

DEFENSE METALS CORP.

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 15, 2023**

AND

MANAGEMENT INFORMATION CIRCULAR

DATED: NOVEMBER 14, 2023

DEFENSE METALS CORP.

NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 15, 2023

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of Shareholders of Defense Metals Corp. (the “**Company**”) will be held at Suite 228 – 1122 Mainland Street, Vancouver, B.C. Canada V6B 5L1 on Friday, December 15, 2023 at 10:00 AM (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended March 31, 2023, together with the report of the auditors thereon;
2. to fix the number of directors of the Company at eight (8);
3. to elect the directors of the Company for the ensuing year;
4. to re-appoint the auditors for the ensuing year and to authorize the directors of the Company to determine the remuneration to be paid to the auditors;
5. to approve the Company’s 10% rolling stock option plan; and
6. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

This notice of Meeting is accompanied by: (a) the management information circular (the “**Circular**”); and (b) either a form of proxy for registered Shareholders or a voting instruction form for beneficial Shareholders. **The Circular accompanying this notice of Meeting is incorporated into and shall be deemed to form part of this notice of Meeting.**

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is November 7, 2023 (the “**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

In light of the continued and evolving public health guidelines related to COVID-19, the Company asks Shareholders to consider voting their shares by proxy and not attend the Meeting in person. Shareholders are strongly urged to vote on the matters before the Meeting by completing a proxy or VIF (as defined below) or the materials provided by their Intermediary (as defined below), as applicable. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournments or postponements thereof in person are requested to complete, date, sign and return the accompanying form of proxy for use at the Meeting or any adjournments or postponements thereof. As a shareholder, you can choose from three different ways to vote your shares by proxy: (a) by mail or delivery in the addressed envelope provided or deposited at the offices of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, on behalf of the Company, so as to arrive not later than 10:00 AM (Vancouver time) on December 13, 2023, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used; (b) by telephone (toll free) at 1-866-732-VOTE (8683); or (c) on the internet at www.investorvote.com, unless the chair of the Meeting elects to exercise his or her discretion to accept proxies received subsequently. The above time limit for deposit of proxies may be waived or extended by the chair of the Meeting at his or her discretion without notice.

DATED this 14th day of November, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

“Craig Taylor”

Craig Taylor, CEO and Director

DEFENSE METALS CORP.
Suite 228 – 1122 Mainland Street
Vancouver, B.C., Canada V6B 5L1

MANAGEMENT INFORMATION CIRCULAR
as at November 14, 2023

SOLICITATION OF PROXIES

This management information circular (“Circular”) is provided in connection with the solicitation of proxies by management of Defense Metals Corp. (the “Company”) for use at an annual general and special meeting (the “Meeting”) of the holders (“Shareholders”) of common shares (“Common Shares”) in the capital of the Company. The Meeting will be held on Friday, December 15, 2023 at 10:00 AM (Vancouver time) at Suite 228 – 1122 Mainland Street Vancouver, B.C. Canada V6B 5L1 or at such other time or place to which the Meeting may be adjourned, for the purposes set forth in the notice of annual general and special meeting accompanying this Circular (the “Notice”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of electronic communication. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

These securityholder materials are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner of Common Shares, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary (“**Intermediary**”) holding Common Shares on your behalf.

Accompanying this Circular (and filed with applicable securities regulatory authorities) is a form of proxy for use at the Meeting (a “**Proxy**”). Each Shareholder who is entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and all Shareholders are urged to vote on matters to be considered in person or by proxy.

All time references in this Circular are references to Vancouver, British Columbia, Canada time.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of a Proxy

Those Shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proper Proxy to Computershare Investor Services Inc. (the “Transfer Agent”), at Proxy Department, 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1.

The persons named as proxyholders in the Proxy accompanying this Circular are directors or officers of the Company, or persons designated by management of the Company, and are representatives of the Company’s management for the Meeting. A Shareholder who wishes to appoint some other person (who need not be a Shareholder) to attend and act for him, her or it and on his, her or its behalf at the Meeting other than the management nominee designated in the Proxy may do so by either: (i) crossing out the names of the management nominees AND legibly printing the other person’s name in the blank space provided in the accompanying Proxy; or (ii) completing another valid form of proxy. In either case, the completed form of proxy must be delivered to the Transfer Agent, at the place and within the time specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the management representatives named in the Proxy should notify such alternative nominee of the appointment, obtain the nominee’s consent to act as proxy, and provide instructions on how the Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In any case, the Proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Proxy).

In order to validly appoint a proxy, Proxies must be received by the Transfer Agent, at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1, at least 48 hours, excluding Saturdays, Sundays and holidays, prior to the Meeting or any adjournment or postponement thereof. After such time, the chairman of the Meeting may accept or reject a Proxy delivered to him in his discretion but is under no obligation to accept or reject any particular late Proxy.

Revoking a Proxy

A registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. A Shareholder who has validly given a proxy may revoke it for any matter upon which a vote has not already been cast by the proxyholder appointed therein. In addition to revocation in any other manner permitted by law, a proxy may be revoked with an instrument in writing signed and delivered to either the registered office of the Company or the Transfer Agent at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any postponement or adjournment thereof at which the proxy is to be used, or deposited with the chairman of such Meeting on the day of the Meeting, or any postponement or adjournment thereof. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Also, a Shareholder who has given a proxy may attend the Meeting in person (or where the Shareholder is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the chairman before the proxy is exercised) and vote in person (or withhold from voting).

