Plan and to adopt, amend and rescind such rules and regulations for administering the 2022 Plan as the Board may deem necessary in order to comply with the requirements of the 2022 Plan and applicable TSXV Policies. The 2022 Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants, other personnel of the Company and its subsidiaries or affiliates and such other Participants (as that term is defined in the policies of the TSXV), options to purchase Shares.

### ***Eligible Persons Under the 2022 Plan***

The 2022 Plan provides that directors, officers, employees, consultants and other Eligible Persons (as defined in the 2022 Plan) of the Company and its subsidiaries or affiliates are eligible to be granted stock options pursuant to the 2022 Plan.

### ***Type of Award - Stock Options***

The 2022 Plan only provides for the grant of stock options. All stock options granted by the Board are subject to the conditions, limitations, restrictions, exercise price, vesting and other terms, determined by the Board in its sole discretion at the time of grant, subject to such limitations provided in the 2022 Plan and TSXV Policies, and will generally be evidenced by a stock option agreement. The following is a brief description of some of the key terms of stock option grants made pursuant to the 2022 Plan, and is qualified in its entirety by the full text of the 2022 Plan.

**Exercise Price:** An option entitles a holder thereof to purchase a prescribed number of Shares at an exercise price determined by the Board at the time of grant, provided that the exercise price of an option granted under the 2022 Plan shall be subject to the following conditions:

- (a) if the Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by TSXV policies;
- (b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
- (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per Share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
- (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

The 2022 Plan permits cashless or net exercises of options, subject to TSXV policies, in limited circumstances as more particularly described in the 2022 Plan.

**Term:** No option granted under the 2022 Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described in the 2022 Plan).

**Blackout Period and Extension of Term:** The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:

- (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
- (b) the blackout period expires upon the general disclosure of the undisclosed Material Information (as defined in the 2022 Plan) and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period;

- (c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities; and
- (d) the automatic extension is available to all eligible Optionees under the Plan under the same terms and conditions.

Non-Transferable: Options granted under the 2022 Plan shall not be assignable or transferable by an option holder.

Vesting: No option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to Eligible Persons. If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities (as defined in the 2022 Plan), the Option shall vest as to 25% on each of the 6, 12, 18 and 24 month anniversaries of its grant. Options granted to Investor Relations Service Providers will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period. If there is a Change of Control (as defined in the 2022 Plan), then all outstanding options (other than options held by Investor Relations Service Providers) whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the options Shares subject to such options to be issued and tendered to such bid. No acceleration of the vesting of any options shall be permitted without prior TSXV review and acceptance for options issued to Investor Relations Service Providers.

Participation Limits Under the 2022 Plan: Options granted pursuant to the 2022 Plan are subject to certain limits on participation. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares on the date of grant, unless the Company has obtained disinterested shareholder approval. The aggregate number of Shares that may be reserved for issuance pursuant to options granted to all insiders of the Company, together with Shares reserved for issuance to Insiders within any 12 month period and at any time under all of the Company's security based compensation arrangements must not exceed 10% of the issued Shares, unless the Company has obtained disinterested shareholder approval. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.

Termination of Options: Unless the Board determined otherwise, options will terminate in the following circumstances:

- (a) *Termination of Services for Cause:* If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law), any Option granted hereunder to such Optionee shall terminate and cease to be exercisable immediately upon the Optionee ceasing to be a Director, Employee or Consultant by reason of termination for cause.
- (b) *Termination of Services Without Cause or Upon Resignation:* If the engagement of the Optionee as a Director, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Employee, or Consultant resigns, as the case may be, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable

and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.

- (c) *Termination of Investor Relations Services:* If the engagement of the Optionee as an Investor Relations Services Provider is terminated for any reason other than cause, disability or death, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Optionee ceasing to be an Eligible Person.
- (d) *Death:* If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee.
- (e) *Disability:* If the Optionee ceases to be an Eligible Person, due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to an Affiliate of the Company, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability.
- (f) *Changes in Status of Eligible Person:* If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in accordance with the 2022 Plan where the Optionee ceases to be any type of Eligible Person. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate of the Company.

*Withholding Obligations:* The Company may withhold from any amount payable to an optionee, either under the 2022 Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with applicable tax and withholding obligations, and to take such actions as permitted in this regard by the 2022 Plan.

*Amendments to the Plan:* The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue the 2022 Plan and may amend the terms and conditions of any options granted thereunder, subject to:

- (a) any required disinterested shareholder approval to reduce the exercise price of or extend the expiry date of an option issued to an insider in accordance with the policies of the TSXV while the Shares are listed on the TSXV;
- (b) any required approval of any applicable regulatory authority or the TSXV; and

- (c) any approval of shareholders of the Company as required by the rules of the TSXV or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
- (i) amendments of a “housekeeping nature”;
  - (ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of the 2022 Plan that is inconsistent with any other provision of the 2022 Plan;
  - (iii) amendments which are necessary to comply with applicable law or the requirements of the TSXV;
  - (iv) amendments respecting administration and eligibility for participation under the 2022 Plan;
  - (v) amendments to the terms and conditions on which options may be or have been granted pursuant to the 2022 Plan including amendments to the vesting provisions and terms of any options;
  - (vi) with the exception of options granted to Investor Relations Service Providers, amendments which alter, extend or accelerate the terms of vesting applicable to any options; and
  - (vii) changes to the termination provisions of an option or the 2022 Plan which do not entail an extension beyond the original fixed term.

If the 2022 Plan is terminated, prior options shall remain outstanding and in effect in accordance with their applicable terms and conditions.

#### ***Shareholder Approval of the 2022 Plan***

At the Meeting, shareholders will be asked consider and if thought fit, approve an ordinary resolution ratifying the adoption of the 2022 Plan (the “**2022 Plan Resolution**”). In order to be effective, the 2022 Plan Resolution requires approval by a majority of the votes cast by shareholders for such resolution. The text of the proposed resolution is set forth below.

Unless otherwise directed, the persons named in the enclosed proxy intend to vote IN FAVOR of the 2022 Plan Resolution to consider and, if thought fit, approve the 2022 Plan as described in this Information Circular.

“RESOLVED, as an ordinary resolution, that:

1. the Company’s 2022 Fixed Stock Option Plan (the “**2022 Plan**”), in the form attached as Schedule “B” to the Company’s Information Circular dated May 27, 2022, including the reservation for issuance under the Stock Option Plan of a maximum of 16,962,843 common shares of the Company for issuance on the due exercise of stock options, be and is hereby ratified, confirmed and approved and the Company has the ability to grant

stock options under the 2022 Plan;

2. the board of directors of the Company (the “**Board**”) be authorized in its absolute discretion to administer the 2022 Plan and to make such amendments to the 2022 Plan from time to time, as may be required by the applicable regulatory authorities or the TSXV, or as may be considered appropriate by the Board, in its sole discretion, provided always that such amendments be subject to the approval of regulatory authorities, if applicable, and in certain cases, in accordance with the terms of the 2022 Plan, the approval of the shareholders; and
3. any one director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as, in the opinion of such director or officer of the Company, may be necessary or desirable to carry out the terms of the foregoing resolutions.”

The form of the 2022 Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the 2022 Plan Resolution.

**Management of the Company recommends that shareholders vote in favour of the 2022 Plan Resolution at the Meeting. It is the intention of the designated persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the 2022 Plan Resolution.**

## **PART 9– OTHER INFORMATION**

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

#### *Aggregate Indebtedness*

No individual who is, or at any time during the most recently completed financial year of the Company was, a director or officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any one of them is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or to another entity (where such indebtedness to such other entity is, or was at any time during the most recently completed financial year of the Company, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries).

#### Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

As of the date hereof, there is no indebtedness owing to the Company, any of its subsidiaries or any other entity (where such indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries) in connection with the purchase of securities or otherwise by any current or former executive officers, directors or employees of the Company or any of its subsidiaries.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than disclosed elsewhere in this Information Circular, no informed person (as defined below), proposed nominee for election as a director, or any associate or affiliate of any informed person or proposed nominee, has had a material interest, direct or indirect, in any transaction with the Company or any of its subsidiaries or in any proposed transaction since the beginning of the last completed financial year that has materially affected or would materially affect the Company or any of its subsidiaries.

