



# **SANATANA**

## **RESOURCES INC.**

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**Notice of Annual General and Special  
Meeting of Shareholders  
August 9, 2023**

**Management Information Circular  
Dated: July 10, 2023**

**SANATANA RESOURCES INC.**

Suite 1910 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2

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

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of Sanatana Resources Inc. (the “**Company**”) will be held at Suite 1910 – 925 West Georgia Street, Vancouver, BC, V6C 3L2 on Wednesday, August 9, 2023, at 10:00 a.m. (Pacific time).

The Meeting is to be held for the following purposes:

1. to receive and consider the audited financial statements of the Company for the fiscal year ended March 31, 2022, together with the report of the auditors thereon;
2. to determine the number of directors at five for the ensuing year;
3. to elect the directors for the ensuing year;
4. to appoint auditors and to authorize the directors to fix their remuneration;
5. to consider and, if thought fit, approve by special resolution, an alteration to the Company’s Articles to include advance notice provisions for director nominations and elections, as more particularly described in the accompanying Management Information Circular;
6. to consider and, if though fit, approve an ordinary resolution to ratify, confirm and approve the Company’s 10% “rolling” share option plan, as amended July 10, 2023, as more particularly described in the accompanying Management Information Circular; and
7. to transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

This notice is accompanied by a form of proxy and Management Information Circular. The management’s discussion and analysis and the audited financial statements of the Company for the fiscal year ended March 31, 2022 can be viewed on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

Dated at Vancouver, British Columbia July 10, 2023.

BY ORDER OF THE BOARD

(signed) “Peter Miles”

Peter L. Miles

Chief Executive Officer and Director

**SANATANA RESOURCES INC.**

**MANAGEMENT INFORMATION CIRCULAR  
AS AT AND DATED JULY 10, 2023**

**Solicitation of Proxies**

This information circular is provided in connection with the solicitation by the management of Sanatana Resources Inc. (the “Company” or “Sanatana”) of proxies to be used at the annual general meeting of shareholders (“Shareholders”) of the Company and any adjournment thereof (the “Meeting”) to be held at the time and place and for the purposes set forth in the enclosed notice of meeting. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by regular employees of the Company at nominal cost. The cost of solicitation by management will be borne directly by the Company.

**Appointment and Revocation of Proxies**

The persons named in the enclosed form of proxy are directors and officers of the Company. **A shareholder desiring to appoint some other person to represent him at the Meeting may do so** either by inserting such person’s name in the blank space provided in that form of proxy or by completing another proper form of proxy. To be effective, completed and executed proxies for the Meeting must be delivered by mail or fax to the transfer agent of the Company, Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, BC, Attention: Proxy Department (fax: 604-661-9401) not later than 48 hours before the time of holding the Meeting or any adjournment thereof. The Chairman of the Meeting will have the discretion to accept or reject proxies delivered thereafter and up to the time of the Meeting or any adjournment thereof.

A proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the shareholder or by his attorney authorized in writing, and deposited with Computershare Investor Services Inc. (“Computershare”) not later than 48 hours before the time of holding the Meeting, or with the Chairman of the Meeting on the day of the Meeting, or in any other manner permitted by law.

**Voting of Proxies**

The common shares of the Company (“**Common Shares**”) represented by the accompanying form of 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. In the absence of such instructions, the persons named in the proxy **will vote in favour of each of the matters to be voted on by Shareholders as described in this information circular**. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters which may properly come before the Meeting. At the time of printing this information circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**Beneficial Shareholders**

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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 intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of CDS & Co. as nominee for The Depository Trust Company (which acts as depository for many US brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent, Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

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

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

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's 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 and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

#### **Voting Securities and Principal Holders Thereof**

The authorized capital of the Company consists of an unlimited number of Common Shares. As of the date of this information circular, the Company had **75,650,822** issued and outstanding Common Shares, each Common Share carrying the right to one vote.

The Company has fixed July 5, 2023 as the record date (the "**Record Date**") for the purpose of determining Shareholders entitled to receive notice of and vote at the Meeting. Only registered holders of Common Shares at the close of business on the Record Date are entitled to receive notice of and vote at the Meeting.

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

A simple majority of the votes cast is required to pass an ordinary resolution at the Meeting. A majority of two-thirds of the votes cast is required to pass a special resolution at the Meeting. In certain instances, a different majority may be required, for example, if specified by a regulatory authority.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If a number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

Financial statements for the year ended March 31, 2023 were filed on July 7, 2023 and are available on SEDAR. Those financial statements will be reviewed and considered at Sanatana's next annual general meeting.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Number of Directors**

It is proposed that the size of the board of directors (the "**Board**") will be five persons for the ensuing year. Each director will hold office until the next annual meeting or until his successor is duly elected unless his office is earlier vacated in accordance with the articles of the Company. Shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at five.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the fixing of the number of directors at five.**

**The Board unanimously recommends that each shareholder vote "for" the establishment of the size of the Board of the Company at five.**

### **Election of Directors**

At the Meeting, Shareholders will be asked to elect five directors (the "**Nominees**") by ordinary resolution. The following table provides the names of the Nominees and information concerning such Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director. Each Nominee elected will hold office until his successor is elected at the next annual meeting of the Company, or any adjournment thereof, or until his successor is elected or appointed.

Advance notice of this Meeting was published on June 26, 2023. The Company has not received any nomination for election of directors in response to the advance notice of this Meeting.

*[Remainder of page intentionally left blank]*

| Name and Place of Residence                             | Principal Occupation  | Director Since     | Number of Shares Beneficially Owned or Controlled or Directed <sup>(1)</sup> |
|---|---|--------------------|--|
| Peter L. Miles<br>British Columbia                      | Business executive and chief executive officer of the Company.  | June 24, 2004      | 3,804,109  |
| Buddy Doyle<br>British Columbia                         | Business executive; geologist, president of the Company, VP Exploration of Arctic Star Exploration Corp. and independent director of Lake Winn Resources Corp.                              | November 15, 2006  | 461,400  |
| Ian Smith <sup>(2)(3)(4)</sup><br>British Columbia      | Mining executive, chairman of the Company, director of Euro Ressources S.A.   | January 29, 2019   | 1,627,000  |
| Anthony Dutton <sup>(2)(3)(4)</sup><br>British Columbia | Partner at HighMont Advisors Inc. 2021 to date. CEO and director of Cannex Capital Group Inc. from 2017 until 2019. Principal of Delu Corp. since 2007 and director of Value Capital Trust. | September 22, 2020 | 323,500  |
| Rose Zanic <sup>(2)(3)(4)</sup><br>British Columbia     | President of RCF Advisors Ltd.  | September 28, 2021 | 315,550  |

Notes:

- (1) The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the Nominees, not being within the knowledge of the Company, has been furnished by the respective Nominees.
- (2) A member of the Audit Committee.
- (3) A member of the Compensation Committee.
- (4) A member of the Corporate Governance Committee.

To the Company's knowledge none of the above-named directors are, or have been within the ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of a corporation which, while acting in that capacity or after they ceased to act in respect of any event that occurred while they were acting in such capacity was the subject of a cease trade or similar order or an order that denied such corporation access to any statutory exemptions for a period exceeding 30 consecutive days.

if any of the foregoing nominees is, for any reason, unavailable to serve as a director, proxies in favour of management will be voted for another nominee in their discretion unless the shareholder has specified in the proxy that his common shares are to be withheld from voting in the election of directors.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.**

**The Board unanimously recommends that each shareholder vote "for" the election of the above Nominees as directors.**

*Advance Notice Policy*

On July 7, 2023, the Board adopted an advance notice policy (the "**Policy**") with immediate effect. The Policy provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCBCA or (ii) a shareholder proposal made pursuant to the provisions of the BCBCA.

The purpose of the Policy is to provide Shareholders and the Company with direction on the nomination of directors including (a) those participating in a meeting by proxy rather than in person, (b) to receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. In addition, the Policy is the framework by which the Company seeks to fix a deadline by which holders of Common shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

The Policy also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

### **Alteration of Articles to Include Advance Notice Provisions**

At the Meeting, the Company will seek Shareholder approval to alter the Articles of the Company to include the advance notice provisions currently set out in the Policy (the "**Advance Notice Provisions**"). Whether or not the Shareholders approve such alteration at the Meeting, the Policy will cease to have effect after the termination of the Meeting. A copy of the proposed alteration to the Articles is attached as **Schedule "H"** to this Information Circular. The Advance Notice Provisions (i) inform the Company of nominees for election at a Shareholder meeting proposed by a Shareholder sufficiently in advance of such meeting, and (ii) provide an opportunity for the Board to make an informed determination regarding the proposed nominees and, if appropriate, present alternatives to Shareholders.