Only registered shareholders have the right to revoke a proxy. Non-registered shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their Intermediary to revoke the proxy on their behalf. Intermediaries may have different rules and procedures relating to proxy instructions and non-registered shareholders should contact their Intermediary for additional information.

Signature on Proxies

The Proxy must be executed by the Shareholder or his or her duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose title must be indicated. A Proxy signed by a person acting as attorney or in some other representative capacity should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

Voting of Proxies

Each Shareholder may instruct his, her or its proxy how to vote his, her or its Common Shares by completing the blanks on the Proxy. Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.

The Common Shares represented by the enclosed Proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. In the absence of such direction, such Common Shares will be voted FOR THE RESOLUTIONS DESCRIBED IN THE PROXY AND BELOW. If any amendment or variation to the matters identified in the Notice is proposed at the Meeting or any adjournment or postponement thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the accompanying Proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. Unless otherwise stated, the Common Shares represented by a valid Proxy will be voted in favour of the election of nominees set forth in this Circular except where a vacancy among such nominees occurs prior to the Meeting, in which case, such Common Shares may be voted in favour of another nominee in the proxyholder's discretion. As at the date of this Circular, management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to a substantial number of the Shareholders who do not hold their Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited

by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares 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 Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. **Without specific instructions, the broker/nominees are prohibited from voting Common Shares for their clients. The Company does not know for whose benefit the Common Shares registered in the name of CDS & Co. or other brokers/agents are held.** Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.

Non-registered holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners ("NOBOs"). Those non-registered holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("OBOs").

The Company does not intend to pay for Intermediaries to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Intermediary assumes the costs of delivery.

Generally, non-registered shareholders who have not waived the right to receive Meeting materials will receive either a voting instruction form or a form of proxy. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting instruction form in lieu of the Instrument of Proxy, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting instruction forms to Broadridge. Alternatively, Beneficial Shareholders sometimes are provided with a toll-free telephone number or website information to deliver the Beneficial Shareholder's voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed voting instruction form as directed by Broadridge well in advance of the Meeting.**

All references to Shareholders in this Circular, the Instrument of Proxy and the Notice are to Shareholders of record unless specifically stated otherwise. Where documents are stated to be available for review or inspection, such items will be made available upon request to registered Shareholders who produce proof of their identity.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to Shareholders using "notice-and-access", as defined under NI 54-101.

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

Except as disclosed herein, no person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and as set out herein. For the purpose of this paragraph, "person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last fiscal year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b). Certain of the directors and officers may be considered as having an interest in the affirmation, ratification and approval of the Company's stock option plan given their eligibility for stock option grants thereunder.

RECORD DATE AND QUORUM

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on November 7, 2023 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting.

Under the Company’s articles, the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy, holding not less than one voting share of the Company entitled to be voted at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date, there were 255,779,571 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment thereof. The outstanding Common Shares are listed on the TSX Venture Exchange (the “**Exchange**”) under the symbol “DEFN”.

To the knowledge of the directors and executive officers of the Company, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

VOTES NECESSARY TO PASS RESOLUTIONS

Unless indicated otherwise, in order to pass the resolutions described herein, a majority of the votes cast at the Meeting or in person or by proxy must be voted in favour of the resolutions.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company’s directors, the only matters to be placed before the Meeting are those set forth in the accompanying notice of Meeting and more particularly discussed below.

Presentation of Financial Statements

The annual financial statements of the Company for the financial year ended March 31, 2023, together with the auditor’s report thereon, will be placed before the Meeting. The Company’s financial statements are available on the SEDAR+ website at www.sedarplus.ca. No approval or other action needs to be taken at the Meeting in respect of the financial statements.

Election of Directors

The Company proposes to fix the number of directors of the Company at eight (8) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by Proxy for the election of any other person or persons as directors. All of the nominees have expressed their willingness to serve on the Board.

Unless otherwise indicated, the persons designated as proxyholders in the accompanying Proxy will vote the Common Shares represented by such form of proxy, properly executed, FOR the election of each of the nominees whose names are set forth below.

The following table sets out the names of the management nominees; their positions and offices in the Company; the province or state and country in which he or she is ordinarily resident; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares which each beneficially owns or over which control or direction is exercised as at the date of this Circular. Ryan Cheung and Kris Raffle, current directors of the Company, will not stand for re-election to the Board, and will remain as CFO & Corporate Secretary, and Technical Consultant & Qualified Person, respectively.

