



SEARCHLIGHT RESOURCES INC.

**Annual General and Special Meeting
to be held on January 19, 2024**

**Notice of Annual General and Special Meeting
and
Information Circular**

December 8, 2023

Dear Searchlight Shareholders,

It is my pleasure to extend to you, on behalf of the board of directors of Searchlight Resources Inc. (“Searchlight”), an invitation to participate in the Annual General and Special Meeting (the “Meeting”) of the shareholders of Searchlight (“Searchlight Shareholders”) to be held at our office located at 408-1199 West Pender Street, Vancouver, BC V6E 2R1 on January 19, 2024 at 10:00 a.m. (Vancouver time).

Due to continuing concerns regarding the coronavirus (COVID-19) and in consideration of the health and safety of shareholders, employees, other stakeholders and the broader community, **the Company strongly encourages that all shareholders consider not attending the meeting in person but instead call in by phone** to listen to the meeting by dialing the above noted phone number. More than ever, the Company strongly encourages that all shareholders vote their shares prior to the meeting. The Company intends to hold the meeting in person; however, it is actively monitoring the current coronavirus (COVID-19) outbreak. In light of the rapidly evolving news and guidance related to the coronavirus (COVID-19) outbreak, the Company asks that, in considering whether to attend the meeting, shareholders follow the instructions of the Public Health Agency of Canada and all additional provincial and local instructions. It asks that shareholders not attend the meeting in person if experiencing cold or flu-like symptoms within the 14 days prior to the meeting.

We hope you will be able to participate in the Meeting. Your vote is important regardless of the number of Searchlight Shares you own. We encourage you to vote your Searchlight Shares by proxy at the Meeting. The Company will be unable to accept voting by telephone during the meeting. Please review the voting instructions set out in the Information Circular under the heading “General Proxy Information”.

On behalf of Searchlight, we would like to thank all Searchlight Shareholders for their ongoing support.

Yours truly,

“Stephen Wallace”

Stephen Wallace
President and CEO

SEARCHLIGHT RESOURCES INC.

Suite 408 – 1199 West Pender Street
Vancouver, British Columbia V6E 2R1

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of **Searchlight Resources Inc.** (the “**Company**”) will be held at Suite 408, 1199 West Pender Street, Vancouver, BC V6E 2R1, on **Friday, January 19, 2024 at 10:00 a.m. (Vancouver, British Columbia time)**, for the following purposes

Dial in number:
Canada and US:1-888-576-6013

Access code: 94556

IMPORTANT NOTICE

Due to continuing concerns regarding the coronavirus (COVID-19) and in consideration of the health and safety of shareholders, employees, other stakeholders and the broader community, the Company strongly encourages that all shareholders consider not attending the meeting in person but instead call in by phone to listen to the meeting by dialing the above noted phone number. More than ever, the Company strongly encourages that all shareholders vote their shares prior to the meeting. The Company intends to hold the meeting in person; however, it is actively monitoring the current coronavirus (COVID-19) outbreak. In light of the rapidly evolving news and guidance related to the coronavirus (COVID-19) outbreak, the Company asks that, in considering whether to attend the meeting, shareholders follow the instructions of the Public Health Agency of Canada and all additional provincial and local instructions. It asks that shareholders not attend the meeting in person if experiencing cold or flu-like systems within the 14 days prior to the meeting.

The meeting is being held for the following purposes:

1. to fix the number of directors at seven;
2. to elect directors for the ensuing year;
3. to appoint Manning Elliott LLP, as the auditors for the ensuing year and to authorize the directors to fix their remuneration;
4. to adopt the Company’s 10% rolling stock option plan, as required annually by the policies of the TSX Venture Exchange;
5. to receive the audited financial statements of the Company for the financial year ended June 30, 2023 together with the auditor’s report thereon; and
7. transact such further or other business as may properly come before the meeting and any adjournments thereof.

The Company's Board of Directors has fixed December 8, 2023 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Information Circular.