For the above purposes, “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING**

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has 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 the directors and except for the approval of the 2022 Plan as contemplated in Part 8 “PARTICULARS OF MATTERS TO BE ACTED UPON – Approval of 2022 Stock Option Plan”).

## **MANAGEMENT CONTRACTS**

The management functions of the Company are performed by its directors and executive officers and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Company or private companies controlled by such directors and executive officers. See Part 4 “EXECUTIVE COMPENSATION” for details of the fees paid to the Company’s Named Executive Officers.

## **OTHER MATTERS**

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

## **ADDITIONAL INFORMATION**

Financial information about the Company is provided in its consolidated financial statements and Management’s Discussion and Analysis for the financial year ended July 31, 2021. You may obtain copies of such documents without charge upon request to us at Suite 1201, 1166 Alberni Street,

Vancouver, British Columbia, V6E 3Z3, telephone (604) 671-1353. You may also access such documents, together with the Company's additional disclosure documents, through the Internet on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

**BOARD APPROVAL**

The contents of this Information Circular have been approved and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board of the Company.

DATED at Vancouver, British Columbia, as of the 27<sup>th</sup> day of May, 2022.

**ON BEHALF OF THE BOARD**

**FIDELITY MINERALS CORP.**

By: "Dean Pekeski"

Dean Pekeski, Chief Executive Officer and Director

## SCHEDULE A

### AUDIT COMMITTEE CHARTER

#### **Purpose of the Audit Committee**

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of the Company is to assist the Board in fulfilling its responsibility for the oversight of the financial reporting process. The purpose of this Charter is to ensure that the Company maintains a strong, effective and independent audit committee, to enhance the quality of financial disclosure made by the Company and to foster increased investor confidence in both the Company and Canada’s capital markets. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company’s management to ensure that the independent auditors serve the interests of shareholders rather than the interests of management of the Company. The Committee’s primary duties and responsibilities are to:

- identify and monitor the management of the principal risks that could affect the reliability of financial reporting;
- monitor the integrity of the Company’s financial reporting process and system of internal control over financial reporting and accounting compliance;
- be directly responsible for overseeing the work of the external auditor including monitoring the independence and performance of the external auditor;
- be directly responsible for overseeing the internal review processes;
- monitor the Company’s compliance with applicable legal and regulatory requirements affecting financial reporting; and
- provide an avenue for effective communication among the audit committee, external auditor, management and the Board.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditor as well as anyone in the Company. The Committee has the authority to retain, at the Company’s expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

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

The Committee shall consist of at least three (3) directors appointed by the Board as provided for in the by-laws of the Company and may be removed by the Board in its discretion. Each member of the Committee must be an independent director and must be financially literate or become financially literate within a reasonable time after his or her appointment to the Committee. At least one (1) member of the Committee shall have accounting or related financial management expertise. The Committee shall establish procedures for quorum, notice and timing of meetings subject to the proviso that a quorum shall be no less than two (2) Committee members. While the Board may recommend a Chair for the Committee, the Committee shall have the discretion to appoint the Chair from amongst its members.

The Canadian Securities Administrators (“**CSA**”) state that an audit committee member is independent if he or she has no direct or indirect material relationship with the issuer; that is, a relationship that could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. The CSA notes that these relationships may include commercial,

charitable, industrial, banking, consulting, legal, accounting or familial relationships. The regulations also include a list of situations that are defined to be material relationships.

The Board shall determine, in its business judgment, whether an individual is financially literate based upon the regulatory definition of financial literacy, meaning the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. It is the view of the regulators that it is not necessary for a member to have a comprehensive knowledge of generally accepted accounting principles and generally accepted auditing standards to be considered financially literate.

Disclosure must be made in the Company's Information Circular ("IC") for its annual meeting or in the Company's Annual Information Form ("AIF") of the name of each Committee member and whether or not the member is independent and financially literate. It should also describe the education and experience of each member that is relevant to his or her responsibilities as a Committee member. If a member is not independent, the Company must explain why.

### **Meetings of the Audit Committee**

The Committee shall meet as often as is necessary but not less than twice annually, corresponding with the Company's financial reporting cycle. The Committee Chair will prepare an agenda in advance of each meeting. The Secretary will circulate the agenda and supporting materials sufficiently in advance of the meeting to allow members an appropriate period of time to prepare for the meeting. The Committee will generally invite members of management and invite the external auditor as appropriate. The Committee shall meet privately at least annually with management and the external auditor to discuss any matters that the Committee or each of these groups believes should be discussed. In addition, the Committee may consider in camera sessions at the beginning and/or conclusion of each meeting to discuss privately any matters of interest or concern to the members.

### **Responsibilities and Duties of the Audit Committee**

Management is responsible for adopting and applying sound accounting principles; for designing, implementing and maintaining effective processes related to internal control over financial reporting; and for preparing the annual and interim financial statements, management's discussion and analysis ("MD&A") and other continuous disclosure documents. The external auditor is responsible for conducting an independent audit and for forming an opinion on the annual financial statements. The Committee is responsible for overseeing these financial reporting processes.

Committee members should conduct themselves in an informed, vigilant and effective manner.

Members of the Committee should rely on information furnished to them by others only if they believe it to be reliable for the purpose of making their decisions. They should act in accordance with their own knowledge and training.

The Committee shall be responsible for the following specific matters:

1. Accounting policies

- (a) Review all of the Company's critical accounting policies and all major issues regarding accounting

principles and financial statement presentations (including any significant changes in the Company's selection or application of accounting principles).

- (b) Review major changes in the Company's accounting policies and practices.
- (c) Review with the external auditor and management the extent to which changes or improvements in financial or accounting practices, as previously reported to the Committee, have been implemented.

## 2. Financial reporting process and financial statements

- (a) In consultation with management and the external auditor, inquire as to the integrity of the Company's financial reporting processes, both internal and external, and any major issues as to the adequacy of internal control.
- (b) Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas.
- (c) Review recent professional and regulatory pronouncements and understand their impact on the financial statements.
- (d) Review issues related to liquidity, capital resources and contingencies that could affect liquidity.
- (e) Review all plans for treasury operations including financial derivatives and hedging activities.
- (f) Review all material off-balance-sheet transactions, contingent liabilities and transactions with related parties.
- (g) Discuss with the external auditor the matters that auditing standards in Canada require to be communicated with the Committee.
- (h) Review and discuss with management the Company's quarterly and annual financial statements, MD&A, IC, AIF and annual and interim press releases before they are publicly disclosed by the Company and recommend their approval by the Board.
- (i) Periodically assess the adequacy of procedures in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.
- (j) Consider reviewing other financial information provided to analysts and rating agencies.
- (k) Following completion of the annual audit, review with each of management and the external auditor any significant issues, concerns or difficulties encountered during the course of the audit including any major issues that arose during the course of the audit and, which have and audit judgments; and levels of misstatements identified during the audit, obtaining explanations from management and, where necessary, the external auditor, as to why certain misstatements might remain unadjusted.
- (l) Receive and review reports from other Board committees with regard to matters that could

affect financial reporting.

- (m) Oversee the resolution of disagreements between management and the external auditor regarding financial reporting.
- (n) Discuss with the external auditor the quality and not just the acceptability of the Company's accounting principles.
- (o) Regularly review with the external auditor any audit problems or difficulties and management's response.