Name, Residence and Present Position within the Company	Director / Officer Since	Number of Shares Beneficially Owned, or Controlled, or Directed, Directly or Indirectly⁽¹⁾	Principal Occupation, Business or Employment for Last Five Years⁽³⁾
Craig Taylor⁽²⁾ British Columbia, Canada <i>Director & CEO</i>	Director since February 12, 2018 and CEO since April 24, 2019	2,496,000	CEO and director of the Company; and director and/or officer of other private and public companies.
Dr. Luisa Moreno Ontario, Canada <i>Director & President</i>	Director since October 25, 2021 and President since January 17, 2022	Nil	Managing Partner at Tahuti Global Inc.; officer and director of several green materials and technology companies; and former Financial and Senior Equity Analyst (at several Canadian financial research and investment banking firms).
Andrew Burgess⁽²⁾ Alberta, Canada <i>Director</i>	Director since January 8, 2019	4,175,897	Chartered Accountant and a Certified Public Accountant.
Dr. William Bird British Columbia, Canada <i>Director</i>	Director since January 17, 2022	Nil	Professional Registered Geoscientist specializing in rare-earth deposits and providing consultation and advice to mineral-resource companies.
Dale Wallster⁽²⁾ British Columbia, Canada <i>Director</i>	Director since January 11, 2023	2,328,667 ⁽⁴⁾	Prospector, Geologist and Businessman; CEO, President and director of Southern Empire Resources Corp.; director of ValOre Metals Corp.; and Director of Coast Copper Corp.
Len Clough British Columbia, Canada <i>Director</i>	Director since April 10, 2023	200,000 ⁽⁵⁾	Co-founder and Partner of Altus Capital Partners; Chairman and CEO of Toro Pacific Management Inc., a family office with various public and private investments and a capital markets advisory business.
Martin Cronin British Columbia, Canada <i>Proposed Director</i>	Proposed Director	50,000	Officer and director of private and public companies in the public safety and defence sectors, including Executive Chairman of Syniad Innovations Inc., which has a portfolio of ventures rooted in deep science, and as the former CEO and a director of Xtract One Technologies Inc. (formerly, Patriot One Technologies Inc.)
P.E. (Ted) Kavanagh New York, USA <i>Proposed Director</i>	Proposed Director	Nil	Retired banker, director of public and private companies; director of Signal Gold Inc. and director of Southern Empire Resources Corp.

Notes:

- (1) The number of Common Shares held includes Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the proposed nominee, and was obtained from publicly available information filed on www.sedi.ca or directly from the proposed nominee.
- (2) Denotes a member of the Audit Committee (as defined below).
- (3) The information as to principal occupation, business or employment is not within the knowledge of management of the Company and has been furnished by the respective nominees.
- (4) Includes 2,278,667 Common Shares held by Mulgravian Ventures Corporation, a private company controlled by Mr. Wallster.
- (5) Held by Toro Pacific Management Inc., a private company controlled by Mr. Clough.

The Company does not at present have an executive committee or any other committees, other than an audit committee (the “**Audit Committee**”) as required by the *Business Corporations Act* (British Columbia).

Craig Taylor, Andrew Burgess and Dale Wallster are the current members of the Audit Committee.

Corporate Cease Trade Orders, Bankruptcies, and Sanctions

For purposes of the disclosure in this section, an “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Except as set forth below, to the knowledge of the Company, none of the proposed directors of the Company, including any personal holding company of a proposed director of the Company:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer of the company;
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this 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;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Mr. Burgess was a director of Trius Investments Inc. (“**Trius**”) in 2016 when the Exchange completed a review which resulted in a Notice to Comply by the Exchange citing contraventions of Exchange policies with respect to related party transactions. Subsequently, the directors of the company were required and complied to reimburse Trius for certain losses incurred with respect to these transactions.

Advance Notice Policy

The Company’s Advance Notice Policy and the provisions regarding nominations of directors in the Articles of the Company set forth procedures for Shareholders to nominate a person for election as a director of the Company and stipulates a deadline by which Shareholders must notify the Company of their intention to nominate directors and information that must be provided in respect of the nominating Shareholder and their director nominee(s). As of the date of this Circular, the Company has not received any director nominations pursuant to the Advance Notice Policy.

Appointment of Auditor

Management is recommending that Shareholders vote to re-appoint Crowe MacKay LLP, of Vancouver, British Columbia, as auditors of the Company to hold office until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration. Crowe MacKay LLP was first appointed as the independent auditor of the Company

effective December 12, 2022.

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Crowe MacKay LLP as auditors of the Company to hold office for the ensuing year at a remuneration to be fixed by the directors.

Approval of Stock Option Plan

Under the policies of the Exchange, a “rolling” stock option plan must be approved on a yearly basis by Shareholders. Accordingly, the Shareholders will be asked to pass an ordinary resolution approving the Company’s 10% rolling stock option plan (the “**Plan**” or “**Option Plan**”). The details of the Plan are set forth below. Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of, the approval of the Plan. The purpose of the Plan is to provide an incentive to employees, directors, officers, management companies and consultants who provide services to the Company, and to reduce the cash compensation the Company would otherwise have to pay. The Plan will also assist the Company in attracting, retaining and motivating employees, directors, officers, management companies and consultants.

The following summary of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan. A full copy of the Plan will be available at the Meeting for review by Shareholders. Shareholders may also obtain copies of the Plan from the Company prior to the Meeting on written request.

Eligible Participants. Stock options (“**Options**”) may be granted under the Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the “**Directors**”), employees of the Company or its subsidiaries (collectively, the “**Employees**”) or consultants of the Company or its subsidiaries (collectively, the “**Consultants**”). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Plan.

Number of Shares Reserved. The number of Common Shares which may be issued pursuant to Options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares at the date of granting of Options.