#### *Purpose of the Advance Notice Provisions*

The Company is committed to facilitating an orderly and efficient process for the nomination of Directors at shareholder meetings, ensuring that all Shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees to make an informed decision. The purpose of the Advance Notice Provisions is to provide Shareholders, Directors and management of the Company with a clear framework for nominating Directors. The Advance Notice Provisions fixes a deadline prior to any Shareholder meeting called for the election of directors by which director nominations must be submitted, and sets forth the information that the nominating Shareholder must include in the notice to the Company in order for a nominee to be eligible for election.

#### *Terms of the Advance Notice Provisions*

The Advance Notice Provisions provides that Shareholders seeking to nominate candidates for election as Directors must provide timely notice in writing to the Company's Corporate Secretary by personal delivery or facsimile transmission at the number shown on the Company's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

To be timely, such notice must be received by the Company's Corporate Secretary as follows:

- (i) in the case of an annual general meeting, not earlier than the 65th day before the meeting date and not later than the 30th day before the meeting date provided, however, that in the event the first public announcement of the date of such meeting is less than 40 days prior to the meeting date, notice may be made not later than the close of business on the 10th day following the day on which public announcement of the date of such annual general meeting was first made by the Company, and
- (ii) in the case of a special meeting called for the purpose of electing Directors, not later than the close of business on the 15th day following the day on which public announcement of the date of the special meeting is first made by the Company.

The Advance Notice Provisions prescribe the proper written form for a Shareholder's notice as well as additional requirements in connection with nominations. Shareholders who fail to comply with the Advance

Notice Provisions will not be entitled to make nominations for Directors at the relevant annual general or special meeting of shareholders.

#### *Approval of Alteration to Articles*

The proposed special resolution to be passed at the Meeting is as follows:

**“RESOLVED**, as a special resolution, that:

1. The Company’s Articles be altered by adding to the end of Part 14 – *Election and Removal of Directors* of the Company, a new section 14.12 – *Nomination of Directors*, (the **“Alteration”**) as set out in **Schedule “H”** of the Company’s information circular dated July 10, 2023;
2. The Board may in its absolute discretion, without further shareholder approval, amend or modify the Alteration to make amendments which are of a typographical, grammatical or clerical nature; or to make amendments necessary as a result of changes in laws applicable to the Company;
3. It is a condition of this resolution that the alteration to the Articles referred to above will not take effect until the date and time that this resolution is received for deposit at the records office of the Company; and
4. Any director of the Company be authorized for and on behalf of the Company to do such things and to execute and deliver, whether under the common seal of the Company or otherwise, all such statements, forms and other documents as such director may consider advisable in connection with the foregoing and to take all such action and do all such things to give effect to the transactions contemplated by the foregoing resolutions and the execution by any one director shall be conclusive proof of his or her authority to execute the same for and on behalf of the Company.
5. Pursuant to §139 of the BCBCA, the directors have the right to revoke the above special resolutions before they are acted on.”

A special resolution is a resolution passed by not less than a two-thirds majority of the votes cast by all Shareholders who voted in respect of that resolution.

If the special resolution to approve the Alteration is passed by a two-thirds majority of the Shareholders voting on the special resolution at the Meeting, then it is expected the Board will proceed with the Alteration as expeditiously as possible. The above special resolution, if passed, will become effective immediately upon the date and time that the special resolution and the Form 11 Alteration of the Articles, and the Articles, as altered, are received for deposit at the records office of the Company.

Upon receipt of approval to the Alteration, a copy of the altered form of Articles may be accessed at [www.sedar.com](http://www.sedar.com).

Management and the Board have concluded that alteration of the Articles to include the Advance Notice Provisions is in the best interests of the Company and its Shareholders. Accordingly, Management and the Board recommend that Shareholders vote FOR the special resolution altering the Company’s Articles to include the Advance Notice Provisions.

The management proxyholders intend to vote FOR the special resolution, except in relation to Shares held by a Shareholder who instructs otherwise.

### **Appointment of Auditor**

Davidson & Company LLP was first appointed as auditor of the Company in 2022.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of Davidson & Company LLP, of Vancouver, British Columbia, as auditor of the Company until the close of the next annual meeting of shareholders and to authorize the directors to fix its remuneration.**

**The Board unanimously recommends that each shareholder vote “for” the re-appointment of Davidson & Company LLP as auditor of the Company.**

### **Approval of Share Option Plan**

The Company’s Share Option dated for reference April 5, 2011, as amended July 10, 2023 (the “**Option Plan**”) is described below in this Information Circular under “*Statement of Executive Compensation – Share Options and Other Compensation Securities*”.

The Option Plan does not specify a fixed and specific number of Common Shares that may be reserved for issuance thereunder (rather 10% of the number of Common Shares that may be outstanding from time to time) and is considered to be a “rolling” share option plan by the TSXV. The policies of the TSXV require that a “rolling” share option plan receive yearly shareholder ratification at a company’s annual general meeting.

On November 24, 2021, the TSXV adopted a new policy 4.4 governing security based compensation (the “**New Policy 4.4**”). The changes to the policy relate to, among other things, the expansion of the policy to cover a number of types of security based compensation in addition to stock options. Subject to ratification by Shareholders, a number of minor amendments have been made to the Option Plan in accordance with the New Policy 4.4. These changes include amendments allowing option holders to exercise options on a “cashless exercise” or “net exercise” basis, as now expressly permitted by the New Policy 4.4. “Cashless exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under the New Policy 4.4, the current market price must be the five-day volume weighted average trading price prior to option exercise. “Net exercise” may not be utilized by persons performing investor relations services.

At the Meeting, Shareholders will be asked to consider, and if thought fit, approve an ordinary resolution to ratify the Option Plan, as amended and restated (the “**Option Plan Ratification Resolution**”). The Option Plan, as amended and restated, is attached to this Information Circular as **Schedule “G”**. The full text of the Option Plan Ratification Resolution is set out below. In order to be passed, the resolution requires the approval of a majority of the votes cast thereon by Shareholders of the Company present in person or represented by proxy at the Meeting. The directors of the Company unanimously recommend that Shareholders vote in favour of the Option Plan Ratification Resolution.

**“RESOLVED** as an ordinary resolution that the 10% “rolling” share option plan of the Company, as amended and restated, be and the same hereby is ratified and confirmed.”

**In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution.**

A copy of the Plan, as amended and restated, will be available for inspection at the Meeting.

### **Compensation Discussion and Analysis**

The Compensation Committee members are Ian Smith, Rose Zanic and Anthony Dutton. The function of the Compensation Committee generally is to assist the board in carrying out its responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives. The Board assumes responsibility for

reviewing and monitoring the long-range compensation strategy for the senior management of the Company although the Compensation Committee guides it in this role.

The Compensation Committee determines the compensation of the Chief Executive Officer. The Chief Executive Officer makes compensation recommendations for all other executive officers and senior employees of the Company to the Compensation Committee.

#### Philosophy and Objectives

The compensation program for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- to align executive compensation with shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

The Company's executive compensation program comprises three elements: base salary and/or executive consulting fees, bonus incentives and equity participation. The compensation program is designed to pay for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Company's long-term growth strategy and delivering strong total shareholder return performance.

The Company reviews industry compensation information and compares its level of overall compensation with those of comparable sized mineral exploration companies. Generally, the committee targets base management fees at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve competitive compensation levels through the fixed and variable components.

The Company's total compensation mix places a significant portion of the executive's compensation at risk and relies heavily on the award of stock options. The design takes into account individual and corporate performance. Compensation practices, including the mix of base management fees, short-term incentives and long-term incentives, are regularly assessed to ensure they are competitive, take account of the external market trends and support the Company's long-term growth strategies. Due to the early stage of the Company's development programs, the flexibility to quickly increase or decrease appropriate human resources is critical. Accordingly, the Company does not enter into long-term commitments with its officers.

#### Base Salary / Consulting Fees

In the Board's view, paying base salaries or executive consulting fees which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Base salary is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual compensation adjustments, if any, take into account the market value of the role and the executive's demonstration of capability during the year.

#### Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the executive's Company meeting those strategic objectives and milestones, the executive's individual performance and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the Compensation Committee, and such recommendations are generally based on survey data provided by independent consultants.

#### Equity Participation

The Company believes that encouraging its executives and employees to become Shareholders is the best way of aligning their interests with those of its Shareholders. Equity participation is accomplished through the Company's Option Plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses

and competitive factors. The amounts and terms of options granted are determined by the Compensation Committee.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

The following compensation information is provided as required under Form 51-102F6V for Venture Issuers (the “Form”), as such term is defined in NI 51-102.

For the purposes of this Statement of Executive Compensation:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries; and

- (a) “**NEO**” or “**named executive officer**” means each of the following individuals:
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (c) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (d) 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, as determined in accordance with subsection 1.3(5), for that financial year;
- (e) 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, requirements and was not acting in a similar capacity, at the end of that financial year.