3. External auditor

- (a) Be directly responsible for the selection, appointment, compensation, retention, termination and oversight of the work of the Company's external auditor, and in such regard recommend to the Board the nomination of the external auditor for approval by the shareholders. Monitor audit engagement partner rotation requirements.
- (b) Pre-approve all audit and non-audit services to be provided to the Company or its subsidiary entities by the external auditor including fees and terms. In this regard, establish which non-audit services the external auditor shall be prohibited from providing. In doing so, the Committee should consider:
  - (i) whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services;
  - (ii) whether there are safeguards in place to help ensure that there is no threat to the external auditor's objectivity and independence in the conduct of the audit resulting from providing such services; and
  - (iii) the nature of the non-audit services, the related fee levels, and the fee levels individually and in aggregate relative to the audit fee.
- (c) The Committee satisfies the pre-approval requirement in subsection 3(b) if:
  - (i) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent (5%) of the total amount of fees paid by the Company and its subsidiary entities to the Company's external auditors during the fiscal year in which the services are provided;
  - (ii) the Company or the subsidiary entity of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
  - (iii) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.
- (d) The Committee may delegate to one or more independent members of the Committee the authority to pre- approve non-audit services in satisfaction of the requirement in subsection 3(b).

- (e) The pre-approval of non-audit services by any member to whom authority has been delegated pursuant to subsection 3(d) must be presented to the Committee at its first scheduled meeting following such pre- approval.
- (f) The Committee satisfies the pre-approval requirement in subsection 3(b) if it adopts specific policies and procedures for the engagement of the non-audit services, if:
  - (i) the pre-approval policies and procedures are detailed as to the particular service; (ii) the Committee is informed of each non-audit service; and
  - (ii) the procedures do not include delegation of the Committee's responsibilities to management.
- (g) Prior to commencement of the annual audit, review with the external auditor the proposed audit plan and scope of work.
- (h) Review the audit representation letters with particular attention to non-standard representations.
- (i) Review and monitor the content of the external auditor's management letter, in order to assess whether it is based on a good understanding of the Company's business and establish whether recommendations have been acted upon and, if not, the reasons they have not been acted upon.
- (j) Consider, assess and report to the Board with regard to the independence and performance of the external auditor, and for such purpose:
  - (i) Review the formal written statement and letter submitted by the external auditor that outlines all relationships between the external auditor and the Company, and its affiliates and associates.
  - (ii) Actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services and their impact on the objectivity or independence of the external auditor.
  - (iii) Conduct a periodic evaluation (taking into account the opinions of management) of the external auditor's qualifications, performance and independence, and present to the Board the Committee's conclusion in such regard.
  - (iv) Consider obtaining and reviewing at least annually a report from the external auditor describing the firm's quality control procedures and any material issues raised by the firm's most recent review of internal quality control or by any governmental or professional inquiry or investigation.
- (k) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.

#### 4. Internal controls and risk management

- (a) Receive and review the interim and annual CEO and CFO certifications filed with securities

regulatory authorities.

- (b) Receive and review reports from management and the external auditors with regard to the reliability and effective operation of the Company's accounting system and internal controls.

5. Internal review and legal compliance

- (a) Review and approve management's decisions related to the need for internal review.
- (b) Review the mandate, budget, plan, changes in plan, activities, organization structure and qualifications of the internal review function.
- (c) Review significant reports prepared as a result of the internal review together with management's response and follow-up to these reports.
- (d) On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and any inquiries received from regulators or governmental agencies.

6. Additional responsibilities

- (a) Review and reassess the adequacy of the Committee's charter on an annual basis.
- (b) Determine that the IC or the AIF discloses the text of the Committee's charter, a description of any specific policies and procedures for the engagement of non-audit services, and the aggregate fees billed by the external auditor in each of the last two (2) years, by service fee category
- (c) Review the process for communicating the Company's Code of Business Conduct and Ethics and Whistleblower Policy to company personnel, and for monitoring compliance therewith.
- (d) Discuss guidelines and policies to govern the process by which risk assessment and risk management have been and are handled, even if the primary responsibility for risk assessment and management is assigned to another Board committee. The Company's major financial and business risks exposures and the steps management has taken to monitor and control such exposures should be discussed.
- (e) Establish procedures and policies for the following:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (f) Prepare and review with the Board an annual performance evaluation of the Committee, the Chair of the Committee and its individual members.
- (g) Review the appointments of the Company's Chief Financial Officer and any other key financial

executives involved in the financial reporting process.

- (h) Review financial and accounting personnel succession planning within the Company.
- (i) Periodically review a summary of all related party transactions and potential conflicts of interest.
- (j) Report regularly to the Board, including matters such as the quality or integrity of the Company's financial statements, and compliance with legal or regulatory requirements
- (k) Review expenses incurred by selected senior executives.
- (l) Conduct or authorize any review or investigation and consider any matters of the Company the Committee believes is within the scope of its responsibilities and establish procedures for such review or investigation as may be required.

**SCHEDULE B**

**2022 FIXED STOCK OPTION PLAN**

May 27, 2022

*[see attached]*

**FIDELITY MINERALS CORP.**  
**(the “Company”)**

**2022 FIXED STOCK OPTION PLAN**

May 27, 2022

**1. PURPOSE**

The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that, if and so long as the Company’s shares are listed on the TSXV (as defined herein), at the discretion of the Board (as defined herein), this Plan will at all times be in compliance with the TSXV Policies (as defined herein) and unless the Board determines otherwise, any inconsistencies between this Plan and the TSXV Policies whether due to inadvertence or changes in TSXV Policies will be resolved in favour of the TSXV Policies.

**2. INTERPRETATION**

**2.1 Definitions**

For the purposes of this Plan, the following terms have the respective meanings set forth below, and any capitalized terms used but not otherwise defined in this Plan shall have the meaning ascribed to the term in the TSXV Policies:

- (a) **“Affiliate”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (b) **“Associate”** has the same meaning as ascribed to that term as set out in the TSXV Policies;
- (c) **“Board”** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant options under this Plan;
- (d) **“Change of Control”** means the occurrence of any one of the following events:
  - (i) there is a report filed with any securities commission or securities regulatory authority in Canada, disclosing that any offeror (as the term “offeror” is defined in Section 1.1 of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*) has acquired beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, any shares of capital stock of any class of the Company carrying voting rights under all circumstances (the **“Voting Shares”**), that, together with the offeror’s securities would constitute Voting Shares of the Company representing more than 50% of the total voting power attached to all Voting Shares of the Company then outstanding,
  - (ii) there is consummated any amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the

Company: (1) in which the Company is not the continuing or surviving corporation, or (2) pursuant to which any Voting Shares of the Company would be reclassified, changed or converted into or exchanged for cash, securities or other property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction involving the Company in which the holders of the Voting Shares of the Company immediately prior to such amalgamation, consolidation, statutory arrangement, merger, business combination or other similar transaction have, directly or indirectly, more than 50% of the Voting Shares of the continuing or surviving corporation immediately after such transaction,

- (iii) any person or group of persons shall succeed in having a sufficient number of its nominees elected as directors of the Company such that such nominees, when added to any existing directors of the Company, will constitute a majority of the directors of the Company, or
- (iv) there is consummated a sale, transfer or disposition by the Company of all or substantially all of the assets of the Company,

provided that an event shall not constitute a Change of Control if its sole purpose is to change the jurisdiction of the Company's organization or to create a holding company, partnership or trust that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such event;

- (e) **"Common Shares"** means the common shares in the capital of the Company as constituted on the Grant Date, provided that, in the event of any adjustment pursuant to Section 4.9, "Common Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment;
- (f) **"Company"** means Fidelity Minerals Corp. and includes, unless the context otherwise requires, all of its subsidiaries or Affiliates and successors according to law;
- (g) **"Consultant"** means, in relation to the Company, an individual or Consultant Company, other than an Employee or a Director of the Company, that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a Distribution,
  - (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company,
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company, and