If you cannot attend, we encourage you to complete and return the form of proxy and voting instruction form provided to you indicating your voting instructions. Please complete, date and sign your form of proxy and voting instruction form and return it by mail in the envelope provided for this purpose and deposit it with the Company's transfer agent, TSX Trust Company, 301 - 100 Adelaide Street West, Toronto ON M5H 4H1, or by following procedures for internet voting provided in the enclosed form of proxy or voting instruction form. To be valid, a completed form of proxy or voting instruction form must be received by the Company's transfer agent by no later than 10:00 am (Pacific Standard Time) on January 17, 2024.

The accompanying information circular provides additional information relating to the matters to be dealt with at a meeting and is deemed to form part of this notice of meeting.

DATED at Vancouver, British Columbia, the 8th day of December 2023.

ON BEHALF OF THE BOARD

"Stephen Wallace"

Stephen Wallace
Chief Executive Officer

SEARCHLIGHT RESOURCES INC.

Suite 408 – 1199 West Pender Street
Vancouver, British Columbia V6E 2R1

INFORMATION CIRCULAR

(as at December 8, 2023 except as otherwise indicated)

INTRODUCTION

This Information Circular accompanies the Notice of Annual General Meeting (the “Notice”) and is furnished to shareholders holding common shares in the capital of Searchlight Resources Inc. (the “Company”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “Meeting”) of the shareholders to be held at 10:00 a.m. (Pacific Standard time) on Friday, January 19, 2024 at Suite 408, 1199 West Pender Street, Vancouver, BC or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is December 8, 2023. Unless otherwise stated, all amounts herein are in Canadian dollars.

MANAGEMENT SOLICITATION OF PROXIES

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made, without special compensation, by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company may reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The Company will bear the cost of the solicitation.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

APPOINTMENT AND REVOCATION OF PROXY

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the record date of December 8, 2023 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “Designated Persons”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, TSX Trust Company (the "Transfer Agent") at their offices located at 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1 by mail or fax, no later than 10:00 am (Pacific Standard Time) on January 17, 2024.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarial certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

VOTING BY PROXY

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting 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 common shares represented will be voted or withheld from the vote on that matter accordingly. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may**

be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted 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 DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY'S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information 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 names 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., being the registration name for The Canadian Depository for Securities Limited (which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co., as nominee for The Depository Trust Company (which acts a depository for many U.S. brokerage firms and custodian banks). **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.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

In accordance with the requirements of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a "VIF"), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the "Meeting Materials") directly to the NOBOs. The Company will not be paying to send the Meeting Materials to OBOs. OBOs will not receive a copy of the Meeting Materials unless their Intermediaries (or their service companies)

assume the cost of delivery. A VIF enables a Beneficial Shareholder to provide instructions to the registered holder of its common shares as to how those shares are to be voted at the Meeting and allow the registered holder to provide a Proxy voting the common shares in accordance with those instructions. A VIF should be completed and returned in accordance with its instructions. The results of the VIFs received from NOBOs will be tabulated and appropriate instructions respecting voting of common shares to be represented at the Meeting will be provided to the registered shareholders.

Intermediaries are required to seek voting instructions from OBOs in advance of the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs to ensure that their common shares are voted at the Meeting. Most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Investor Communications Solutions, in Canada, and Broadridge Financial Solutions, Inc., in the United States, (collectively, "Broadridge"), which mails the materials for the Meeting to OBOs and asks them to return a VIF to Broadridge. An OBO receiving a VIF from Broadridge may use that VIF to vote common shares directly at the Meeting if the OBO inserts their name as the name of the person to represent them at the Meeting. The VIF must be returned to Broadridge well in advance of the meeting in order to have the common shares voted.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting. Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder will need to write their name (or their nominee's name) in the space provided in the VIF and return it in accordance with the instructions of the VIF.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

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

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

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

No director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "shares"), of which 139,612,734 shares are issued and outstanding. Persons who are registered shareholders

at the close of business on December 8, 2023 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the directors and executive officers of the Company, there are no person who beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to the outstanding shares of the Company.

NUMBER OF DIRECTORS

The Articles of the Company provide for a board of directors of no fewer than three directors and no greater than a number as fixed or changed from time to time by majority approval of the shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at seven (7). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at seven (7).