During the financial year ended March 31, 2022, based on the definition above, the NEOs of the Company were Peter Miles, CEO and Simon Anderson, CFO. The directors of the Company who were not NEOs were Buddy Doyle, Ian Smith, Anthony Dutton, Tom Obradovich, Rose Zanic and Darcy Will.

### Director and Named Executive Officer Compensation

The following table summarizes the compensation paid to directors and Named Executive Officers during the Company’s two most recently completed financial years ended March 31:

| Table of compensation excluding compensation securities |      |   |            |   |                           |                                      |                         |
|---|------|---|------------|---|---------------------------|--------------------------------------|-------------------------|
| Name and Position                                       | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees <sup>(6)</sup> (\$) | Value of perquisites (\$) | Value of all Other compensation (\$) | Total compensation (\$) |
| <b>Peter Miles</b><br>CEO and Director                  | 2022 | 144,000   | Nil        | 3,000   | Nil                       | Nil                                  | 147,000                 |
|   | 2021 | 247,500   | Nil        | 1,000   | Nil                       | Nil                                  | 248,500                 |
| <b>Simon Anderson</b><br>CFO <sup>(1)</sup>             | 2022 | 39,490  | Nil        | Nil   | Nil                       | Nil                                  | 39,490                  |
|   | 2021 | 35,530  | Nil        | Nil   | Nil                       | Nil                                  | 35,530                  |
| <b>Buddy Doyle</b><br>President and Director            | 2022 | 140,000   | Nil        | 2,000   | Nil                       | Nil                                  | 142,000                 |
|   | 2021 | 120,000   | Nil        | 1,000   | Nil                       | Nil                                  | 121,000                 |

| Table of compensation excluding compensation securities |      |   |            |   |                           |                                      |                         |
|---|------|---|------------|---|---------------------------|--------------------------------------|-------------------------|
| Name and Position                                       | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees <sup>(6)</sup> (\$) | Value of perquisites (\$) | Value of all Other compensation (\$) | Total compensation (\$) |
| Ian Smith<br>Director                                   | 2022 | Nil   | Nil        | 3,000   | Nil                       | Nil                                  | 3,000                   |
|   | 2021 | Nil   | Nil        | 1,000   | Nil                       | Nil                                  | 1,000                   |
| Anthony Dutton <sup>(2)</sup><br>Director               | 2022 | Nil   | Nil        | 2,000   | Nil                       | Nil                                  | 2,000                   |
|   | 2021 | Nil   | Nil        | 1,000   | Nil                       | Nil                                  | 1,000                   |
| Tom Obradovich <sup>(3)</sup><br>Director               | 2022 | Nil   | Nil        | 36,950  | Nil                       | Nil                                  | 36,950                  |
|   | 2021 | Nil   | Nil        | Nil   | Nil                       | Nil                                  | Nil                     |
| Rose Zanic <sup>(4)</sup><br>Director                   | 2022 | Nil   | Nil        | 1,500   | Nil                       | Nil                                  | 1,500                   |
|   | 2021 | Nil   | Nil        | Nil   | Nil                       | Nil                                  | Nil                     |
| Darcy Will <sup>(5)</sup><br>Director                   | 2022 | Nil   | Nil        | Nil   | Nil                       | Nil                                  | Nil                     |
|   | 2021 | Nil   | Nil        | 500   | Nil                       | Nil                                  | Nil                     |

Notes:

- (1) Mr. Anderson provides his services to the Company through S2 Management Inc. (“S2 Management”). Compensation to S2 Management includes \$Nil (2021 - \$406) for secretarial services provided by S2 Management. S2 Management paid Mr. Anderson an aggregate of \$20,000 (2021 - \$20,000) that is attributable to services he provided to the Company.
- (3) Mr. Obradovich was appointed to the Board effective April 30, 2021 and subsequently resigned effective April 14, 2023.
- (4) Ms. Zanic was appointed to the Board effective September 28, 2021.
- (5) Mr. Will resigned from the Board effective August 13, 2021.
- (6) Board meeting fees were paid to directors including executive directors.

## Stock Options and Other Compensation Securities

### 10% Rolling Share Option Plan (Option-Based Awards)

The Company currently has a share option plan dated for reference April 5, 2011 (the “**Option Plan**”) which was last approved by Shareholders at the Company’s annual general meeting held on April 20, 2022.

On July 10, 2023, the Board made amendments to the Option Plan to reflect recent amendments to TSXV policies. The number of Common Shares which may be issued pursuant to options granted under the Option Plan (“**Options**”) is a maximum of 10% of the issued and outstanding Common Shares, on a non-diluted basis, at the time of the grant.

The purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through Options, to acquire Common Shares in the capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

### Material Terms of the Option Plan

The material terms of the Option Plan are set forth below. Capitalized terms used but not otherwise defined below shall have the meanings ascribed to such terms in the Option Plan.

6. Service Provider – Service Providers are eligible for awards of Options under the Option Plan. “**Service Provider**” means a person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers.

7. Maximum Plan Shares – The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is equal to 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under any other Share Compensation Arrangements unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, NEX Policies).
8. Limitations on Issue – The following restrictions on issuances of Options are applicable under the Option Plan, together with all other Share Compensation Arrangements:
- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained “Disinterested Shareholder Approval” (as defined in the Option Plan to mean approval evidenced by a majority of the votes cast by all the Shareholders at a duly constituted Shareholders’ meeting, excluding votes attached to Common Shares beneficially owned by Insiders of the Company who are Service Providers or their Associates);
  - (b) the aggregate number of Options, together with any other Share Compensation Arrangement, granted to all Investor Relations Service Providers in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or NEX, as the case may be);
  - (c) the aggregate number of Options granted, together with any other Share Compensation Arrangements, granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or the NEX, as the case may be);
  - (d) for so long as such limitation is required by the TSX Venture, the maximum number of Options which may be granted within any 12-month period to Service Providers who perform investor relations activities must not exceed 2% of the issued and outstanding Common Shares, and such Options must vest in stages over 12 months with no more than 25% vesting in any three month period. In addition, the maximum number of Common Shares that may be granted to any one Consultant under this Plan, together with any other Share Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Common Shares calculated on the date of grant.
- Investor Relations Service Providers cannot receive any security based compensation other than Options.
9. Maximum Percentage to Insiders – Subject to Disinterested Shareholder Approval, the aggregate number of Common Shares reserved for issuance to Insiders of the Company under the Option Plan, together with any other Share Compensation Arrangements, cannot exceed 10% of the Outstanding Shares.
10. Maximum Percentage to Insiders within any 12-month period – Subject to Disinterested Shareholder Approval, the number of Common Shares issued to Insiders of the Company within any 12-month period under the Option Plan, together with any other Share Compensation Arrangements, cannot exceed 10% of the Outstanding Shares.
11. Exercise Price – The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Option Plan, and cannot be less than the Discounted Market Price (as defined in TSX Venture Exchange Policy 1.1).
12. Vesting of Options – Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:
- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain

- milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.
13. Vesting of Options Granted to Investor Relations Service Providers – Options granted to Investor Relations Service Providers will vest such that:
- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.
14. Term of Option – The term of an Option will be set by the Board at the time such Option is allocated under the Option Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.
15. Optionee Ceasing to be a Director, Employee or Service Provider – Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:
- (a) in the case of the death of an Optionee, any vested Option held by him/her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider (excluding Service Providers conducting Investor Relations Activities) will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested on the date the Optionee ceased to be so employed by or to provide services to the Company;
- (c) an Option granted to any Investor Relations Service Provider will expire 30 days after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (d) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.
16. Non-Assignability of Options – Except in the case of death of an Optionee, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.
17. Amendment of the Option Plan by the Board of Directors – Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion amend, or modify the Option Plan or any Option granted as follows:
- (a) amendments which are of a typographical, grammatical, clerical nature only;
- (b) amendments of a housekeeping nature;

- (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture; and
  - (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.
18. Amendments Requiring Disinterested Shareholder Approval - The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
- (a) the Option Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
    - (i) the aggregate number of Common Shares reserved for issuance to Insiders exceeding 10% of the Outstanding Shares;
    - (ii) the aggregate number of Common Shares reserved for issuance to Insiders within a 12-month period exceeding 10% of the Outstanding Shares; or
    - (iii) the aggregate number of Common Shares reserved for issuance to any one Optionee within a 12-month period exceeding 5% of the Outstanding Shares; or
  - (b) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option held by an Insider at the time of the proposed amendment, is subject to Disinterested Shareholder Approval in accordance with the policies of the TSX Venture.
19. Take Over Bid – If a Take Over Bid is made to the Shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding other applicable vesting requirements or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSXV (or the NEX, as the case may be) for vesting requirements imposed by the TSXV Policies.
20. Black-out Period – The Option Plan also contains provision for a “Black-out Period”. Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall, subject to approval of the TSXV (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Option Plan. The tenth Business Day period referred to herein may not be extended by the Board. “**Black-out Period**” is defined in the Option Plan to mean an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject).
21. Cashless Exercise – The Option Plan also contains a “cashless exercise” or “net exercise” basis. “Cashless exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. The current market price must be the 5-day volume weighted average trading price prior to option exercise. “Net exercise” may not be utilized by persons performing investor relations services.