Limitations. Under the Plan, the aggregate number of Common Shares issuable to insiders of the Company (as a group) pursuant to all Security Based Compensation (as that term is defined in the Exchange policy manual) must not exceed 10% of the issued and outstanding Common Shares. The aggregate number of Common Shares that may be issuable to insiders of the Company (as a group) pursuant to all Security Based Compensation granted or issued within any 12-month period must not exceed 10% of the issued and outstanding Common Shares. The aggregate number of Options granted to any one person (including companies wholly- owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date the Option is granted, together with all of the Company’s other grants or issuances of Security Based Compensation. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the date the Option is granted, together with all of the Company’s other grants or issuances of Security Based Compensation. The aggregate number of Options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares in any 12-month period, calculated at the date an Option is granted to any such person. Exchange and disinterested Shareholder approvals are required in accordance with the Exchange policies if any of these limitations are exceeded (at any time). Investor Relations Service Providers (as that term is defined in the Exchange policy manual) may not receive any Security Based Compensation other than Options.

Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the Discounted Market Price, as that term is defined in the Exchange policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.

Term of Options. Subject to the termination and change of control provisions noted below, the term of any Options granted under the Plan is determined by the Board and may not exceed ten years from the date of grant.

Vesting. All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide Investor

Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period.

Hold Period. In addition to any resale restrictions under securities laws, and any other circumstance for which the Exchange hold period may apply, where Options are granted to insiders of the Company, Consultants or where the exercise price includes a discount as permitted by the Exchange, the Options and any Common Shares issued on the exercise of such Options must be legended with a four month Exchange hold period commencing on the date the Options are granted.

Termination. An Option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Plan by reason of death, retirement or otherwise. If an optionee ceases to be eligible under the Plan by reason of being dismissed for cause from any such position, all unexercised Option rights will be immediately terminated. If an optionee ceases to be eligible under the Plan by any reason other than termination for cause or as a result of death, the optionee will have a right for a period of the earlier of: (a) 90 days from the date of the optionee ceasing to be eligible and (b) the normal expiry date of the Options, to exercise the Options under the Plan, with all unexercised Options terminating immediately upon expiration of such period. If an optionee engaged in providing Investor Relations Activities, as that term is defined in the Exchange policy manual, to the Company ceases to be employed in providing such Investor Relations Activities, such optionee shall have the right for a period of 30 days (or until the normal expiry date of the Option rights of such optionee if earlier) from the date of ceasing to provide such Investor Relations Activities to exercise the Option under the Plan with respect to all optioned Common Shares of such optionee to the extent they were exercisable on the date of ceasing to provide such Investor Relations Activities. Upon the expiration of such 30-day period all unexercised Option rights of that optionee shall immediately become terminated and shall lapse notwithstanding the original term of the Option granted to such optionee under the Plan.

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution:

“BE IT RESOLVED THAT:

- (a) the Company’s Stock Option Plan be approved, and that in connection therewith a maximum of 10% of the issued and outstanding Common Shares at the time of each grant be approved for granting as Options; and
- (b) any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

A copy of the Plan is available on request from the Company.

Management of the Company believes the approval of the Plan as described above is in the best interests of the Company and recommends that Shareholders vote in favour of the ordinary resolution approving the Plan.

OTHER MATTERS

As of the date of this Circular, the management of the Company knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

STATEMENT OF EXECUTIVE COMPENSATION

Set out below are particulars of compensation paid to the directors and the named executive officers of the Company. “**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year; and

- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at March 31, 2023, the end of the most recently completed financial year of the Company, the Company had two (2) NEOs, whose name and positions held within the Company are set out in the summary compensation table below.

Director and Named Executive Officer Compensation

The following table is a summary of compensation awarded to, earned by, paid to, or payable to the NEOs and directors of the Company for the two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year Ended ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Craig Taylor <i>Director & CEO</i>	2023	300,000 ⁽²⁾	Nil	Nil	Nil	Nil	300,000
	2022	270,000 ⁽²⁾	Nil	Nil	Nil	100,000 ⁽⁵⁾	370,000
Ryan Cheung ⁽¹³⁾ <i>Director, CFO & Corp. Sec.</i>	2023	109,000 ⁽³⁾	Nil	Nil	Nil	Nil	109,000
	2022	82,000 ⁽³⁾	Nil	Nil	Nil	Nil	82,000
Kris Raffle ⁽¹⁴⁾ <i>Director</i>	2023	Nil	Nil	Nil	Nil	1,132,667 ⁽⁶⁾	1,132,667
	2022	Nil	Nil	Nil	Nil	817,724 ⁽⁶⁾	817,724
Andrew Burgess <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Luisa Moreno <i>Director & President</i>	2023	130,000 ⁽⁸⁾	Nil	Nil	Nil	Nil	130,000
	2022 ⁽⁷⁾	Nil	Nil	Nil	Nil	Nil	Nil
Dr. William Bird <i>Director</i>	2023	39,500 ⁽⁴⁾	Nil	Nil	Nil	Nil	39,500
	2022 ⁽⁹⁾	6,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	6,000
Max Sali <i>Director</i>	2023 ⁽¹⁰⁾	45,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	45,000
	2022	29,000 ⁽⁴⁾	Nil	Nil	Nil	21,000 ⁽⁵⁾	50,000
Len Clough <i>Director</i>	2023 ⁽¹¹⁾	6,000 ⁽⁴⁾	Nil	Nil	Nil	Nil	6,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Dale Wallster ⁽¹²⁾ <i>Director</i>	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Year ended March 31.
- (2) All compensation was awarded to, earned by, paid to, or payable for services as CEO of the Company.
- (3) All compensation was awarded to, earned by, paid to, or payable for services as CFO of the Company.
- (4) All compensation was awarded to, earned by, paid to, or payable for services as a director of the Company.
- (5) Paid for services related to the closing of the Company's private placement completed in May 2021.
- (6) All compensation was awarded to, earned by, paid to, or payable to Apex Geosciences Ltd., a company of which Kris Raffle is a principal, for geological consulting services and related work provided to the Company.
- (7) Dr. Luisa Moreno was appointed as a director of the Company on October 25, 2021 and as president of the Company on January 17, 2022.
- (8) Comprised of \$65,000 awarded to, earned by, paid to, or payable for services as President of the Company and \$65,000 awarded to, earned by, paid to, or payable for geological services to the Company in connection with its Wicheeda property.
- (9) Dr. Bird was appointed as a director of the Company on January 17, 2022.
- (10) Mr. Sali ceased to be a director of the Company on December 9, 2022.
- (11) Mr. Clough was appointed as a director of the Company on January 11, 2023.
- (12) Mr. Wallster was appointed as a director of the Company on April 10, 2023.
- (13) Mr. Cheung is not seeking re-election to the Board at the Meeting.
- (14) Mr. Raffle is not seeking re-election to the Board at the Meeting.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company