- (iv) has a relationship with the Issuer or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (h) **“Consultant Company”** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (i) **“Director”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (j) **“Disability”** means any disability with respect to an Optionee which the Board in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
  - (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries, or
  - (ii) acting as a director or officer of the Company or its subsidiaries,and **“Date of Disability”** means the effective date of the Disability as determined by the Board in its sole and unfettered discretion;
- (k) **“Disinterested Shareholder Approval”** means approval by a majority of the votes cast by all the Company’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to shares beneficially owned by Insiders, and their Associates, to whom Options may be granted under this Plan;
- (l) **“Distribution”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (m) **“Eligible Person”** means, from, time to time, any bona fide Director, Employee or Consultant of the Company or an Affiliate of the Company and any other eligible Optionee pursuant to TSXV policies;
- (n) **“Employee”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (o) **“Exercise Price”** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (p) **“Expiry Date”** means 5:00 p.m. (Vancouver time) on the day on which an Option expires as specified in the Option Agreement therefor or in accordance with the terms of this Plan;
- (q) **“Grant Date”** for an Option means the date of grant thereof by the Board, whether or not the grant is subject to any Regulatory Approval;
- (r) **“Insider”** means:
  - (i) an insider as defined in the TSXV Policies or as defined in securities legislation applicable to the Company, and

- (ii) an Associate of any person who is an Insider by virtue of Section 2.1(r)(i) above;
- (s) **“Investor Relations Activities”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (t) **“Investor Relations Service Provider”** includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (u) **“Management Company Employee”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (v) **“Notice of Exercise”** means a written notice in substantially the form attached as Exhibit A1 hereto or as Exhibit B1 thereto, as applicable;
- (w) **“Option”** means the right to purchase Common Shares granted hereunder to an Eligible Person;
- (x) **“Option Agreement”** means the stock option agreement between the Company and an Eligible Person whereby the Company provides notice of grant of an Option to such Eligible Person substantially in the form of Schedule “A” hereto for Eligible Persons not engaged in Investor Relations Activities and substantially in the form of Schedule “B” hereto for Eligible Persons engaged in Investor Relations Activities;
- (y) **“Optioned Shares”** means Common Shares that may be issued in the future to an Eligible Person upon the exercise of an Option;
- (z) **“Optionee”** means the recipient of an Option hereunder, their heirs, executors and administrators;
- (aa) **“Person”** means a corporation or an individual;
- (bb) **“Plan”** means this Stock Option Plan, the terms of which are set out herein or as may be amended and/or restated from time to time;
- (cc) **“Plan Shares”** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 3.2;
- (dd) **“Regulatory Approval”** means the approval of the TSXV and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder, as may be required;
- (ee) **“Security Based Compensation”** has the same meaning ascribed to that term as set out in the TSXV Policies;
- (ff) **“Security Based Compensation Arrangement”** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance

of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;

- (gg) “**Tier 1 Issuer**” has the same meaning ascribed to that term as set out in the TSXV Policies;
- (hh) “**Tier 2 Issuer**” has the same meaning ascribed to that term as set out in the TSXV Policies;
- (ii) “**TSXV**” means the TSX Venture TSXV and any successor thereto;
- (jj) “**TSXV Policies**” means the rules and policies of the TSXV, as amended from time to time; and
- (kk) “**VWAP**” means the volume weighted average trading price of the Company’s Common Shares on the TSX Venture calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option.

2.2 Currency. Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.

2.3 Gender. As used in this Plan and any Schedules hereto, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires.

2.4 Interpretation. This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

### **3. STOCK OPTION PLAN**

3.1 Establishment of Plan. This Plan is hereby established to recognize contributions made by Eligible Persons and to create an incentive for their continuing assistance to the Company and its Affiliates.

3.2 Maximum Number of Plan Shares. Subject to adjustment as provided in this Plan, the aggregate number of Plan Shares reserved for issuance under the Plan, including any other Common Shares which may be issued pursuant to any other stock options granted by the Company outside of this Plan, shall not exceed twenty percent (20%) of the total number of issued Common Shares of the Company (calculated on a non-diluted basis) as at the date of implementation of the stock option plan by the Company, being 16,942,843 Plan Shares. The number of Optioned Shares granted under the Plan cannot exceed the number of Plan Shares.

3.3 Eligibility. Options to purchase Common Shares may be granted hereunder to Eligible Persons from time to time by the Board. If and when the Company’s shares are listed on the TSXV, Eligible Persons that are corporate entities will be required to agree in writing not to effect or permit any transfer of ownership or option of any of its shares, nor issue more of its shares to any other individual or entity as long as such Options remain outstanding, unless the written permission of the TSXV and the Company is obtained. The Company represents that Eligible Persons who are

granted Options will be bona fide Directors, Employees or Consultants of the Company or a subsidiary of the Company at the time of grant of such Options.

- 3.4 Options Granted Under the Plan. All Options granted under the Plan will be evidenced by an Option Agreement in substantially the form attached hereto as Schedule "A" (or such other form determined by the Board) in the case of Optionees not engaged in Investor Relations Activities or Schedule "B" (or such other form determined by the Board) in the case of Optionees engaged in Investor Relations Activities, as applicable, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.
- 3.5 Terms Incorporated. Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Agreement made hereunder. In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.
- 3.6 Limitations on Option Grants. If the Common Shares are listed on the TSXV, the following restrictions on the granting of Options are applicable under the Plan:
- (a) Individuals. The aggregate number of Optioned Shares that may be reserved for issuance pursuant to Options granted to any one individual, together with Common Shares reserved for issuance to such Optionee (and to Companies wholly-owned by that Optionee) under all of the Company's other Security Based Compensation Arrangements, if any, must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval pursuant to Section 3.11(b).
  - (b) Insiders. The maximum aggregate number of Common Shares of the Company that are issuable pursuant to the Plan and all of the Company's other Security Based Compensation Arrangements granted or issued:
    - (i) to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Company at any point in time (unless the Company has obtained Disinterested Shareholder Approval pursuant to Section 3.11(a)); and
    - (ii) in any 12 month period, to Insiders (as a group) must not exceed 10% of issued and outstanding Common Shares of the Company, calculated as at the date any Security Based Compensation is granted or issued to any Insider (unless the Company has obtained Disinterested Shareholder Approval pursuant to Section 3.11(b)).
  - (c) Investor Relations Service Provider. The aggregate number of Options granted to all Investor Relations Service Providers, together with Common Shares issuable to Persons performing Investor Relations Activities under all of the Company's other Security Based Compensation Arrangements, if any, in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV. For the avoidance of doubt, Persons performing Investor Relations Activities are only eligible to receive Options under this Plan, and are not eligible to receive any other type of securities based compensation under any other Security Based Compensation Arrangement that may be adopted by the Company.

- (d) Consultants. The aggregate number of Options granted to any one Consultant, together with Common Shares reserved for issuance to such Optionee under all of the Company's other Security Based Compensation Arrangements, if any, in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of TSXV.
- 3.7 Options Not Exercised. In the event an Option granted under the Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be available again for an Option grant under this Plan.
- 3.8 Acceleration of Unvested Options.
- (a) Unless the Optionee is an Investors Relations Services Provider, if there is a Change of Control, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Optioned Shares subject to such Options to be issued and tendered to such bid.
- (b) If the Optionee is an Investors Relations Services Provider and there is a Change of Control, then the Company must receive approval from the TSXV before the Options may become fully exercisable in the same manner as described in Section 3.8(a).
- 3.9 Powers of the Board. The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:
- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to appropriate shareholder and Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in TSXV Policies or the Company's tier classification thereunder;
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
- (e) may in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Eligible Persons (before a particular Option is granted) subject to the other terms hereof.

- 3.10 No Liability. No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.
- 3.11 Terms Requiring Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV and if required by the TSXV Policies, the Company must obtain Disinterested Shareholder Approval of Options if the Options, together with any other Share Compensation Arrangement, could result at any time in:
- (a) the grant to Insiders, within a 12-month period, of stock options exceeding 10% of the issued Common Shares of the Company; or
  - (b) the issuance to any one Optionee, within a 12-month period, of a number of shares exceeding 5% of the issued Common Shares of the Company.
- 3.12 Effective Date of Plan. This Plan is effective as of the date first written above, subject to applicable Regulatory Approval and approval of the shareholders of the Company if required by the TSXV Policies.