A copy of the Option Plan is attached to this Information Circular as **Schedule “G”** and will be available for inspection at the Meeting.

### Grant of Compensation Securities to Directors and NEOs

The following table sets forth all compensation securities granted or issued to each NEO and director by the Company in the financial year ended March 31, 2022 for services provided or to be provided, directly or indirectly, to the Company:

| <b>Compensation Securities</b> |                                      |  |                               |   |   |   |                    |
|--------------------------------|--------------------------------------|--|-------------------------------|---|---|---|--------------------|
| <b>Name</b>                    | <b>Type of compensation security</b> | <b>Number of compensation securities, underlying and percentage of class</b> | <b>Date of issue or grant</b> | <b>Issue, conversion or exercise price (\$)</b> | <b>Closing price of security or underlying securities on date of grant (\$)</b> | <b>Closing price of security or underlying security at year end (note 1) (\$)</b> | <b>Expiry date</b> |
| Tom Obradovich, Director       | Options                              | 400,000  | 29-Apr-21                     | \$0.15  | \$0.13  | \$0.155   | 29-Apr-26          |
| Rose Zanic, Director           | Options                              | 400,000  | 27-Oct-21                     | \$0.16  | \$0.10  | \$0.155   | 27-Oct-26          |

Note:

(1) The closing price of the Company's shares traded on the TSX Venture Exchange was \$0.155 on March 31, 2022.

Options granted in the year vest as to one-quarter on each of the date of grant and on each of the six-, twelve- and eighteen-month anniversaries of the grant date.

### Exercise of Compensation Securities by Directors and NEOs

Directors and NEOs did not exercise any compensation securities in the years ended March 31, 2021 or March 31, 2022.

See "Securities Authorized for Issuance Under Equity Compensation Plans" for further information on the Company's Option Plan.

### **Securities Authorized for Issuance Under Equity Compensation Plans**

The only share option plan or other incentive plan the Company currently has in place is a 10% "rolling" share option plan, which authorizes the Board to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company, from time to time. The underlying purpose of the Option Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Option Plan.

The Company has no other form of compensation plan under which equity securities of the Company are authorized for issuance to employees or non-employees in exchange for consideration in the form of goods and services.

The table below sets out the outstanding options under the Company's existing Option Plan under which Common Shares are authorized for issuance as of March 31, 2022.

| <b>Plan category</b>                                       | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights</b> | <b>Number of securities remaining available under equity compensation plans (excluding securities outstanding)</b> |
|--|--|--|--|
| Equity compensation plans approved by security holders     | 4,870,000  | \$0.34   | 50,415   |
| Equity compensation plans not approved by security holders | -  | -  | -  |
| <b>Total</b>   | <b>4,870,000</b>   | <b>\$0.34</b>  | <b>50,415</b>  |

#### **Indebtedness of Directors and Executive Officers**

None of the directors or executive officers of the Company or any of their associates was indebted to the Company during the fiscal year ended March 31, 2022, including under any securities purchase or other program, or is currently indebted to the Company.

#### **Interest of Informed Persons in Material Transactions**

Except as disclosed under this heading, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any material interest, direct or indirect, in any transaction which has occurred within the fiscal year ended March 31, 2022, or in any proposed transaction that has materially affected or will materially affect the Company.

#### **Interest of Persons in Matters To be Acted Upon**

No director, executive officer, proposed nominee for election as a director nor their respective associates or affiliates has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted upon at this Meeting other than the election of directors.

#### **Management Contracts**

No management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company. The Company was not committed under employment contracts other than a director services contract with Tom Obradovich that provides for the payment of \$10,000 every quarter. In April 2023, Mr. Obradovich resigned and the contract terminated.

#### **Other Business**

Management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

#### **Audit Committee and Relationship with Auditors**

Multilateral Instrument 52-110 – *Audit Committees* requires the Company to disclose in its management information circular certain information relating to the Company's audit committee. This disclosure in Form 51-101F2 is appended as **Schedule "A"** to this management information circular.

### **Corporate Governance**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires the Company to disclose in its management information circular certain information relating to the Company's corporate governance practices. This disclosure in Form 58-101F2 is appended as **Schedule "B"** to this management information circular.

### **Additional Information**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). To obtain copies of the Company's financial statements and management's discussion and analysis (which contain financial information about the Company), Shareholders are directed to the Company's filings on SEDAR or may request copies of such information in writing by contacting the Company at: Suite 1910 – 925 West Georgia Street, Vancouver, BC, V6C 3L2.

The contents and sending of this information circular have been approved by the directors of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Peter Miles"

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Peter L. Miles  
Chief Executive Officer and Director

**SCHEDULE A**  
**FORM 52-110F2**  
**DISCLOSURE BY VENTURE ISSUERS**

**1. The Audit Committee's Charter**

*Disclose the text of the audit committee's charter.*

A copy of the charter of the audit committee is attached as **Schedule "C"** to this management information circular.

**2. Composition of the Audit Committee**

*Disclose the name of each audit committee member and state whether or not the member is (i) independent and (ii) financially literate.*

The members of the audit committee are Ian Smith (Chair), Anthony Dutton and Thomas Obradovich. The Board has determined that all members of the audit committee are independent and financially literate.

**3. Relevant Education and Experience**

*Describe the education and experience of each audit committee member that is relevant to the performance of his or her responsibilities as an audit committee member and, in particular, disclose any education or experience that would provide the member with:*

- (a) an understanding of the accounting principles used by the issuer to prepare its financial statements;*
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;*
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and*
- (d) an understanding of internal controls and procedures for financial reporting.*

*Ian Smith* FAusIMM, MCIM, is a mining engineering graduate of the University of Queensland, Australia, with 50 years' experience in corporate and operations management, including acquisitions and take-over bid transactions, project management and as a senior consultant in the international base and precious metals industries. He has and continues to serve as a director and member of the audit committee of several reporting issuers and has a broad range of underground and open pit operating experience. Most importantly for Sanatana, Mr. Smith was Mine Superintendent and Chief Mining Engineer at the 90,000 tpd Bougainville Copper mine in Papua New Guinea.

*Anthony Dutton* is a partner at HighMont Advisors Inc., a strategic and financial advisory firm where he focuses on early-stage and high growth companies. Previously he was co-founder, CEO and director of Cannex Capital, a pioneering US cannabis company, before its acquisition of 4Front Holdings Ltd. to create 4Front Ventures, a large multi-state cannabis operator. Prior to Cannex, he was co-founder, CEO and director of IBC Advanced Alloys, a manufacturer of high-performance alloys serving advanced manufacturing and aerospace contractors globally. He has served on various audit committees in the past and is currently a board member of Flair Airlines, Sanatana Gold, BioVaxys Technologies and TUT Fitness Group. Mr. Dutton has a BA (Econ) from UBC, a M. Architecture from Dalhousie and a joint MBA from the Cranfield School of Management, UK and the École Supérieure de Commerce in Lyon, France.

*Rose Zanic* has over 25 years of capital markets and corporate finance expertise. She is a self-employed corporate finance professional with significant experience advising Canadian public companies with financing and M&A transactions and providing public company administration. She previously spent 19 years with Wolverton Securities Ltd. where she was Senior Vice-President, Corporate Finance in charge of that firm's corporate finance and syndication departments. Ms. Zanic holds a CPA, CA designation and received a bachelor of commerce degree in finance from the University of British Columbia. She currently is a director or CFO of several Canadian publicly listed companies. Ms. Zanic is also a member of the TSX Venture Exchange BC Local Advisory Committee.

#### 4. Audit Committee Oversight

*If, at any time since the commencement of the issuer's most recently completed financial year, a recommendation of the audit committee to nominate or compensate an external auditor was not adopted by the board of directors, state that fact and explain why.*

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the board of directors.