or one of its subsidiaries during the financial year ended March 31, 2023, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽¹⁾	Expiry Date
Craig Taylor ⁽²⁾ <i>CEO and Director</i>	Stock Options	1,000,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Ryan Cheung ⁽³⁾ <i>Director, CFO & Corporate Secretary</i>	Stock Options	250,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Kris Raffle ⁽⁴⁾ <i>Director</i>	Stock Options	500,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Andrew Burgess ⁽⁵⁾ <i>Director</i>	Stock Options	100,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Luisa Moreno ⁽⁶⁾ <i>Director</i>	Stock Options	450,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
William Bird ⁽⁷⁾ <i>Director</i>	Stock Options	100,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Dale Wallster ⁽⁸⁾ <i>Director</i>	Stock Options	700,000 (<1%)	Dec. 7, 2022	\$0.22	\$0.21	\$0.30	Dec. 7, 2025
Len Clough ⁽⁹⁾ <i>Director</i>	Stock Options	400,000 (<1%)	Jan. 11, 2023	\$0.24	\$0.235	\$0.30	Jan. 11, 2026

Notes:

- (1) Year ended March 31, 2023.
- (2) As at March 31, 2023, Mr. Taylor held a total of 4,050,000 Options.
- (3) As at March 31, 2023, Mr. Cheung held a total of 975,000 Options. Mr. Cheung is not seeking re-election to the Board at the Meeting.
- (4) As at March 31, 2023, Mr. Raffle held a total of 1,825,000 Options. Mr. Raffle is not seeking re-election to the Board at the Meeting.
- (5) As at March 31, 2023, Mr. Burgess held a total of 565,000 Options.
- (6) As at March 31, 2023, Dr. Moreno held a total of 1,000,000 Options.
- (7) As at March 31, 2023, Dr. Bird held a total of 400,000 Options.
- (8) Granted to Mr. Wallster on December 7, 2022 as a consultant/advisor to the Company at such time. Mr. Wallster was appointed as a director of the Company on April 10, 2023. As at March 31, 2023, Mr. Wallster held a total of 771,333 Options.
- (9) Mr. Clough was appointed as a director of the Company on January 11, 2023. As at March 31, 2023, Mr. Clough held a total of 400,000 Options.

Exercise of Compensation Securities by Directors and NEOs

During the most recently completed financial year, the NEOs and directors of the Company did not exercise any Options under the Option Plan in respect of the Common Shares.

Stock Option Plans and Other Incentive Plans

See “Approval of Stock Option Plan” above for the material terms of the Company’s Plan. The Company’s Plan was previously approved by Shareholders at the annual general and special meeting held on December 3, 2021, and will be placed before the Meeting for Shareholder approval.

Employment, Consulting and Management Agreements

There are no written employment contracts between the Company and any Named Executive Officer or director.

576112 B.C. Ltd. (a company owned and controlled by Craig Taylor) entered into a consulting agreement with the Company dated as of July 1, 2021, (the “**CEO Agreement**”). Pursuant to the CEO Agreement, Mr. Taylor has agreed to provide his services as Chief Executive Officer at a base remuneration of \$25,000 per month. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or

other compensation) rests in the sole discretion of the Company. The term of the CEO Agreement continues until terminated in accordance with termination provisions therein. The Company may terminate the CEO Agreement at any time, for material breach of any of the terms and conditions of the CEO Agreement (a “material breach” includes, but is not limited to, the failure or refusal of Mr. Taylor to perform the services required at an acceptable level or standard, provided that he has been provided written notice of such failure and has not corrected its behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct its behaviour pursuant to the notification on a one-time basis). If Mr. Taylor is prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company may terminate the CEO Agreement by providing notice in writing and the CEO Agreement automatically terminates, without notice or payment in lieu thereof, upon death, any material dishonesty on part of Mr. Taylor affecting the Company, conviction of Mr. Taylor for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CEO Agreement, wilful and intentional act on the part of Mr. Taylor (as described in the CEO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Taylor’s engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminates this Agreement pursuant to due to the death or permanent disability of Mr. Taylor and such death or permanent disability occurred during or resulted directly from Mr. Taylor’s performance of the services required under the CEO Agreement, then the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two calendar years immediately preceding the year in which the termination occurred.