Management recommends the approval of the resolution to set the number of directors of the Company at seven (7).

ELECTION OF DIRECTORS

At present the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed in accordance with the Company's Articles or until such directors' earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed proxy and VIF will be voted for the nominees listed in the proxy and VIF, all of whom are presently members of the Board of Directors.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company owned⁽¹⁾
Stephen Wallace ⁽³⁾ Ontario, Canada <i>Chief Executive Officer and Director</i>	President and CEO of Searchlight Resources Inc. (SCLT-TSXV)	Director and Chief Executive Officer since April 2017	6,312,833

John Reynolds Kerr ⁽²⁾⁽⁴⁾ British Columbia, Canada <i>Director</i>	Director of Bravada Gold Corp. (BVA – TSX.V); director of Equity Metals Corp. (EQTY – TSXV); director and President of Nিকেlex Resource Corp. (VQA-TSAV); director of NV Gold Corporation	Director since November 2012	33,333
Peter Dueck ^{(2) (4)} Saskatchewan, Canada <i>Director</i>	Chief of Applied Geophysics at GoldSpot Discoveries Corp. since May 2021; Principal Geophysicist and CBO for Axiom Group until May 2021; President of Pioneer Aerial Surveys Ltd.; President of Aerial Imaging Resources Inc; Chief Geophysicist Hudbay Minerals Inc.	Director since September 2018	243,750
Alfred Stewart ^{(2) (3)} British Columbia, Canada	Vice President Searchlight Resources Inc from May 2020 to, Director Nিকেlex Resource Corporation, Director NV Gold Corporation	Director since May 2020	2,670,000
Bruce Fair ⁽⁴⁾ British Columbia, Canada	President & CEO, Mench Capital Corp. June 1999 to present. President & CEO of Cordilla Minerals Group June 2021 to present. Director, Golden Sky Minerals Corp. July 2022 to present	Director since January 17, 2022	Nil

- (1) The information as to province or state of residence, principal occupation and common shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually, or the Company has relied on public information provided on SEDI. Figure does not include options or warrants to purchase unissued shares of the Company.
- (2) Audit Committee member.
- (3) A director that is not independent pursuant to definitions set out in *National Policy 58-101 Disclosure of Corporate Governance Practices* and *National Instrument 52-110 Audit Committees*.
- (4) A director that is independent pursuant to definitions set out in *National Policy 58-101 Disclosure of Corporate Governance Practices* and *National Instrument 52-110 Audit Committees*

Management recommends the approval of each of the nominees listed above for election as directors of the Company until the next annual general meeting.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

Corporate Cease Trade Orders

To the knowledge of management of the Company, other than disclosed herein, no director or executive officer of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of this Information Circular, an “order” means a cease trade order, an order similar to a cease trade order or an order that denied relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Brian Crawford. Mr. Crawford became a director and officer of Interactive Capital Partners Corporation (“ICPC”) on July 3, 2014 when such Corporation was already the subject of a cease trade order issued on May 8, May 9, and May 17, 2012 by the Ontario, British Columbia, and Alberta Securities Commissions respectively as a result of its failure to meet its timely disclosure filing obligations. The cease trade orders were revoked by the Ontario and British Columbia Securities Commissions on April 4, 2016 and by the Alberta Securities Commissions on April 6, 2016.

Brian Crawford. Mr. Crawford was a director and officer of CBLT Inc. (“CBLT”) on September 30, 2019 when such Corporation was issued a cease trade order by Ontario, British Columbia, and Alberta Securities Commissions respectively as a result of late filing its annual audited financial statements and MD&A for the year ended May 31, 2019. The cease trade orders were revoked by the Ontario, British Columbia and Alberta Securities Commissions on December 18, 2019.

Brian Crawford. Mr. Crawford became a director of Star Navigation Systems Group Inc. (“StarNav”) on December 11, 2019, when StarNav was the subject of a cease trade order issued on November 1, 2019, by the OSC as a result of its failure to meet its timely disclosure filing obligations. The cease trade order was partially revoked by the OSC on March 6, 2020, due to the efforts of Mr. Crawford. Mr. Crawford resigned from the board of directors of StarNav effective April 30, 2020.