#### 5. Reliance on Certain Exemptions

*If, at any time since the commencement of the issuer's most recently completed financial year, the issuer has relied on*

*(a) the exemption in section 2.4 (De Minimis Non-audit Services), or*

*(b) an exemption from this Instrument, in whole or in part, granted under Part 8 (Exemptions), state that fact.*

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

#### 6. Pre-Approval Policies and Procedures

*If the audit committee has adopted specific policies and procedures for the engagement of non-audit services, describe those policies and procedures.*

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

#### 7. External Auditor Service Fees (By Category)

*(a) Disclose, under the caption "Audit Fees", the aggregate fees billed by the issuer's external auditor in each of the last two fiscal years for audit fees.*

*(b) Disclose, under the caption "Audit-Related Fees", the aggregate fees billed in each of the last two fiscal years for assurance and related services by the issuer's external auditor that are reasonably related to the performance of the audit or review of the issuer's financial statements and are not reported under clause (a) above. Include a description of the nature of the services comprising the fees disclosed under this category (c) Disclose, under the caption "Tax Fees", the aggregate fees billed in each of the last two fiscal years for professional services rendered by the issuer's external auditor for tax compliance, tax advice, and tax planning. Include a description of the nature of the services comprising the fees disclosed under this category.*

*(d) Disclose, under the caption "All Other Fees", the aggregate fees billed in each of the last two fiscal years for products and services provided by the issuer's external auditor, other than the services reported under clauses (a), (b) and (c), above. Include a description of the nature of the services comprising the fees disclosed under this category.*

Davidson & Company LLP has been the auditor of the Company since 2022 taking over from BDO Canada LLP. Audit fees incurred in the years ended March 31, 2022 and 2021 were:

|                    | 2022            | 2021            |
|--------------------|-----------------|-----------------|
| Audit fees         | 35,377          | 23,240          |
| Audit-related fees | -               | -               |
| Tax fees           | 3,969           | 3,500           |
| All other fees     | -               | -               |
| <b>TOTAL</b>       | <b>\$39,346</b> | <b>\$26,740</b> |

*Audit Fees.* The audit fees relate to the audit of financial statements, and other statutory and regulatory filings, including procedures performed in connection with any prospectus filings.

*Audited-Related Fees.* The audit-related fees relate to review and audit services performed in connection with proposed business transactions by the Company, as well as advising management, securities regulators and legal counsel.

*Tax Fees.* Tax fees relate to tax compliance, tax advice and tax planning, including the preparation and review of the corporate tax returns, assistance with tax audits and federal, provincial or international tax advisory services.

*All Other Fees.* There were no other fees billed by the Company's external auditors in the past two fiscal years.

## **8. Exemption**

*Disclose that the issuer is relying upon the exemption in section 6.1 of the Instrument.*

The Company is relying upon the exemption in section 6.1 of MI 52-110.

**SCHEDULE B**

**FORM 58-101F2  
CORPORATE GOVERNANCE DISCLOSURE  
(VENTURE ISSUERS)**

The Company believes that its corporate governance practices ensure that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The disclosure requirements of National Instrument 58-101 and a commentary on the Company's approach with respect to each requirement are set forth below.

| <b>Disclosure Requirements</b>   | <b>Comments</b>   |
|--|---|
| <p><b>1. Board of Directors</b> — Disclose how the board of directors (the board) facilitates its exercise of independent supervision over management, including (i) the identity of directors that are independent, and (ii) the identity of directors who are not independent, and the basis for that determination.</p> | <p>The Board of Directors has five directors, three of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of MI 52-110. A director is independent if he or she has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of MI 52-110.</p> <p>Ian Smith, Rose Zanic and Anthony Dutton are considered to be independent directors. Peter Miles is not considered to be independent by virtue of his position as Chief Executive Officer of the Company. Buddy Doyle is not considered to be independent by virtue of his position as President.</p> <p>A copy of the Company's directors' position description is attached as <b>Schedule "D"</b> to this management information circular.</p> |
| <p><b>2. Directorships</b> — If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>  | <p>Peter Miles is a director of Gamehost Inc.<br/>Buddy Doyle is a director of Arctic Star Exploration Corp. and Lake Winn Resources Corp.<br/>Ian Smith is a director of Euro Ressources S.A.<br/>Anthony Dutton is a director of Flair Airlines, BioVaxys Technologies and TUT Fitness Group .<br/>Rose Zanic is a director of Clarity Metals Corp., Sanibel Ventures Corp., Yerbae Brands Corp. and Winfield Resources Limited.</p>  |

| Disclosure Requirements  | Comments   |
|--|--|
| <p><b>3. Orientation and Continuing Education</b> — Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.</p>           | <p>Orientation including understanding the operations of the company and the new director's roles is provided on an informal basis by Company management. This approach is appropriate given the relatively small size of the Company, and the fact that all relevant information is publicly available as well as posted on the Company's website.</p> <p>The Board of Directors does not provide formal continuing education for directors. Directors maintain the skill and knowledge necessary to meet their obligations as directors through a combination of their existing education, experience as businesspersons and managers, service as directors of other issuers and advice from the Company's legal counsel, auditors and other advisors.</p>                                     |
| <p><b>4. Ethical Business Conduct</b> — Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.</p>   | <p>Management, with the support of the Board, has put structures in place to ensure effective communication between the Company and its shareholders and the public. The Company provides disclosure as required by law, and legal counsel reviews press releases and reports to shareholders as required.</p> <p>The Board manages the business of the Company on behalf of the shareholders and is responsible for, among other things, strategic planning and management of the Company's principal risks. Any responsibility that is not delegated to senior management or a committee of the Board remains with the full Board. In addition to those matters, which must by law be approved by the Board, the approval of the Board is required for major transactions or expenditures.</p> |
| <p><b>5. Nomination of Directors</b> — Disclose what steps, if any, are taken to identify new candidates for board nomination, including: (i) who identifies new candidates, and (ii) the process of identifying new candidates.</p> | <p>All directors are responsible for recommending suitable candidates for nomination to the Board, when required, and when doing so consider:</p> <ul style="list-style-type: none"> <li>(a) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;</li> <li>(b) the competencies and skills that the Board considers necessary for each existing director to possess; and</li> <li>(c) the competencies and skills each new nominee will bring to the boardroom.</li> </ul>  |

| Disclosure Requirements   | Comments  |
|---|---|
| <p><b>6. Compensation</b> — Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation, and (ii) the process of determining compensation.</p> | <p>The Company has established a compensation committee, currently comprising Ian Smith, Tom Obradovich and Anthony Dutton, to ensure that independent directors determine and review the remuneration of executives on behalf of the Board of Directors and that the remuneration policies and packages attract retain and motivate quality individuals without exceeding market rates.</p> <p>The compensation committee determines and agrees with the Board of Directors the framework or broad policy for the remuneration of the Company’s executive directors, CEO and other members of the executive management of the Company. The remuneration of non-executive directors is determined by the Chairman of the Board and the executive members of the Board of Directors. No director or manager is involved in any decisions as to their own remuneration.</p> <p>A copy of the compensation committee mandate is attached as <b>Schedule “E”</b> to this management information circular.</p> |
| <p><b>7. Other Board Committees</b> — If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>                         | <p>The Board has established a corporate governance committee, currently comprising Ian Smith, Rose Zanic and Anthony Dutton. A copy of the corporate governance committee mandate is attached as <b>Schedule “F”</b> to this management information circular.</p>  |
| <p><b>8. Assessments</b> — Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.</p>                               | <p>The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant.</p>   |

## SCHEDULE C

### AUDIT COMMITTEE CHARTER

(Implemented Pursuant to Multilateral Instrument 52-110)

This Charter has been adopted by the Board in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

- (a) The Board shall elect annually from among its members at the first meeting of the Board following the annual meeting of the shareholders, a committee to be known as the audit committee to be composed of three directors or such other number not less than three as the Board may from time to time determine, of whom the majority shall not be officers or employees of the Company or an affiliate of the Company. A majority of the audit committee shall constitute a quorum.
- (b) Any member of the committee may be removed or replaced at any time by the Board. Any member of the committee ceasing to be a director shall cease to be a member of the audit committee. Subject to the foregoing, each member of the audit committee shall hold office as such until the next annual appointment of members after his election. Any vacancy occurring in the committee shall be filled at the next meeting of the Board.
- (c) The responsibilities of the audit committee shall be to:

With respect to Financial Accounting Matters,

- 1. Review with management and the external auditors the annual consolidated financial statements, the annual report including the management discussion and analysis and the press release before making recommendations to the Board relating to approval of the statements. *Timing: year-end.*
- 2. Review with management, and if deemed necessary with the external auditors, interim financial statements, the quarterly report including the management discussion and analysis and the press release before making recommendations to the Board relating to approval of the statements. *Timing: first three quarters.*
- 3. Review with management, and if deemed necessary with the external auditors, all financial statements included in a prospectus or annual information form or any other public disclosure document containing financial information before making recommendations to the Board relating to the approval of the same. *Timing: as required.*
- 4. Review annually the accounting principles and practices followed by the Company and any changes in the same as they occur. *Timing: annually near year-end.*
- 5. Review new accounting principles of the Canadian Institute of Chartered Accountants, which would have a significant impact on the Company's financial reporting as reported to the audit committee by management. *Timing: annually near year-end or as required.*
- 6. Review estimates and judgments and choices of accounting alternatives, which are material to reported financial information as reported to the audit committee by management. *Timing: each quarter and year-end.*
- 7. Review the status of material contingent liabilities as reported to the audit committee by management. *Timing: each quarter and year-end.*
- 8. Review the status of income tax returns and potentially significant tax problems as reported to the audit committee by management. *Timing: immediately as known.*
- 9. Review any errors or omissions in the current or prior year's financial statements. *Timing: immediately as known.*

With respect to Internal Controls,

Review with management, and if deemed necessary with the external auditors, the adequacy of the Company's internal controls over financial reporting and disclosure controls and procedures to ensure that:

- (a) effective internal controls over financial reporting have been designed to provide a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP; and
- (b) disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the board of directors in a timely manner.