The Company may terminate the CEO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Taylor, provided that on receipt of such notice of termination, Mr. Taylor may elect to accept such notice of termination effective immediately in which case Mr. Taylor’s engagement will terminate immediately upon such acceptance by Mr. Taylor. The provided notice under this section must be supported by the majority of the Board.

Mr. Taylor may terminate this Agreement upon the happening of any one or more triggering events (a “triggering event” includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CEO Agreement that is not remedied, requirement for Mr. Taylor to relocate to another city, the Company ceasing to operate as a going concern, a material reduction in the base fee payable under the CEO Agreement, or the incumbent directors ceasing to constitute a majority of the Board) by providing written notice to the Company and the Company shall pay to Mr. Taylor a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

If a change of control in the Company occurs at any time after July 1, 2021 and if, in respect of Mr. Taylor, a triggering event subsequently occurs within one (1) year of the change of control, Mr. Taylor shall be entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to two (2) times the annual base fee in effect as of the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Taylor for the two (2) calendar years immediately preceding the year in which the termination occurred.

Midland Management Ltd. (a company owned and controlled by Ryan Cheung) entered into a consulting agreement with the Company dated as of December 1, 2022, (the “**CFO Agreement**”). Pursuant to the CFO Agreement, Mr. Cheung has agreed to provide his services as Chief Financial Officer at a base remuneration of \$3,000 to \$10,000 per month, as mutually agreed to by the Company and Mr. Cheung on a month-to-month basis. Additional remuneration or compensation (whether a bonus or other form of additional remuneration, including Options, equity or other compensation) rests in the sole discretion of the Company. The term of the CFO Agreement continues until terminated in accordance with termination provisions therein. The Company may terminate the CFO Agreement at any time, for material breach of any of the terms and conditions of the CFO Agreement (a “material breach” includes, but is not limited to, the failure or refusal of Mr. Cheung to perform the services required at an acceptable level or standard, provided that he has been provided written notice of such failure and has not corrected its behaviour within 20 days of receiving such notice and provided further that he shall only be entitled to correct its behaviour pursuant to the notification on a one-time basis). If Mr. Cheung is prevented by reason of illness, or mental or physical disability or incapacity from carrying out services for 365 consecutive days or more than 182 days in aggregate, the Company may terminate the CFO Agreement by providing notice in writing and the CFO Agreement automatically terminates, without notice or payment in lieu thereof, upon death, any material dishonesty on part of Mr. Cheung affecting the Company, conviction of Mr. Cheung for an indictable offence or for any crime involving fraud or misrepresentation, a material conflict of interest as described in the CFO Agreement, wilful and intentional act on the part of Mr. Cheung

(as described in the CFO Agreement) and any other cause or reason which would entitle the Company to terminate Mr. Cheung's engagement without notice or compensation in lieu of notice. Notwithstanding the foregoing, if the Company terminates this Agreement pursuant to due to the death or permanent disability of Mr. Cheung and such death or permanent disability occurred during or resulted directly from Mr. Cheung's performance of the services required under the CFO Agreement, then the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

The Company may terminate the CFO Agreement by giving at least sixty (60) days advance notice in writing to Mr. Cheung, provided that on receipt of such notice of termination, Mr. Cheung may elect to accept such notice of termination effective immediately in which case Mr. Cheung's engagement will terminate immediately upon such acceptance by Mr. Cheung. The provided notice under this section must be supported by the majority of the Board.

Mr. Cheung may terminate this Agreement upon the happening of any one or more triggering events (a "triggering event" includes, but is not limited to, a substantial change to the nature of the services to be performed, a material breach by the Company of any provision of the CFO Agreement that is not remedied, requirement for Mr. Cheung to relocate to another city or the Company ceasing to operate as a going concern) by providing written notice to the Company and the Company shall pay to Mr. Cheung a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date.

If a change of control in the Company occurs at any time after December 1, 2022 and if, in respect of Mr. Cheung, a triggering event subsequently occurs within one (1) year of the change of control, Mr. Cheung shall be entitled to elect to terminate its engagement with the Company and receive a lump sum termination payment equal to the aggregate annual base fee paid to Mr. Cheung over the twelve months immediately preceding the termination date and the average of the annual bonuses or other cash incentive payments paid by the Company to Mr. Cheung over the twelve months immediately preceding the termination date. If the amount of payment required to be paid by the Company to Mr. Cheung under the CFO Agreement is not permitted by an applicable stock exchange then Mr. Cheung and the Company agree to adjust the payment required to be paid to the lesser allowable amount permitted by the stock exchange.

Termination and Change of Control Benefits

Other than as disclosed herein, the Company does not have any plan or arrangement to pay or otherwise compensate any NEO if their employment is terminated as a result of resignation, retirement, change of control, or if their responsibilities change following a change of control. See "Employment, Consulting and Management Agreements".

Oversight and description of director and NEO compensation

The objective of the Company's compensation program is to compensate the executive officers and directors for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers and directors based on their skill, qualifications, experience level, past performance, level of involvement, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of Options. Finally, and only in special circumstances, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value.

The Company does not, as of the date hereof, offer any benefits or perquisites to its NEOs other than entitlement to incentive Options as otherwise discussed herein.