Brian Crawford. Mr. Crawford was an officer of Colibri Resource Corporation (“CBI”) on May 11, 2022 when such Corporation was issued a cease trade order by the New Brunswick Financial and Consumer Services Commission as a result of late filing its annual financial statements and MD&A for the fiscal year ended December 31, 2021. The cease trade order was revoked on August 2, 2022.

Brian Crawford. Mr. Crawford was an officer of Silver Bullet Mines Corp. (“SBMI”) on November 8, 2022 when such Corporation was issued a cease trade order by the Ontario Securities Commission as a result of late filing its annual audited financial statements and MD&A for the year ended June 30, 2022. The cease trade order was revoked by the Ontario Securities Commission on November 10, 2022.

Brian Crawford. Mr. Crawford was an officer of Falcon Gold Corp. (“FG”) on October 31, 2023 when such Corporation was issued a management cease trade order by the British Columbia Securities Commission as a result of late filing its annual audited financial statements and MD&A for the year ended June 30, 2023.

Bankruptcies

To the knowledge of management of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, with the ten years preceding the date of this Information Circular:

- (a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency; or

- (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

To the knowledge of management of the Company, no director or officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the knowledge of management of the Company, no director or officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of a director or officer.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This discussion describes the Company's compensation program for each person who has acted as Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the three most highly compensated executive officers (or three most highly compensated individuals acting in a similar capacity), other than the CEO and CFO, whose compensation was more than \$150,000 during the financial year ended June 30, 2023 (each a "Named Executive Officer").

Significant Elements

The significant elements of compensation awarded to the Named Executive Officers are management fees and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors is solely responsible for determining compensation to be paid to the Company's Named Executive Officers. In addition, the Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Management Fees

In setting compensation rates for Named Executive Officers, the Company compares the amounts paid to them with the amounts paid to executives in comparable positions at other comparable corporations. The Company's compensation payable to the Named Executive Officers is based upon, among other things, the

responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

Option-Based Awards

The Company's stock option plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the board of directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's two most recently completed financial years to the Company's Named Executive Officers.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive plans	Long-term incentive plans			
Stephen Wallace <i>CEO and Director⁽¹⁾</i>	2023	207,000	Nil	Nil	Nil	Nil	Nil	1,000	207,000
	2022	144,000	Nil	47,176	Nil	Nil	Nil	Nil	192,176
Brian Crawford <i>CFO and Secretary⁽²⁾</i>	2023	72,000	Nil	10,122	Nil	Nil	Nil	Nil	82,122
	2022	68,000	Nil	21,444	Nil	Nil	Nil	Nil	89,444
Alfred Stewart⁽³⁾ <i>VP Corporate Development</i>	2023	90,000	Nil	Nil	Nil	Nil	Nil	1,500	90,000
	2022	63,000	Nil	47,176	Nil	Nil	Nil	Nil	111,676

- (1) Mr. Wallace was appointed as a director and Chief Executive Officer of the Company on April 25, 2017. Mr. Wallace is compensated CAD \$17,250 per month for his services as Chief Executive Officer
- (2) Mr. Crawford was appointed on May 18, 2018, and through his holding company, is compensated CAD \$6,000 per month for his

- services as Chief Financial Officer.
- (3) Mr. Stewart was appointed as a director and Vice President Corporate Development on May 29, 2020. Mr. Stewart is compensated CAD \$7,500 per month through his holding company for his services as Vice President Corporate Development.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the Named

Name	Option Based Awards				Share Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$)
Stephen Wallace <i>President and CEO,</i>	150,000	\$0.05	January 24, 2024	Nil	-	-
	1,650,000	\$0.05	May 29, 2025	Nil	-	-
	500,000	\$0.10	March 15, 2026	Nil	-	-
	550,000	\$0.10	January 14, 2027	Nil	-	-
Brian Crawford <i>CFO</i>	150,000	\$0.05	January 24, 2024	Nil	-	-
	500,000	\$0.05	May 29, 2025	Nil	-	-
	250,000	\$0.10	March 15, 2026	Nil	-	-
	250,000	\$0.10	January 14, 2017	Nil	-	-
	200,000	\$0.06	November 11, 2027	Nil	-	-
Alfred Stewart <i>VP Corporate Development</i>	1,000,000	\$0.05	May 29, 2025	Nil	-	-
	400,000	\$0.10	March 15, 2026	Nil	-	-
	550,000	\$0.10	January 14, 2027	Nil	-	-

Executive Officer.