#### **4. TERMS AND CONDITIONS OF OPTIONS**

- 4.1 Exercise Price. The Board shall establish the Exercise Price at the time each Option is granted, subject to the following conditions:
- (a) if the Common Shares are listed on the TSXV, then the Exercise Price for the Options granted will not be less than the minimum prevailing price permitted by the TSXV Policies;
  - (b) if the Common Shares are not listed, posted and trading on any stock exchange or quoted on any quotation system, then the Exercise Price for the Options granted will be determined by the Board at the time of granting;
  - (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per Share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
  - (d) in all other cases, the Exercise Price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.

The Exercise Price shall be subject to adjustment in accordance with the provisions of Section 4.9.

4.2 Term of Option. The Board shall establish the Expiry Date for each Option at the time such Option is granted, subject to the following conditions:

- (a) the Option will expire upon the occurrence of any event set out in Section 4.8 and at the time period set out therein; and
- (b) subject to Section 4.3, the Expiry Date cannot be longer than the maximum exercise period as determined by the TSXV Policies, which is currently 10 years.

4.3 Automatic Extension of Term of Option. The Expiry Date will be automatically extended if the Expiry Date falls within a blackout period during which the Company prohibits Optionees from exercising their Options, provided that:

- (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
- (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period;
- (c) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities; and
- (d) the automatic extension is available to all eligible Optionees under the Plan under the same terms and conditions.

4.4 Hold Period.

- (a) If required by applicable securities laws, any Optioned Shares will be subject to a hold period expiring on the date that is four months and a day after the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE  
HOLDER OF THE SECURITIES REPRESENTED HEREBY MUST NOT  
TRADE THE SECURITIES BEFORE [INSERT THE DATE THAT IS FOUR  
MONTHS AND ONE DAY AFTER THE DATE OF GRANT]”

- (b) If the Exercise Price of any Option granted hereunder is based on the Discounted Market Price (as defined in TSXV Policies) rather than the Market Price (as defined in TSXV Policies), all such Options and any Optioned Shares issuable upon exercise of such Options will be subject to a four month and one day hold period commencing on the Grant Date, and the certificates representing any Optioned Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [INSERT THE DATE THAT IS 4 MONTHS AND ONE DAY AFTER THE DATE OF GRANT].”

4.5 Vesting of Options.

- (a) No Option shall be exercisable until it has vested. The Board shall establish a vesting period or periods at the time each Option is granted to Eligible Persons, provided that Options granted to Investor Relations Service Providers are required to vest in stages over at least 12 months such that:
- (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;
  - (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;
  - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and
  - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.
- (b) If no vesting schedule is specified at the time of grant and the Optionee is not performing Investor Relations Activities, the Option shall vest as to 25% on each of the 6, 12, 18 and 24 month anniversaries of its grant.

4.6 Non Assignable. Subject to Section 4.9(e), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

4.7 Option Amendment.

- (a) Exercise Price. The Board may amend the Exercise Price of any Options provided that, subject to Section 4.1, and if the Common Shares are traded on the TSXV, the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of:
- (i) the Grant Date;
  - (ii) the date the Company's shares commenced trading on the TSXV; or
  - (iii) the date of the last amendment of the Exercise Price.

- (b) Disinterested Shareholder Approval. If the Common Shares are listed on the TSXV, any proposed reduction in the exercise price or extension of the Expiry Date of Options for Optionees that are Insiders will be subject to TSXV Policies, including Disinterested Shareholder Approval.
- (c) Term. Subject to Section 4.3, the term of an Option cannot be extended so that the effective term of the Option exceeds ten (10) years in total, or such other period as prescribed by the TSXV Policies. If the Common Shares are traded on the TSXV, an option must be outstanding for at least one year before the Company can extend its term and the TSXV treats any extension of the length of the term of the Option as a grant of a new Option, which must comply with pricing and other requirements of this Plan.
- (d) TSXV Approval. If the Common Shares of the Company are listed on the TSXV, any proposed amendment to the terms of an Option must be approved by the TSXV, if required, prior to the exercise of such Option as amended.

4.8 Termination of Option. Unless the Board determines otherwise, the Options will terminate in the following circumstances:

- (a) Termination of Services For Cause. If the engagement of the Optionee as a Director, Employee or Consultant is terminated for cause (as determined by common law), any Option granted hereunder to such Optionee shall terminate and cease to be exercisable immediately upon the Optionee ceasing to be a Director, Employee or Consultant by reason of termination for cause.
- (b) Termination of Services Without Cause or Upon by Resignation. If the engagement of the Optionee as a Director, Employee or Consultant of the Company is terminated for any reason other than cause (as determined by common law), disability or death, or if such Director, Employee, or Consultant resigns, as the case may be, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 90 days after the effective date of the Optionee ceasing to be a Director, Employee or Consultant for that other reason.
- (c) Termination of Investor Relations Services. If the engagement of the Optionee as an Investor Relations Services Provider is terminated for any reason other than cause, disability or death, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the date of termination until the date that is the earlier of (i) the Expiry Date, and (ii) the date that is 30 days after the effective date of the Optionee ceasing to be an Eligible Person.
- (d) Death. If the Optionee dies, the Optionee's lawful personal representatives, heirs or executors may exercise any Option granted hereunder to the Optionee to the extent such Option was exercisable and had vested on the date of death until the earlier of (i) the Expiry Date, and (ii) one year after the date of death of such Optionee.
- (e) Disability. If the Optionee ceases to be an Eligible Person, due to his Disability, or, in the case of an Optionee that is a company, the Disability of the person who provides

management or consulting services to the Company or to an Affiliate of the Company, the Optionee may exercise any Option granted hereunder to the extent that such Option was exercisable and had vested on the Date of Disability until the earlier of (i) the Expiry Date, and (ii) the date that is one year after the Date of Disability.

- (f) Changes in Status of Eligible Person. If the Optionee ceases to be one type of Eligible Person but concurrently is or becomes one or more other type of Eligible Person, the Option will not terminate but will continue in full force and effect and the Optionee may exercise the Option until the earlier of (i) the Expiry Date, and (ii) the applicable date set forth in Sections 4.8(a) to 4.8(e) above where the Optionee ceases to be any type of Eligible Person. If the Optionee is an Employee, the Option will not be affected by any change of the Optionee's employment where the Optionee continues to be employed by the Company or an Affiliate of the Company.

4.9 Adjustment of the Number of Optioned Shares. The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) Following the date an Option is granted, the exercise price for and the number of Optioned Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Section 4.9, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board, and any such determination will be binding on the Company, the Optionee and all other affected parties.
- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, an arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval from the TSXV and the relevant regulatory authorities, if required, appropriate substitution and/or adjustment in:
- (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
  - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
  - (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable, and if the Company undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

- (c) If the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another Company or entity, in a manner other than as specified in Section 4.9(b), then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in Section 4.9(a), and such adjustments shall be effective and binding upon the Company and the Optionee for all purposes.
- (d) No adjustment provided in this Section 4.9 shall require the Company to issue a fractional share and the total adjustment with respect to each Option shall be limited accordingly.
- (e) The grant or existence of an Option shall not in any way limit or restrict the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

## 5. COMMITMENT AND EXERCISE PROCEDURES

- 5.1 Option Agreement. Upon grant of an Option hereunder, an authorized director or officer of the Company will deliver to the Optionee an Option Agreement detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.
- 5.2 Manner of Exercise. An Optionee who wishes to exercise their Option, in its entirety or any portion thereof, may do so by delivering:
  - (a) a Notice of Exercise to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
  - (b) cash, a certified cheque, wire transfer or a bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.
- 5.3 Cashless Exercise. Subject to the provisions of the Plan (including, without limitation, Section 5.6) and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:
  - (a) excluding Options held by any Investor Relations Service Provider, a “net exercise” procedure in which the Company issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or
  - (b) a broker assisted “cashless exercise” in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to

the Company an amount equal to the Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 5.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with Section 5.3 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