Any base compensation to executive officers is reviewed and set annually by the Board. The CEO has substantial input in setting annual compensation levels. The CEO is directly responsible for the financial resources and operations of the Company. In addition, the CEO and Board from time to time determine the Options grants to be made pursuant to the

Option Plan. Previous grants of Options are taken into account when considering new grants. The Board awards bonuses at its sole discretion. The Board does not have pre-existing performance criteria or objectives.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company’s financial resources and prospects.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only compensation plan under which equity securities are authorized for issuance as at the fiscal year ended March 31, 2023 is the Option Plan. The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company’s most recently completed financial year (March 31, 2023).

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights⁽¹⁾	Weighted-average exercise price of outstanding Options, warrants and rights⁽¹⁾	Number of securities remaining available for future issuance under equity compensation plans⁽¹⁾
Equity compensation plans approved by securityholders – (the Option Plan) ⁽²⁾	20,306,333	\$0.25	463,931
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	20,306,333	\$0.25	463,931

Notes:

- (1) As at March 31, 2023.
- (2) The Option Plan provides that the aggregate number of securities reserved for issuance under the Option Plan may not exceed 10% of the issued and outstanding Common Shares at the time of granting of Options. As at March 31, 2023, the Company had 207,702,648 Common Shares issued and outstanding. The Company did not seek Shareholder approval of the Plan at its prior annual general meeting of Shareholders such that the Company has been prohibited from granting Options under the Plan since on or about March 9, 2023 and until Shareholder approval of the Plan is obtained.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Circular or “routine indebtedness”, as that term is defined in Form 51-102F5 of National Instrument 51-102 – *Continuous Disclosure Obligations*, none of: (a) the individuals who are, or at any time since the beginning of the last financial year of the Company were, a director or executive officer; (b) the proposed nominees for election as directors; or (c) any associates of the foregoing persons, is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any subsidiary of the Company, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or in the Company’s financial statements, no informed person (a director, executive officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Company are not to any substantial degree performed by anyone other than by the directors or executive officers of the Company. See “Employment, Consulting and Management Agreements” above.

STATEMENT OF CORPORATE GOVERNANCE

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 charged with the day to day management of the Company. The Canadian Securities Administrators (“CSA”) have adopted National Policy 58-201 Corporate Governance Guidelines, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The composition of the Board currently consists of the following eight members: Craig Taylor, Ryan Cheung, Kris Raffle, Andrew Burgess, Luisa Moreno, William Bird, Dale Wallster and Len Clough, each of whom, other than Mr. Cheung and Mr. Raffle, is standing for re-election to the Board at the Meeting. Martin Cronin and P.E. (Ted) Kavanagh are proposed nominees for election as directors of the Company at the Meeting.

Four of the current directors of the Company are considered “independent” within the meaning of NI 58-101. A director is “independent” if the director has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgement. The current independent members of the Board are Andrew Burgess, Dr. William Bird, Dale Wallster and Len Clough. Craig Taylor and Ryan Cheung are not considered to be independent as they are executive officers of the Company. Kris Raffle is not considered to be independent as he has received, directly or indirectly, consulting fees from the Company other than as remuneration for acting in his capacity as a member of the Board. Dr. Luisa Moreno is not considered to be independent as she is the President of the Company and has received, directly or indirectly, consulting fees from the Company other than as remuneration for acting in her capacity as a member of the Board. Ryan Cheung and Kris Raffle are not seeking re-election to the Board at the Meeting. Martin Cronin and P.E. (Ted) Kavanagh, proposed nominees for election as directors of the Company at the Meeting, will be independent members of the Board upon their election.

Other Directorships

The following table sets forth the current directors of the Company who are also directors of other reporting issuers as at the date of this Circular:

Name	Name of other reporting issuer
Craig Taylor	Rex Resources Corp. (TSXV listed) Samurai Capital Corp. (TSXV listed) First Tidal Acquisition Corp. (TSXV listed) Copper King Resources Corp. (unlisted) Nation Gold Corp. (CSE listed)
Ryan Cheung	Monumental Minerals Corp. (TSXV listed) Midasco Capital Corp. (TSXV listed) Genesis AI Corp. (CSE listed) Fuse Battery Metals Inc. (TSXV listed)
Kris Raffle	Monumental Minerals Corp. (TSXV listed)
Andrew Burgess	Bonanza Mining Corporation (TSXV listed)
Dr. Luisa Moreno	Tantalex Lithium Resources Corporation (CSE listed) Manganese X Energy Corp. (TSXV listed) Graphano Energy Ltd. (TSXV listed) Edison Lithium Corp. (TSXV listed) Amex Exploration Inc. (TSXV listed) AMMPower Corp. (CSE listed)
Dale Wallster	Southern Empire Resources Corp. (TSXV listed) ValOre Metals Corp. (TSXV listed) Coast Copper Corp. (TSXV listed)

Orientation and Continuing Education

Orientation of new members of the Board is conducted informally by Management and members of the Board. The Company has not adopted formal policies respecting continuing education for Board members.

Ethical Business Conduct

Some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities. As such, the Board must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual general meeting. The Board takes into account the number of directors required to carry out the Board's duties effectively and to maintain diversity of views and experience. The Board has not established a nominating committee and this function is currently performed by the Board as a whole.