(1) Based on share price of \$0.03 at June 30, 2023

DIRECTOR COMPENSATION

The following table sets forth the compensation paid by the Company's directors for the fiscal year ended June 30, 2023:

Director Compensation Table

Name	Fees earned (\$)	Share based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
John R Kerr	2,250	Nil	20,245	Nil	N/A	Nil	22,495
Peter Dueck	2,750	Nil	20,245	Nil	N/A	Nil	22,995
Bruce Fair	750	Nil	20,245	Nil	N/A	Nil	20,995

Incentive Plan Awards for Directors

The following table sets forth all outstanding share based and option-based awards to the directors of the Company as at the fiscal year ended June 30, 2022:

Name	Option-based Awards				Share Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Peter Dueck	200,000	\$0.05	January 24, 2024	Nil	-	-
	500,000	\$0.05	May 29, 2025	Nil	-	-
	250,000	\$0.10	March 15, 2026	Nil	-	-
	300,000	\$0.10	January 14, 2027	Nil	-	-
	400,000	\$0.06	November 11, 2027	Nil	-	-
John R. Kerr	150,000	\$0.05	January 24, 2024	Nil	-	-
	650,000	\$0.05	May 29, 2025	Nil	-	-
	250,000	\$0.10	March 15, 2026	Nil	-	-
	300,000	\$0.10	January 14, 2027	Nil	-	-
	400,000	\$0.06	November 11, 2027	Nil	-	-
Bruce Fair	500,000	\$0.10	January 14, 2027	Nil	-	-
	400,000	\$0.06	November 11, 2027	Nil	-	-

(1) Based on share price of \$0.03 at June 30, 2023

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all of the Company's equity compensation plans, as at the end of the most recently completed financial year. As at the end of the most recently completed financial year, the Company's equity compensation plan consisted of a Stock Option Plan, which was approved by the Company's shareholders on January 27, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	11,750,000	\$0.07	2,173,273
Equity compensation plans not approved by the securityholders	-	-	Nil
Total	11,750,000	\$0.07	2,173,273

APPOINTMENT OF AUDITOR

Shareholders will be asked to vote for the appointment of Manning Elliott LLP to serve as auditors of the Company to hold office until the next annual general meeting of the shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board of Directors of the Company to fix the remuneration to be paid to the auditors.

Management recommends shareholders to vote for the appointment of Manning Elliott LLP as the Company's auditors provided that the board of directors in their discretion may seek proposals from other qualified accounting firms for position of auditor of the Company for the ensuing year, and should one or more favourable proposals be received, the Directors may replace Manning Elliott LLP as the Company's auditor at any time during the ensuing year with a qualified accounting firm at a remuneration to be fixed by the Company's board of directors, subject to compliance with the requirements of the BC Securities Commission.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 *Audit Committees*, ("NI 52-110"), the Company is required to disclose certain information concerning the constitution of its Audit Committee and its relationship with its independent auditors.

Audit Committee Charter

The Company's Audit Committee's charter is attached as Schedule "A" to this Information Circular.

Composition of Audit Committee and Independence

The following persons are members of our audit committee:

Alfred Stewart	Not Independent	Financially Literate
John Kerr, Chair	Independent	Financially Literate

Peter Dueck	Independent	Financially Literate
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Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance 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, and have an understanding of internal controls.

Each member's experience that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Alfred Stewart. Mr. Stewart has a career spanning over 40 years in the resource and investment industries. Mr. Stewart's career includes time spent as a geologist, stock exchange regulator, investment banker, analyst and investment advisor. Mr. Stewart has worked for such firms as Bank of Montreal, Esso Minerals, Erickson Gold Mining, Canaccord Capital, Haywood Securities, Golden Capital, and Raymond James. He has been involved in financing mining companies for over two decades, including discoveries in the base and precious metals sectors.