With respect to the External Auditors,

1. Review with management the performance and independence of the external auditors and report thereon to the Board at least annually, including, where appropriate, a recommendation to replace the external auditor. *Timing: year-end.*
2. Review with management the engagement letter of the external auditors and the scope and timing of the audit work to be performed as outlined in the Audit Plan. *Timing: annually.*
3. Review with the external auditors the performance of management involved in the preparation of financial statements and any problems encountered by the external auditors, any restrictions on the auditors' work, the cooperation received in the performance of the audit and the audit findings. *Timing: year-end.*
4. Review the management letter with management and the external auditors, noting any significant recommendations on internal control made by them to management and management's response to the recommendations. *Timing: mid-year starting in second year.*
5. Review with management and the external auditors, estimated and actual audit fees. *Timing: mid-year.*
6. Receive and review with the external auditors a formal written statement prepared by the external auditors that discloses all relationships, including the nature of and fees for any non-audit services performed for the Company, between the external auditor and the Company and consider whether the nature and extent of such services could impact on the objectivity and independence of the external auditor and, if necessary, recommending that the full board take appropriate action to oversee the independence of the external auditor. *Timing: as required.*

With respect to General Audit Matters,

1. Inquire of management, and the external auditors as to any activities that may be or may appear to be illegal or unethical. *Timing: each quarter and year-end.*
  2. Review with management, and if deemed necessary, with the external auditors any material frauds reported to the audit committee. *Timing: immediately as known.*
  3. Review with the external auditors the adequacy of staffing for accounting and financial responsibilities. *Timing: year-end.*
  4. Report and make recommendations to the Board as the committee considers appropriate. *Timing: as required.*
- (d) In addition, the Board may refer to the audit committee such matters and questions relating to the Company and its affiliates as the Board may from time to time see fit.
- (e) Any member of the audit committee may require the auditors to attend any or every meeting of the audit committee.
- (f) The audit committee shall elect annually a chairman from among its members.
- (g) The audit committee shall review and reassess the adequacy of the formal mandate on an annual basis.

- (h) The times of and the places where meetings of the audit committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the audit committee; provided that notice of every such meeting and the circulation of the financial statements to committee members is at least 48 hours prior to the meeting. The auditors of the Company also shall be given such notice of meetings and shall be entitled to attend and be heard thereat, and that meetings shall be convened whenever requested by the auditors, or any member of the audit committee in accordance with the Business Corporations Act (1982).
- (i) At each meeting of the audit committee the independent members shall meet without management and consider any matters tabled by any such member. At each meeting at which the external auditors of the Company are in attendance, the independent members shall meet with the external auditors without management present and consider any matters tabled by any such member or the external auditors.
- (j) The audit committee shall support the senior management team and the Board in keeping abreast of changes occurring or proposed to regulatory requirements and/or general accounting guidelines, such that the Company adopts "best in class" accounting and internal control policies and practices.
- (k) All prior resolutions of the Board relating to the constitution and responsibilities of the audit committee are hereby repealed.

*Outside of the Mandate but as a matter of routine at each Audit Committee Meeting, the Chief Financial Officer will make a series of reports which will include:*

- 1. The CFO is not aware of any frauds or thefts of Company property.*
- 2. The CFO is not aware of any activities which may be illegal or unethical.*
- 3. There are no new contingent liabilities except as reported.*
- 4. There are no new tax reassessments or other tax issues except as reported.*
- 5. There are no prior year accounting adjustments except as reported.*

## **SCHEDULE D**

### **DIRECTORS' POSITION DESCRIPTION**

Every Director of the Company in exercising his powers and discharging his duties shall:

- (a) act honestly and in good faith with a view to the best interests of the Company.
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

#### **With respect to Fiduciary Duty or the Duty of Loyalty**

1. The fiduciary duty requires a Director to be honest in dealing with other Directors and with the Company. In fact, a Director must disclose all information he or she has to the Board. The collegial structure of the Board and the practical delegation of responsibilities to committees will suffer if Directors deprive their fellow Directors of important information they need to carry out their responsibilities and practice due diligence.
2. The fiduciary duty implies a duty of confidentiality. All information about the Board or the Company's activities should be presumed to be confidential unless released to the public.
3. Directors may not profit at the expense of the Company. They may not divert opportunities or benefits from the Company to themselves or put themselves in a position of conflict by competing with the Company for business opportunities.
4. Directors must disclose their material interest in a party or contracts and should disclose these interests to the full Board and not just a committee.

#### **With respect to the Duty of Care**

1. These responsibilities imply that the Directors attend meetings regularly, read the documents and briefing notes prepared for them prior to the meetings and follow-up on important matters.
2. The business judgement rule protects boards and directors from those that might second-guess their decisions. However, Directors must ensure that the process by which they made a decision ensures that there was adequate information available, agendas and background documents in place, rigorous review and questioning is documented and that in-depth review where warranted is referred to the appropriate committee.

#### **Specific Duties of Directors**

1. Overseeing and approving a strategy for the business.

The Directors, individually and collectively, have the responsibility to participate in developing and approving the mission of the business, its objectives and goals, and the strategy by which it proposes to reach those goals. Directors must ensure there is congruence between shareholder expectations, Company plans and management performance.

2. Management of the Board and selection and oversight of senior management.

Directors, individually and collectively, are responsible for managing the Board affairs, including planning its composition, selecting its chair, nominating candidates for election to the Board, appointing committees and determining Director compensation. Directors, individually and collectively, have the responsibility for management succession including the appointment, monitoring and replacement of the Chief Executive Officer as well as Chief Executive Officer compensation. Directors have the responsibility for approving the appointment and compensation of senior management acting upon the advice of the Chief Executive Officer.

3. Monitoring and Acting.

Directors, individually and collectively, have the responsibility for monitoring the company's performance against goals and revising strategy as appropriate.

4. Approving Policies and Procedures for implementing strategy.

Directors, individually and collectively, have the responsibility for approving all significant policies and procedures and ensuring compliance with all laws and regulations, while adhering to the highest ethical and moral standards.

5. Reporting to shareholders on the performance of the business.

Directors, individually and collectively, have the responsibility for the integrity and timely reporting to shareholders in addition to the approval of all dividends.

6. Approval and completion of routine legal requirements

Directors, individually and collectively, are responsible for ensuring all legal requirements, documents and records have been properly prepared, approved and maintained.

## SCHEDULE E

### COMPENSATION COMMITTEE MANDATE

This Charter has been adopted by the Board in order to more properly define the role of the Committee in the oversight of the compensation strategy and policies for Directors, Officers and employees of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures as necessary.

(a) The Board shall elect annually from among its members at the first meeting of the Board following the annual meeting of the shareholders, a committee to be known as the Compensation Committee to be composed of two independent directors or such other number not less than two as the Board may from time to time determine. A majority of the Compensation Committee members will constitute a quorum, with a minimum of two.

(b) Any member of the Compensation Committee may be removed or replaced at any time by the Board. Any member ceasing to be a director shall cease to be a member of the Compensation Committee. Subject to the foregoing, each member of the Compensation Committee shall hold office as such until the next annual appointment of members after his election. Any vacancy occurring in the committee shall be filled at the next meeting of the Board.

(c) The Board of Directors assumes responsibility for the stewardship of the Company, and as part of this stewardship, through the Compensation Committee, assumes responsibility for the following:

The responsibilities of the Compensation Committee will include reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for Directors, Officers and employees of the Company, more specifically these will include:

1. setting the goals and objectives for the compensation of the Chairman and Chief Executive Officer. *Timing: annually and as required.*
2. evaluating the performance of the Chairman and Chief Executive Officer relative to the goals and objectives set and recommending to the Board the compensation level of the Chairman and Chief Executive Officer based on this evaluation. *Timing: annually and as required.*
3. reviewing the annual compensation of all other senior executive officers of the Company as recommended by the Chief Executive Officer. The Chief Executive Officer shall attend the Compensation Committee meeting when senior executive salaries are discussed. *Timing: annually and as required.*
4. reviewing the Company's issuance of Stock Options and Compensation Shares and recommending to the Board a prudent level for these instruments and any disbursements there from. *Timing: as required.*
5. reviewing employment contracts for senior officers and employees and recommendation thereof and/or changes thereto to the Board. *Timing: on-going.*
6. reviewing the compensation of the Company's Directors, based on work performed, responsibility assigned and liability incurred as assessed by the Chairman, Chief Executive Officer and the other Directors. *Timing: as required.*

(d) In addition, the Board may refer to the Compensation Committee such matters and questions relating to compensation as the Board may from time to time see fit.