Compensation

To determine compensation payable, the board will review compensation paid for directors and executive officers of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the board intends to annually review the performance of the senior officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

Board Committees

The Board currently has no standing committees other than the Audit Committee. The Audit Committee is appointed by the Board to assist in monitoring: (i) the integrity of the financial statements of the Company; (ii) the compliance by the Company with the legal and regulatory requirements; and (iii) the qualification, appointment, independence and performance of the Company's external auditors and senior financial executives.

Assessments

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its Audit Committee, or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

AUDIT COMMITTEE

Audit Committee Disclosure

Pursuant to Section 224(1) of the *Business Corporations Act* (British Columbia) and National Instrument 52-110 – *Audit Committees* (“NI 52-110”) the Company is required to have an audit committee (the “Committee”) comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

The primary function of the Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (i) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (ii) reviewing the systems for internal corporate controls which have been established by the Board and management; and (iii) overseeing the Company's financial reporting processes generally. In meeting these

responsibilities, the Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Committee is also mandated to review and approve all material related party transactions.

Composition of the Audit Committee

The Committee is comprised of the following members: Craig Taylor, Andrew Burgess, and Dale Wallster. Craig Taylor is considered not to be independent. Andrew Burgess and Dale Wallster are considered to be independent. Each member of the Committee is considered to be financially literate, as defined by NI 52-110, in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee are elected by the Board at its first meeting following the annual Shareholders' meeting. Unless a chair is elected by the full Board, the members of the Committee designate a chair by a majority vote of the full Committee membership. Andrew Burgess is the current Chair of the Committee.

Relevant Education and Experience

All three Committee members have the ability to read and understand 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 and are therefore considered "financially literate".

Craig Taylor: Mr. Taylor is the CEO and a director of the Company and Rex Resources Corp., serving on both of their audit committees. He has also served as a director and officer of several other public and private companies and has been involved with project management and budgeting where he has gained extensive knowledge and financial skills, including analyzing and consulting on financial statements. As chair of the Company's audit committee for several years, he has extensive experience engaging in the process of the preparation of financial statements and analysis and commentary of the same. He also serves on the audit committee of two Exchange-listed Capital Pool Companies.

Andrew Burgess: Mr. Burgess, C.A., C.P.A., is an experienced professional with more than 36 years accounting, finance and financial reporting experience with listed companies. Mr. Burgess has a broad base of experience with natural resource, service and industrial companies in the areas of general management, financial and management reporting, taxation, corporate reorganizations, investments, acquisitions, divestitures, equity and debenture financing, budgeting, investor relations and administration. He has extensive public company experience.

Dale Wallster: Mr. Wallster is a geologist and a prospector with over 40 years' experience, focused on targeting and discovering unconformity-related uranium, structurally controlled gold, and volcanogenic massive sulfide deposits. Mr. Wallster has extensive experience as an officer and director of various mineral exploration issuers, including serving on the audit committee of each of Coast Copper Corp., ValOre Metals Corp. and Southern Empire Resources Corp.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee, a copy of which is attached hereto as Schedule "A".

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) 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 fiscal year in which the non-

audit services were provided. Sections 6.1.1(4) to 6.1.1(6) relate to the composition of the Committee. 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.

Pre-Approval Policies and Procedures

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Committee, on a case-by-case basis.

External Auditor Service Fees

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 auditor in the two most recently completed financial years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2023	\$48,000	Nil	Nil	Nil
March 31, 2022	\$39,500	Nil	Nil	Nil

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 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

Financial information is provided in the Company’s comparative annual audited financial statements and management’s discussion and analysis for its most recently completed financial year, and will be available online at www.sedarplus.ca. Shareholders may request additional copies by mail to Suite 228 – 1122 Mainland Street Vancouver, B.C., Canada V6B 5L1.

DIRECTORS’ APPROVAL

The contents and the sending of the accompanying Notice of Meeting and this Circular have been approved by the Board.

DATED at Vancouver, British Columbia, this 14th day of November, 2023.

ON BEHALF OF THE BOARD OF DIRECTORS

“Craig Taylor”

Craig Taylor, CEO & Director

SCHEDULE "A"
AUDIT COMMITTEE CHARTER
[SEE ATTACHED]

DEFENSE METALS CORP.
(the "Company")
AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Defense Metals Corp. (the "**Company**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

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

2. Authority

The Committee has the authority to:

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

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

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. A majority of the Committee's members must be "financially literate" as such term is defined in applicable securities legislation and a majority of whom are not Officers, employees or Control Persons of the Company or any of its Associates or Affiliates as such terms are defined in the policies of the TSX Venture Exchange.

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

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

4. Meetings

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

senior management.

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

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

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

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

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

5. Committee and Charter Review

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

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

6. Reporting to the Board

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

7. Duties and Responsibilities

(a) Financial Reporting

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

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

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

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

(c) Relationship with the Auditor

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

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

(d) Accounting Policies

The Committee is responsible for:

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

and judgments; and

- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) Risk and Uncertainty

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

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

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

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

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

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

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

(g) Compliance with Laws and Regulations

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

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

(h) Related Party Transactions

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

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the *Securities Act* (British Columbia)), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other

individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

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

8. Non-Audit Services

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

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

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

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

10. Procedure For Reporting Of Fraud Or Control Weaknesses

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

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

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

11. Hiring Policies

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

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