Peter Dueck. Mr. Dueck has served as a director since May 2018. Mr. Dueck is currently president of PKMB Consultants, a company involved in exploration consulting and unmanned aerial vehicle geophysical platforms to service exploration industries. Mr. Dueck is financially literate with respect to junior mining issuers.

John R. Kerr. Mr. Kerr has served as a director and a member of the Company's audit committee since November 2012 and is currently the Chair. Mr. Kerr is currently a Director and Member of the Audit Committee of Bravada Gold Corp (TSX-V: BVA), Nickelex Resource Corporation (VQA-TSX.V), NV Gold Corp. (NVX-TSX.V) and Equity Metals Corp. (EQTY-TSX.V). Based on his experience, Mr. Kerr is financially literate with respect to junior mining issuers.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board of Directors.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit 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 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 aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

	<u>2023</u>	<u>2022</u>
Audit fees	\$42,000	\$35,000
Audit related fees	Nil	Nil
Tax fees	Nil	Nil
.....		
All other fees	Nil	Nil
.....		
Total	<u>\$42,000</u>	<u>\$35,000</u>

CORPORATE GOVERNANCE DISCLOSURE

Pursuant to National Instrument 58-101, Disclosure of Corporate Governance Practices, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

Board of Directors

The Board of Directors is currently comprised of five (5) members. Securities legislation recommends that the Board of Directors of a public company be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director’s independent judgment. John R. Kerr, Peter Dueck and Bruce Fair are independent directors of the Company, aside from common shares or stock options of the Company held by them, they have no ongoing interest or relationship with the Company other than serving as a director. Stephen Wallace is not an independent director because of his position as CEO of the Company. Alfred Stewart is not an independent director because of his position as Vice President Corporate Development of the Company.

Directorships

The following directors of the Company are also directors and/or officers of other reporting issuers:

Name of Director of the Company	Names of Other Reporting Issuers
John R. Kerr	Nickelex Resource Corporation Equity Metals Corporation

	Bravada Gold Corporation NV Gold Corporation
Alfred Stewart	NV Gold Corporation Nikkelex Resource Corporation
Bruce Fair	Golden Sky Minerals Corp. Thunderbird Minerals Corp.

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

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

Certain directors may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with and are subject to such other procedures and remedies as applicable under the *Business Corporations Act* (British Columbia).

Nomination of Directors

The Board of Directors is responsible for identifying qualified individuals to become new directors and recommending new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Compensation Committee of the Board of Directors conducts reviews with regard to the compensation of the directors and the Chief Executive Officer once a year. To make its recommendations on such compensation, the Compensation Committee takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies. Directors are compensated by stock options and by cash payments on a per meeting basis.

Other Board Committees

In addition to the Audit Committee, the Board of Directors has a Compensation Committee.

Assessments

The Board of Directors regularly monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Confirming Stock Option Plan

The Company received shareholder approval on January 27, 2023, of its “rolling” stock option plan (the “Stock Option Plan”) whereby 10% of the number of issued and outstanding shares of the Company at any given time may be reserved for issuance pursuant to the exercise of options. The TSX Venture Exchange requires that the Stock Option Plan be submitted for approval by the shareholders at the annual general meeting of the Company. Accordingly, management is seeking ratification and approval of the Stock Option Plan by the shareholders. The board of directors of the Company has approved the Stock Option Plan and recommends shareholders vote in favour of approving and ratifying the Stock Option Plan.

The Stock Option Plan was established to provide incentive to directors, officers, employees, management company employees and consultants who provide services to the Company. The intention of management in proposing the Stock Option Plan is to increase the proprietary interest of such persons in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

The Stock Option Plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the Exchange. As of the date of this Information Circular, the Company was eligible to grant up to 13,923,273 options under its Stock Option Plan. There are presently 11,750,000 options outstanding and 2,173,273 are reserved and available under the Stock Option Plan.