(e) Any member of the Compensation Committee may require experts to attend a meeting of the Compensation Committee.

(f) The Compensation Committee shall elect annually a chairman from among its outside director members.

(g) The times of and the places where meetings of the committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the Compensation Committee.

**SCHEDULE F**  
**CORPORATE GOVERNANCE COMMITTEE MANDATE**

This Charter has been adopted by the Board in order to more properly define the role of the Committee in the oversight of the strategic planning and corporate governance initiatives of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures as necessary.

- (a) The Board shall elect annually from among its members at the first meeting of the Board following the annual meeting of the shareholders, a committee to be known as the Corporate Governance Committee to be composed of three outside directors or such other number not less than three as the Board may from time to time determine. A majority of the Corporate Governance Committee shall constitute a quorum.
- (b) Any member of the Corporate Governance Committee may be removed or replaced at any time by the Board. Any member of the Corporate Governance Committee ceasing to be a director shall cease to be a member of the committee. Subject to the foregoing, each member of the Corporate Governance Committee shall hold office as such until the next annual appointment of members after his election. Any vacancy occurring in the Corporate Governance Committee shall be filled at the next meeting of the Board.
- (c) The Board of Directors assumes responsibility for the stewardship of the Company, and as part of this stewardship, through the committee, assumes responsibility for the following:

With respect to the general management of the Company, the Corporate Governance Committee will oversee:

- 1. the strategic planning process and the development of the strategic plan for the Company. *Timing: annually.*
- 2. the development of the Code of Conduct and related policies to ensure the organization has a consistent frame of reference for dealing with complex issues relating to compliance with the laws of all jurisdictions within which it operates, confidentiality, integrity and individual responsibility and provide for accountability if employees or members of senior management or the Board fail to meet the Code's standards. *Timing: annual review of policies and as required for compliance issues.*
- 3. the establishment of a succession plan for the Company including the appointing, training and assessment of employees, senior management and the Board. *Timing: annually and as required.*
- 4. the development of a communications policy to ensure that public disclosure of the Company is timely and complete. *Timing: as required.*
- 5. and support the senior management team and the Board in keeping abreast of changes occurring or proposed to regulatory and market requirements to ensure the Company's approach to corporate governance issues, including, among other things, the Company's response to the guidelines set out by the TSX Venture Exchange, as appended (and as may be modified from time to time), such that, the Company adopts "best in class" corporate governance policies and practices. *Timing: on-going.*

With respect to the Risk Management of the Company, the Corporate Governance Committee will conduct:

- 1. a review of the risks inherent in all of the business activities of the Company. *Timing: at the first meeting of the committee and thereafter on an on-going basis.*
- 2. an assessment of the integrity and adequacy of the internal control policies and procedures and information systems of the Company to ensure the Company adequately mitigates the risks of its business activities. *Timing: at the first meeting of the committee and thereafter on an on-going basis.*
- 3. the development of the authorities of senior management and the board regarding the major business activities of the Company to ensure a common understanding of these key authorities,

including which activities require pre-approval and post approval requirements. Timing: at the first meeting of the committee and thereafter on an on-going basis.

- (d) In addition, the Board may refer to the Corporate Governance Committee such matters and questions relating to the Company and its affiliates as the Board may from time to time see fit.
- (e) Any member of the Corporate Governance Committee may require experts to attend a meeting of the Corporate Governance Committee.
- (f) The committee shall elect annually a chairman from among its director members.
- (g) The times of and the places where meetings of the Corporate Governance Committee shall be held and the calling of and procedure at such meetings shall be determined from time to time by the committee.
- (h) All prior resolutions of the Board relating to the constitution and responsibilities of the Corporate Governance Committee are hereby repealed.

## SCHEDULE G

### SANATANA RESOURCES INC. (the "Company")

#### SHARE OPTION PLAN

Dated for Reference April 5, 2011, as Amended July 10, 2023

### ARTICLE 1 PURPOSE AND INTERPRETATION

#### Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies and any inconsistencies between this Plan and TSX Venture Policies will be resolved in favour of the latter.

#### Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Black-out Period** means a period during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any Black-out Period must expire following the general disclosure of the undisclosed material information;
- (c) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (d) **Cause** means "Just Cause" as defined in the Participant's employment agreement or agreement for services with the Company or one of its subsidiaries, or if such term is not defined or if the Participant has not entered into an employment agreement or agreement for services with the Company or one of its subsidiaries, then any circumstance that would permit the Company or one of its subsidiaries to terminate a Participant's employment or agreement for services without notice of termination, or payment in lieu of notice of termination, severance pay or benefits continuation under the applicable law;
- (e) **Change of Control** means the occurrence of any of:
  - (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Company or any of its Affiliates) thereafter acquires the direct or indirect "beneficial ownership" (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;

- (ii) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Company);
  - (iii) the occurrence of a transaction requiring approval of the Company's security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company);
  - (iv) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or
  - (v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture;
- (g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its successors according to law;
- (h) **Consultant** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or any of its subsidiaries) or Company that:
- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Company, as the case may be; and
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;
- (i) **Date of Termination** means, for a Participant, the last day that the Participant actively provides services to the Company or a subsidiary of the Company without regard to any notice of termination or pay in lieu of notice thereof, deemed or notional notice period, or period during which the Participant receives pay in lieu of notice, termination pay, severance payments, or salary continuance, whether pursuant to statute, agreement, common law or otherwise;
- (j) **Director** means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (l) **Disinterested Shareholder Approval** has the meaning assigned by Policy 4.4 Sections 5.3(b) and (c) of the TSX Venture Policies;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date** for an Option means the date of grant thereof by the Board;
- (o) **Employee** means:

- (i) an individual who is considered an employee of the Company or of its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Service Provider** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (u) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (v) **Management Company Employee** means an individual employed by a company providing management services to the Company which services are required for the ongoing successful operation of the business enterprise of the Company;
- (w) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (x) **Officer** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (y) **Option** means the right to purchase Common Shares granted hereunder to a Participant under this Security Based Compensation Plan;
- (z) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Participant and substantially in the form of Schedule A attached hereto;
- (aa) **Optioned Shares** means Common Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (bb) **Optionee** means the recipient of an Option hereunder;
- (cc) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;

- (dd) **Participant** means a Service Provider that is the recipient of Security Based Compensation granted or issued by the Company;
- (ee) **Person** includes a company, any unincorporated entity, or an individual;
- (ff) **Plan** means this security based share option plan, the terms of which are set out herein or as may be amended;
- (gg) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under this Plan as provided in §2.2;
- (hh) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over this Plan and any Options issued hereunder;
- (ii) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (jj) **Security Based Compensation** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (kk) **Security Based Compensation Plan** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (ll) **Service Provider** means a Person who is a Director, Officer, Employee, Management Company Employee, or Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (mm) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (nn) **Take Over Bid** means a take over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (oo) **TSX Venture** means the TSX Venture Exchange and any successor thereto;
- (pp) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time; and
- (qq) **VWAP** means the volume-weighted average trading price of the Common Shares on the TSX Venture calculated by dividing the total value by the total volume of the Common Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSX Venture may exclude internal crosses and certain other special terms trades from the calculation.

### **Other Words and Phrases**

1.3 Words and phrases used in this Plan but which are not defined in this Plan, but are defined in the TSX Venture Policies, will have the meaning assigned to them in the TSX Venture Policies.

### **Gender**

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 SHARE OPTION PLAN**

### **Establishment of Share Option Plan**

2.1 This Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **Maximum Plan Shares**

2.2 The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan, together with all other Security Based Compensation Plans, at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans.

### **Eligibility**

2.3 Options to purchase Common Shares may be granted hereunder to Participants from time to time by the Board. Participants that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

### **Options Granted Under this Plan**

2.4 All Options granted under this Plan will be evidenced by an Option Commitment substantially in the form attached as Schedule A (or in such other form as determined by the Company) showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

### **Limitations on Participation**

2.6 This Plan provides for the following limits on grants unless otherwise permitted pursuant to the policies of the TSX Venture:

(i) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture, any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

(ii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

(iii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company may not exceed 10% of the Outstanding Shares at any point in time;

(iv) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company

granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and

(v) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not received any Security Based Compensation other than Options.

### **Exercised and Unexercised Options**

2.7 In the event an Option granted under this Plan is exercised, expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to this Plan and will be eligible for re-issuance.