- 5.4 Subsequent Exercises. If an Optionee exercises only a portion of the total number of his Options, then the Optionee may, from time to time, subsequently exercise all or part of the remaining Options until the Expiry Date.
- 5.5 Delivery of Certificate and Hold Periods. As soon as practicable after receipt of the Notice of Exercise described in Section 5.2 and payment in full for the Optioned Shares being received by the Company, the Company will or will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws and TSXV Policies.
- 5.6 Withholding. The Company may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options (“**Withholding Obligations**”). The Company may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by:
- (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such Withholding Obligations; or
  - (b) selling on the Optionee’s behalf, or requiring the Optionee to sell, any Optioned Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

## 6. AMENDMENTS AND TERMINATION

6.1 Amendments and Termination of this Plan. The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Options granted hereunder, subject to:

- (a) any required disinterested shareholder approval to reduce the exercise price of or extend the expiry date of an Option issued to an Insider in accordance with the policies of the TSXV while the Common Shares are listed on the TSXV;
- (b) any required approval of any applicable regulatory authority or the TSXV; and
- (c) any approval of shareholders of the Company as required by the rules of the TSXV or applicable law, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
  - (i) amendments of a “housekeeping nature”;
  - (ii) amendments for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
  - (iii) amendments which are necessary to comply with applicable law or the requirements of the TSXV;
  - (iv) amendments respecting administration and eligibility for participation under this Plan;
  - (v) amendments to the terms and conditions on which Options may be or have been granted pursuant to this Plan including amendments to the vesting provisions and terms of any Options;
  - (vi) with the exception of Options granted to Persons performing Investor Relations Activities, amendments which alter, extend or accelerate the terms of vesting applicable to any Options; and
  - (vii) changes to the termination provisions of an Option or this Plan which do not entail an extension beyond the original fixed term.

If this Plan is terminated, prior Options shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.2 Amendment of Outstanding Options. The Board may amend any Option with the consent of the affected Optionee and the TSXV, if required, including any shareholder approval required by the TSXV. For greater certainty, Disinterested Shareholder Approval is required by the TSXV for any reduction in the exercise price or extension of the expiry date of an Option if the Optionee is an Insider at the time of the proposed amendment.

6.3 Amendment Subject to Approval. If the amendment of an Option requires shareholder or Regulatory Approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

## 7. GENERAL

- 7.1 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement. If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Optioned Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.
- 7.2 Employment and Services. Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.
- 7.3 No Rights as Shareholder. Nothing contained in this Plan nor in any Option granted thereunder shall be deemed to give any Optionee any interest or title in or to any Common Shares of the Company or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in this Plan and pursuant to the exercise of any Option in accordance with the provisions of the Plan and the Option Agreement.
- 7.4 No Representation or Warranty. The Company makes no representation or warranty as to the future market value of Optioned Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Optioned Shares issuable thereunder or the tax consequences to an Optionee. Compliance with applicable securities laws as to the disclosure and resale obligations of each Optionee is the responsibility of such Optionee and not the Company.
- 7.5 Other Arrangements. Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.
- 7.6 No Fettering of Discretion. The awarding of Options under this Plan is a matter to be determined solely in the discretion of the Board. This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Common Shares or any other securities in the capital of the Company or any of its Affiliates other than as specifically provided for in this Plan.

**STOCK OPTION AGREEMENT  
(NON-INVESTOR RELATIONS)**

**THIS STOCK OPTION AGREEMENT** (this “**Agreement**”) is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**BETWEEN:**

**FIDELITY MINERALS CORP.**, a company having an address at Suite  
1201 - 1166 Alberni Street, Vancouver, BC V6E 3Z3

(the “**Company**”)

**AND:**

◆, of ◆

(the “**Optionee**”)

**WHEREAS:**

A. The Company’s board of directors (the “**Board**”) has approved and adopted an incentive stock option plan (the “**Plan**”) dated for reference May ◆, 2022, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 20% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides services to the Company as a ◆[**director/officer/consultant**] of ◆[**the Company**] OR [a subsidiary of the Company] (the “**Services**”); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

**THIS AGREEMENT WITNESSES** that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the “**Parties**”) as follows:

1. In this Agreement, the following terms shall have the following meanings:

- (a) “Date of Grant” means the date of this Agreement;
- (b) “Exercise Payment” means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;
- (c) “Exercise Price” means ◆ per Optioned Share;
- (d) “Expiry Date” means the date which is ◆ years after the Date of Grant;

- (e) "Notice of Exercise" means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit A1 hereto, which notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;
  - (f) "Options" means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement;
  - (g) "Optioned Shares" means the Shares subject to the Options;
  - (h) "Personal Information" means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit A2 attached hereto.
  - (i) "Securities" means, collectively, the Options and the Optioned Shares;
  - (j) "Shareholders" means holders of record of the Shares; and
  - (k) "Shares" means the common shares in the capital of the Company.
2. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Plan.
  3. The Company hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, Options to purchase a total of ♦ Optioned Shares at the Exercise Price.
  4. Unless accelerated at the discretion of the Board within the rules and regulations of any applicable regulatory bodies, the Options shall vest as follows ♦[revise as applicable]:
    - (a) ♦[provide] on the Date of Grant;
    - (b) ♦[provide] on the first anniversary of the Date of Grant; and
    - (c) ♦[provide] on the second anniversary of the Date of Grant.
  5. The Options shall, at 5:00 p.m. (Vancouver time) on the Expiry Date, forthwith expire and be of no further force or effect whatsoever.
  6. Subject to the provisions hereof, the Options shall be exercisable in whole or in part (at any time and from time to time as aforesaid) by the Optionee or their personal representative giving a Notice of Exercise together with the Exercise Payment by cash, certified cheque or bank draft, made payable to the Company.
  7. Upon the exercise of all or any part of the Options and upon receipt by the Company of the Exercise Payment, the Company shall cause to be delivered to the Optionee or their personal representative, within ten (10) days following receipt by the Company of the Notice of Exercise, a

certificate in the name of the Optionee or his personal representative representing, in aggregate, the number of Optioned Shares specified in the Notice of Exercise.

8. Nothing in this Agreement shall obligate the Optionee to purchase any Optioned Shares except those Optioned Shares in respect of which the Optionee shall have exercised the Options in the manner provided in this Agreement.
9. The Company agrees that prior to the earlier of the expiration of the Options and the exercise and purchase of the total number of Optioned Shares represented by the Options, there shall be reserved for issuance and delivery upon exercise of the Options such number of the Company's authorized and unissued Shares as shall be necessary to satisfy the terms and conditions of this Agreement.
10. The Optionee acknowledges, represents and warrants to the Company that:
  - (a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and
  - (b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933. *[revise as applicable if the Optionee is a U.S. Person]*
11. The Optionee hereby covenants and agrees with the Company that the Optionee will execute and deliver any documents and instruments and provide any information as may be reasonably requested by the Company, from time to time, to establish the availability of exemptions from prospectus requirements and to comply with any applicable securities legislation and TSXV Policies, including without limitation those provisions of any applicable securities legislation and TSXV Policies relating to escrow requirements.
12. The Optionee hereby acknowledges and agrees to the Company making a notation on its records or giving instructions to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this Agreement.
13. Unless the Company permits otherwise, the Optionee shall pay the Company in cash all local, provincial and federal withholding taxes applicable to the grant or exercise of the Options, or the transfer or other disposition of Shares acquired upon exercise of the Options. Any such payment must be made promptly when the amount of such obligation becomes determinable. In addition to any remedies available to the Company under the Plan to comply with Withholding Obligations, the Company may in its discretion sell on the Optionee's behalf, or require the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retain any amount which would otherwise be payable to the Optionee in connection with any such sale.
14. This Agreement shall enure to the benefit of and be binding upon the Company, its successors and assigns, and the Optionee and his personal representative, if applicable.