Terms of the Stock Option Plan

Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors but cannot be lower than the price permitted by the TSX Venture Exchange. The Stock Option Plan provides that the number of common shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. Subject to earlier termination, all options granted under the Stock Option Plan will expire not later than the date that is five years from the date that such options are granted. In the event that an optionee ceases to be a director, officer, employee or consultant, the option will terminate within ninety days. In the event of the death of an optionee, the options will only be exercisable within 12 months of such death. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Disinterested Shareholder Approval

Under the policies of the TSX Venture Exchange, if the grant of options under the proposed Stock Option Plan to insiders of the Company, together with all of the Company’s outstanding stock options, could result at any time in:

- (a) the number of shares reserved for issuance pursuant to stock options granted to insiders of the Company exceeding 10% of the issued common shares of the Company;

(b) the grant to insiders of the Company, within a 12-month period, of a number of options exceeding 10% of the issued common shares of the Company; or

(c) 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,

the Company must obtain disinterested shareholder approval. The policies of the TSX Venture Exchange and the terms of the proposed Stock Option Plan also provide that disinterested shareholder approval will be required for any agreement to decrease the exercise price of options previously granted to insiders of the Company. The term disinterested shareholder approval means approval by a majority of the votes cast at the Meeting other than votes attaching to shares of the Company beneficially owned by insiders of the Company to whom options may be granted under the proposed Stock Option Plan.

A copy of the Stock Option Plan is available for review at the registered offices of the Company, located at Suite 408, 1199 West Pender Street, Vancouver, British Columbia, during normal business hours up to and including the date of the Meeting.

Management recommends the ratification and approval of the Stock Option Plan.

Under the TSX Venture Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis. Therefore, at the Meeting shareholders will be asked to pass an ordinary resolution in the following form:

BE IT RESOLVED that:

- (1) the Company approve and ratify the Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant, with a maximum of 5% of the Company's issued and outstanding common shares being reserved to any one person on a yearly basis; and
- (2) any one officer or director of the Company is hereby authorized to execute and deliver all such documents and do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR SUCH RESOLUTION.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at its office by mail at Suite 408, 1199 West Pender Street, Vancouver, BC V6E 2R1, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the years ended June 30, 2023 and 2022.

OTHER MATTERS

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers

discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

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 Directors of the Company.

DATED at Vancouver, British Columbia, the 8th day of December 2023.

ON BEHALF OF THE BOARD

(signed) Stephen Wallace _____

Stephen Wallace
Chief Executive Officer

SEARCHLIGHT RESOURCES INC.

Schedule “A” Audit Committee Charter

1. Purpose of the Committee

- 1.1. The purpose of the Audit Committee is to assist the Board of Directors in its oversight of the integrity of the Company’s financial statements and other relevant public disclosures, the Company’s compliance with legal and regulatory requirements relating to financial reporting, the external auditors’ qualifications and independence and the performance of the internal audit function and the external auditors.

2. Members of the Audit Committee

- 2.1. At least one Member must be “financially literate” as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the 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.
- 2.2. The Audit Committee shall consist of no less than three Directors.
- 2.3. At least two Members of the Audit Committee shall be “independent” as defined under NI 52-110, while the Company is in the developmental stage of its business.

3. Relationship with External Auditors

- 3.1. The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.
- 3.2. The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.
- 3.3. The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.
- 3.4. The Audit Committee will have direct communications access at all times with the external auditors.

4. Non-Audit Services

- 4.1. The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

- 4.2. Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company: (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5. Appointment of Auditors

- 5.1. The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.
- 5.2. The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6. Evaluation of Auditors

- 6.1. The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7. Remuneration of the Auditors

- 7.1. The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.
- 7.2. The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8. Termination of the Auditors

- 8.1. The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9. Funding of Auditing and Consulting Services

- 9.1. Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10. Role and Responsibilities of the Internal Auditor

- 10.1. At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11. Oversight of Internal Controls

- 11.1.** The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12. Continuous Disclosure Requirements

- 12.1.** At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13. Other Auditing Matters

- 13.1.** The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.
- 13.2.** The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14. Annual Review

- 14.1.** The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15. Independent Advisers

- 15.1.** The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