### **Administration of this Plan**

2.8 The Board will be responsible for the general administration of this Plan and the proper execution of its provisions, the interpretation of this Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue this Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of this Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under this Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of this Plan so delegated to the same extent as the Board is hereby authorized so to do.

### **Amendment of this Plan by the Board of Directors**

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify this Plan or any Option granted as follows:

- (a) amendments which are of a typographical, grammatical, clerical nature only;
- (b) amendments of a housekeeping nature;
- (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture; and
- (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.

### **Amendments Requiring Disinterested Shareholder Approval**

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(a) this Plan, together with any other Security Based Compensation Plans, or any particular grant or issue of Security Based Compensation, could result in:

(i) the aggregate number of Common Shares issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Shares at any time;

(ii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or

(iii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or

(b) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

### **Options Granted Under the Company's Previous Share Option Plans**

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **Exercise Price**

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under this Plan, and cannot be less than the Discounted Market Price.

### **Term of Option**

3.2 The term of an Option will be set by the Board at the time such Option is allocated under this Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

### **Option Amendment**

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 In respect of any proposed amendment to the terms of an Option, and except as otherwise provided under TSX Venture Policies:

(a) any amendment must be approved by the TSX Venture, and be subject to shareholder approval, where applicable, prior to the exercise of such Option; and

(b) the Company must issue a news release outlining the terms of the amendment.

## **Vesting of Options**

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under this Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Participant remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Participant remaining as a Director of the Company or any of its Affiliates during the vesting period.

## **Vesting of Options Granted to Investor Relations Service Providers**

3.7 Notwithstanding §3.6, Options granted to Investor Relations Service Providers will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than another 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

## **Effect of Take-Over Bid**

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture for vesting requirements imposed by the TSX Venture Policies.

## **Acceleration of Vesting on Change of Control**

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities. Notwithstanding the foregoing, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

## **Extension of Options Expiring during Black-out Period**

3.10 Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10<sup>th</sup>) Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan, provided that such automatic extension of the Expiry Date for an Option will not apply where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

## **Optionee Ceasing to be Director, Employee or Service Provider**

3.11 Options may be exercised after the Participant has left his/her employ/office or has been advised by the Company or its subsidiary, as applicable, that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

(a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

(b) an Option granted to any Participant will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Termination Date, and only to the extent that such Option was vested at the Termination Date; and

(c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same.

### **Non-assignable**

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

### **Adjustment of the Number of Optioned Shares**

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and

(h) any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under this Plan is subject to the prior acceptance of the TSX Venture, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## **ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES**

### **Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to this Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

### **Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

(a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.5.

### **Cashless Exercise**

4.3 Subject to the provisions of this Plan (including, without limitation, Section 4.5 and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

(a) excluding Options held by any Investor Relations Service Provider, a "net exercise" procedure in which the Company issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or

(b) a broker assisted "cashless exercise" in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this §4.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the

Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with Section 4.5 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

**4.4** In the event of a net exercise pursuant to §4.3(a) or a cashless exercise pursuant to §4.3(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in §2.2, §2.6 and §2.10 of this Plan.

#### **Tax Withholding and Procedures**

4.5 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.5 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

#### **Delivery of Optioned Shares and Hold Periods**

4.6 As soon as practicable after receipt of the notice of exercise described in §4.2 or §4.3, as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders and Consultants; or
- (b) where Options are granted to any Participants, including Insiders and Consultants, where the Exercise Price is at a discount to the Market Price.

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the Effective Date of the grant of the Options.

### **ARTICLE 5 GENERAL**

#### **Employment and Services**

5.1 Nothing contained in this Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company or a subsidiary of the Company, or interfere in any way with the right of the Company or a subsidiary of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in this Plan by an Optionee is voluntary.

### **No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of this Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Participant. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

### **Interpretation**

5.3 This Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **Continuation of Plan**

5.4 This Plan will become effective from and after August 9, 2023, and will remain effective provided that this Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to such effective date.

### **Amendment of this Plan**

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate this Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of this Plan will be subject to any necessary Regulatory Approvals and Shareholder Approval.

**SCHEDULE A**  
**SHARE OPTION PLAN**  
**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, pursuant to the provisions of the Share Option Plan (the "Plan") of Sanatana Resources Inc. (the "Company"), the Company has granted to \_\_\_\_\_ (the "Optionee"), an Option to acquire \_\_\_\_\_ Common Shares ("Optioned Shares") up to 5:00 p.m. (Vancouver Time) on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Expiry Date"), or such earlier date as determined in accordance with the terms of this Plan, at an Exercise Price of Cdn\$\_\_\_\_\_ per share.

[Optioned Shares are to vest immediately.]

**OR**

[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a "net exercise" basis or "cashless exercise" basis in accordance Section 4.3(a) or Section 4.3(b) of the Plan and the Company's Board of Directors approves the exercise on a "net exercise" basis or "cashless exercise" basis, deliver a written notice and comply with such other conditions as established by the Company for a "net exercise" or "cashless exercise". A certificate, or a written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

[*Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.*]

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [*insert date 4 months from the date of grant of the Options*]."

The Company and the Optionee represent that the Optionee, under the terms and conditions of the Plan, is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the TSX Venture Policies) by both the Company and the TSX Venture Exchange as more particularly set out in the Acknowledgement - Personal Information form in use by the TSX Venture Exchange on the date of this Option Commitment.

**SANATANA RESOURCES INC.**

Per:

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
*[insert name and title of authorized signatory]*

The Optionee acknowledges receipt of a copy of the Plan and represents to the Company that the Optionee is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

**OPTIONEE:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date signed:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

**SCHEDULE B**  
**SHARE OPTION PLAN**  
**NOTICE TO EXERCISE OPTIONS**

**Sanatana Resources Inc.**  
**Attention: Share Option Plan Administrator**



Re: Employee Share Option Exercise

Attn: Share Option Plan of Sanatana Resources Inc. (the "Company")

This letter is to inform the Administrator of the Company's Share Option Plan that I, \_\_\_\_\_, wish to exercise \_\_\_\_\_ options, at \_\_\_\_\_ per share, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Payment issued in favour of Sanatana Resources Inc. for the amount of \$\_\_\_\_\_ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Please send share certificate to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date

\_\_\_\_\_  
SIN Number (for T4)

## SCHEDULE H

### TEXT OF ADVANCE NOTICE PROVISIONS ALTERATION TO THE ARTICLES OF SANATANA RESOURCES INC.

#### 14.12 Nomination of Directors

Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the person calling such special meeting):

by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;

by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or

by any person (a “**Nominating Shareholder**”) (A) who, at the close of business on the date of the giving of the notice provided for below in this §14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (B) who complies with the notice procedures set forth below in this §14.12.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must give

timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company in accordance with this §14.12; and

the representation and agreement with respect to each candidate for nomination as required by, and within the time period specified in §14.12(d).

To be timely under §14.12(b)(i), a Nominating Shareholder’s notice to the Corporate Secretary of the Company must be made:

in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 40 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and

in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day

following the day on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this §14.12(c).

To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company, under §14.12(b)(i) must set forth:

as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, (D) a statement as to whether such person would be "independent" of the Company (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and

as to the Nominating Shareholder giving the notice, (A) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws, and (B) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the Meeting of Shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice.

To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this §14.12 and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the Meeting of Shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this §14.12; provided, however, that nothing in this §14.12 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is

not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

For purposes of this §14.12:

**“Affiliate”**, when used to indicate a relationship with a person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

**“Applicable Securities Laws”** means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the applicable provinces and territories of Canada;

**“Associate”**, when used to indicate a relationship with a specified person, shall mean (A) any corporation or trust of which such person owns beneficially, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such corporation or trust for the time being outstanding, (B) any partner of that person, (C) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (D) a spouse of such specified person, (E) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (F) any relative of such specified person or of a person mentioned in clauses (D) or (E) of this definition if that relative has the same residence as the specified person;

**“Derivatives Contract”** shall mean a contract between two parties (the **“Receiving Party”** and the **“Counterparty”**) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the **“Notional Securities”**), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts;

**“Meeting of Shareholders”** shall mean such annual shareholders meeting or special shareholders meeting, whether general or not, at which one or more persons are nominated for election to the board by a Nominating Shareholder;

**“owned beneficially”** or **“owns beneficially”** means, in connection with the ownership of shares in the capital of the Company by a person, (A) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (B) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (C) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person owns beneficially pursuant to this clause (C) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by

each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty's Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty's Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (D) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities; and

**“public announcement”** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company or its agents under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

Notwithstanding any other provision to this §14.12, notice or any delivery given to the Corporate Secretary of the Company pursuant to this §14.12 may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

In no event shall any adjournment or postponement of a Meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described in §14.12(c) or the delivery of a representation and agreement as described in §14.12(e).