15. Other than in the event of death of the Optionee in which case the Options may be transferred or assigned by will or by the law governing the devolution of property to the Optionee's executor, administrator or other person representative, this Agreement shall not be transferable or assignable by the Optionee or his personal representative and the Options may be exercised only by the Optionee or his personal representative provided that, subject to the prior approval of the Board and, if necessary, any applicable stock exchange, the Optionee may assign the Options to a company of which all of the voting securities are beneficially owned by the Optionee, which ownership will continue for as long as any portion of the Options remain unexercised.
16. The granting of the Options and the terms and conditions hereof shall be subject to Regulatory Approval as required.
17. The Optionee and the Company represent that the Optionee is a Director, Employee or Consultant of the Company or any Affiliate of the Company or of a company of which all of the voting securities are beneficially owned by one or more of the foregoing.
18. The Optionee represents that he has not been induced to enter into this Agreement by the expectation of employment or continued employment or retention or continued retention by the Company or any Affiliate of the Company.
19. The Options will terminate in accordance with the Plan.
20. The Optionee acknowledges and consents to the fact that the Company is collecting the Optionees' Personal Information for the purposes set out in Exhibit A2 which may be disclosed by the Company to:
  - (a) the TSXV or securities regulatory authorities;
  - (b) the Company's registrar and transfer agent;
  - (c) Canadian tax authorities; and
  - (d) authorities pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. Neither this Agreement nor the Plan confers on the Optionee the right to continue in the employment of, or association with, the Company or any Affiliate of the Company, nor do they interfere in any way with the right of the Optionee or the Company or any Affiliate of the Company to terminate the Optionee's employment at any time.

22. Reference is made to the Plan for particulars of the rights and obligations of the Optionee and the Company in respect of the terms and conditions on which the Options are granted, all to the same effect as if the provisions of the Plan were set out in this Agreement and to all of which the Optionee assents.
23. The Company will give a copy of the Plan to the Optionee on request.
24. Time is of the essence of this Agreement.
25. The terms of the Options are subject to the provisions of the Plan, as the same may from time to time be amended, and any inconsistencies between this Agreement and the Plan, as the same may be from time to time amended, shall be governed by the provisions of the Plan.
26. If at any time during the term of this Agreement the Parties deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental hereto and form part hereof and which shall be subject to Regulatory Approval if required.
27. Wherever the plural or masculine are used throughout this Agreement, the same shall be construed as meaning singular or feminine or neuter or the body politic or corporate where the context requires.
28. This Agreement may be executed in several parts in the same form and such parts as so executed shall together constitute one original agreement, and such parts, if more than one, shall be read together and construed as if each of the Parties had executed one copy of this Agreement.
29. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date first above written.
30. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

**FIDELITY MINERALS CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

◆[If the optionee is an individual use this signature block]

WITNESSED BY: )  
 )  
 )  
\_\_\_\_\_)  
Name )  
 )  
\_\_\_\_\_)  
Address )  
\_\_\_\_\_)  
 )  
\_\_\_\_\_)  
Occupation )

\_\_\_\_\_



◆[or if a company is the optionee, the following:]



Per: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A1**

TO: Fidelity Minerals Corp. (the "**Company**")  
Suite 1201 - 1166 Alberni Street  
Vancouver, BC V6E 3Z3

**NOTICE OF EXERCISE**

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "**Agreement**") dated as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase such number of common shares of the Company as set out below, at a price of \$\_\_\_\_\_ per share, on the terms and conditions set forth in the Agreement and the Company's Stock Option Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

Number of common shares to be purchased herein: \_\_\_\_\_

Consideration for the commons shares for the total amount of: \$\_\_\_\_\_

The Optionee hereby directs the Company to issue, register and deliver the certificate(s) representing the shares as follows:

[Please denote preference for physical share certificate  or electronic certificate via DRS  - please check one]

Registration Information:	Delivery Instructions:
_____	_____
Name to appear on certificates	Name
_____	_____
Address	Address
_____	_____
_____	_____
_____	Telephone Number

DATED at \_\_\_\_\_, the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Name of Optionee (Please type or print)

\_\_\_\_\_  
Signature of Optionee or Authorized Signatory

\_\_\_\_\_  
Name and Office of Authorized Signatory

\_\_\_\_\_  
Address of Optionee

\_\_\_\_\_  
Address of Optionee

\_\_\_\_\_  
Facsimile Number



### **ACKNOWLEDGEMENT – PERSONAL INFORMATION**

TSX Venture TSXV Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture TSXV (collectively referred to as “the TSXV”) collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the TSXV,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSXV, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the TSXV also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the TSXV collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the TSXV’s website or through printed materials published by or pursuant to the directions of the TSXV.

The TSXV may from time to time use third parties to process information and/or provide other administrative services. In this regard, the TSXV may share the information with such third party service providers.

**STOCK OPTION AGREEMENT  
(INVESTOR RELATIONS)**

**THIS STOCK OPTION AGREEMENT** (this “**Agreement**”) is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BETWEEN:**

**FIDELITY MINERALS CORP.**, a company having an address at Suite  
1201 - 1166 Alberni Street, Vancouver, BC V6E 3Z3

(the “**Company**”)

**AND:**

◆, of ◆

(the “**Optionee**”)

**WHEREAS:**

A. The Company’s board of directors (the “**Board**”) has approved and adopted an incentive stock option plan (the “**Plan**”) dated for reference May ◆, 2022, as may be amended or restated from time to time, whereby the Board is authorized to grant Options (as defined herein) to Eligible Persons to acquire up to a maximum of 20% of the number of issued and outstanding common shares in the capital stock of the Company at the time of grant;

B. The Optionee provides investor relations services to the Company as a consultant (the “**Services**”); and

C. The Company wishes to grant the Options to the Optionee as an incentive for the continued provision of the Services;

**THIS AGREEMENT WITNESSES** that in consideration of other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged), it is hereby agreed by and between the Company and the Optionee (together, the “**Parties**”) as follows:

1. In this Agreement, the following terms shall have the following meanings:

- (a) “Date of Grant” means the date of this Agreement;
- (b) “Exercise Payment” means the amount of money equal to the Exercise Price multiplied by the number of Optioned Shares specified in the Notice of Exercise;
- (c) “Exercise Price” means ◆ per Optioned Share;
- (d) “Expiry Date” means the date which is ◆ years after the Date of Grant;
- (e) “Notice of Exercise” means a notice in writing addressed to the Company at its address first recited (or such other address of the Company as may from time to time be notified to the Optionee in writing), substantially in the form attached as Exhibit B1 hereto, which

notice shall specify therein the number of Optioned Shares in respect of which the Options are being exercised;

- (f) "Options" means the irrevocable right and option to purchase, from time to time, all, or any part of the Optioned Shares granted to the Optionee by the Company pursuant to Section 3 of this Agreement;
  - (g) "Optioned Shares" means the Shares subject to the Options;
  - (h) "Personal Information" means any information about the Optionee contained in this Agreement or as required to be disclosed about the Optionee by the Company to the TSXV or any securities regulatory authority for any purpose, including those purposes set out in Exhibit B2 attached hereto.
  - (i) "Securities" means, collectively, the Options and the Optioned Shares;
  - (j) "Shareholders" means holders of record of the Shares; and
  - (k) "Shares" means the common shares in the capital of the Company.
2. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Plan.
  3. The Company hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, Options to purchase a total of ♦ Optioned Shares at the Exercise Price.
  4. The Options shall vest as follows ♦ [TSXV rules require the options to vest in stages over at least 12 months with no more than one quarter of the options vesting in any 3 month period]:
    - (a) ♦ [provide] on the date that is 3 months after the Date of Grant;
    - (b) ♦ [provide] on the date that is 6 months after the Date of Grant;
    - (c) ♦ [provide] on the date that is 9 months after the Date of Grant; and
    - (d) ♦ [provide] on the date that is 12 months after the Date of Grant.
  5. The Options shall, at 5:00 p.m. (Vancouver time) on the Expiry Date, forthwith expire and be of no further force or effect whatsoever.
  6. Subject to the provisions hereof, the Options shall be exercisable in whole or in part (at any time and from time to time as aforesaid) by the Optionee or his personal representative giving a Notice of Exercise together with the Exercise Payment by cash or by certified cheque, made payable to the Company.
  7. Upon the exercise of all or any part of the Options and upon receipt by the Company of the Exercise Payment, the Company shall cause to be delivered to the Optionee or his personal representative, within ten (10) days following receipt by the Company of the Notice of Exercise, a certificate in the name of the Optionee or his personal representative representing, in aggregate, the number of Optioned Shares specified in the Notice of Exercise.

8. Nothing in this Agreement shall obligate the Optionee to purchase any Optioned Shares except those Optioned Shares in respect of which the Optionee shall have exercised the Options in the manner provided in this Agreement.
9. The Company agrees that prior to the earlier of the expiration of the Options and the exercise and purchase of the total number of Optioned Shares represented by the Options, there shall be reserved for issuance and delivery upon exercise of the Options such number of the Company's authorized and unissued Shares as shall be necessary to satisfy the terms and conditions of this Agreement.
10. The Optionee acknowledges, represents and warrants to the Company that:
  - (a) the Company has advised the Optionee that the Company is relying on an exemption from the requirements to provide the Optionee with a prospectus under applicable securities legislation and, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by applicable securities legislation, including, in most circumstances, statutory rights of rescission or damages, will not be available to the Optionee; and
  - (b) the Optionee is not a U.S. person as such term is defined in Regulation S promulgated under the United States Securities Act of 1933.
11. The Optionee hereby covenants and agrees with the Company that the Optionee will execute and deliver any documents and instruments and provide any information as may be reasonably requested by the Company, from time to time, to establish the availability of exemptions from prospectus requirements and to comply with any applicable securities legislation and TSXV Policies, including without limitation those provisions of any applicable securities legislation and TSXV Policies relating to escrow requirements.
12. The Optionee hereby acknowledges and agrees to the Company making a notation on its records or giving instructions to the registrar and transfer agent of the Company in order to implement the restrictions on transfer set forth and described in this Agreement.
13. Unless the Company permits otherwise, the Optionee shall pay the Company in cash all local, provincial and federal withholding taxes applicable to the grant or exercise of the Options, or the transfer or other disposition of Shares acquired upon exercise of the Options. Any such payment must be made promptly when the amount of such obligation becomes determinable. In addition to any remedies available to the Company under the Plan to comply with Withholding Obligations, the Company may in its discretion sell on the Optionee's behalf, or require the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retain any amount which would otherwise be payable to the Optionee in connection with any such sale.
14. This Agreement shall enure to the benefit of and be binding upon the Company, its successors and assigns, and the Optionee and his personal representative, if applicable.
15. Other than in the event of death of the Optionee in which case the Options may be transferred or assigned by will or by the law governing the devolution of property to the Optionee's executor, administrator or other person representative, this Agreement shall not be transferable or assignable by the Optionee or his personal representative and the Options may be exercised only by the Optionee or his personal representative provided that, subject to the prior approval of the

Board and, if necessary, any applicable stock exchange, the Optionee may assign the Options to a company of which all of the voting securities are beneficially owned by the Optionee, which ownership will continue for as long as any portion of the Options remain unexercised.

16. The granting of the Options and the terms and conditions hereof shall be subject to Regulatory Approval as required.
17. The Optionee and the Company represent that the Optionee is a Director, Employee or Consultant of the Company or any Affiliate of the Company or of a company of which all of the voting securities are beneficially owned by one or more of the foregoing.
18. The Optionee represents that he has not been induced to enter into this Agreement by the expectation of employment or continued employment or retention or continued retention by the Company or any Affiliate of the Company.
19. The Options will terminate in accordance with the Plan.
20. The Optionee acknowledges and consents to the fact that the Company is collecting the Optionees' Personal Information for the purposes set out in Exhibit B2 which may be disclosed by the Company to:
  - (a) the TSXV or securities regulatory authorities;
  - (b) the Company's registrar and transfer agent;
  - (c) Canadian tax authorities; and
  - (d) authorities pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

By executing this Agreement, the Optionee is deemed to be consenting to the foregoing collection, use and disclosure of the Optionee's Personal Information and to the retention of such Personal Information for as long as permitted or required by law or business practice. By executing this Agreement, the Optionee hereby consents to the foregoing collection, use and disclosure of the Optionee's Personal Information. The Optionee also consents to the filing of copies of any documents described herein as may be required to be filed with the TSXV or any securities regulatory authority in connection with the grant of the Options. An officer of the Company is available to answer questions about the collection of personal information by the Company.

21. Neither this Agreement nor the Plan confers on the Optionee the right to continue in the employment of or association with the Company or any Affiliate of the Company, nor do they interfere in any way with the right of the Optionee or the Company or any Affiliate of the Company to terminate the Optionee's employment at any time.
22. Reference is made to the Plan for particulars of the rights and obligations of the Optionee and the Company in respect of the terms and conditions on which the Options are granted, all to the same effect as if the provisions of the Plan were set out in this Agreement and to all of which the Optionee assents.
23. The Company will give a copy of the Plan to the Optionee on request.

24. Time is of the essence of this Agreement.
25. The terms of the Options are subject to the provisions of the Plan, as the same may from time to time be amended, and any inconsistencies between this Agreement and the Plan, as the same may be from time to time amended, shall be governed by the provisions of the Plan.
26. If at any time during the term of this Agreement the Parties deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental hereto and form part hereof and which shall be subject to Regulatory Approval if required.
27. Wherever the plural or masculine are used throughout this Agreement, the same shall be construed as meaning singular or feminine or neuter or the body politic or corporate where the context requires.
28. This Agreement may be executed in several parts in the same form and such parts as so executed shall together constitute one original agreement, and such parts, if more than one, shall be read together and construed as if each of the Parties had executed one copy of this Agreement.
29. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date first above written.
30. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.
31. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the Parties and their respective successors and assigns.

*[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set forth above.

**FIDELITY MINERALS CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

**◆[If the optionee is an individual use this signature block]**

WITNESSED BY: )  
\_\_\_\_\_) )  
Name ) )  
\_\_\_\_\_) )  
Address ) )  
\_\_\_\_\_) )  
\_\_\_\_\_) )  
Occupation ) )

\_\_\_\_\_ )  
◆

**◆[or if a company is the optionee, the following:]**

◆  
Per: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT B1**

TO: Fidelity Minerals Corp. (the "**Company**")  
Suite 1201 - 1166 Alberni Street  
Vancouver, BC V6E 3Z3

**NOTICE OF EXERCISE**

This Notice of Exercise shall constitute proper notice pursuant to Section 6 of that certain Stock Option Agreement (the "**Agreement**") dated as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase such number of common shares of the Company as set out below, at a price of \$\_\_\_\_\_ per share, on the terms and conditions set forth in the Agreement and the Company's Stock Option Plan. Such aggregate consideration, in the form specified in Section 6 of the Agreement, accompanies this notice. The undersigned reconfirms the representations and warranties set out in the Agreement as of the date hereof.

Number of common shares to be purchased herein: \_\_\_\_\_

Consideration for the commons shares for the total amount of: \$\_\_\_\_\_

The Optionee hereby directs the Company to issue, register and deliver the certificate(s) representing the shares as follows:

[Please denote preference for physical share certificate  or electronic certificate via DRS  - please check one]

Registration Information:	Delivery Instructions:
_____	_____
Name to appear on certificates	Name
_____	_____
Address	Address
_____	_____
_____	_____
_____	Telephone Number

DATED at \_\_\_\_\_, the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Name of Optionee (Please type or print)

\_\_\_\_\_  
Signature of Optionee or Authorized Signatory

\_\_\_\_\_  
Name and Office of Authorized Signatory

\_\_\_\_\_  
Address of Optionee

\_\_\_\_\_  
Address of Optionee

\_\_\_\_\_  
Facsimile Number



### **ACKNOWLEDGEMENT – PERSONAL INFORMATION**

TSX Venture TSXV Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture TSXV (collectively referred to as “the TSXV”) collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the TSXV,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSXV, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the TSXV also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the TSXV collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the TSXV’s website or through printed materials published by or pursuant to the directions of the TSXV.

The TSXV may from time to time use third parties to process information and/or provide other administrative services. In this regard, the TSXV may share the information with such third party service providers.