

# METALORE RESOURCES LIMITED

*Our Eightieth Year*

**September 1, 2023**

## **Notice of Annual Meeting of Shareholders**

and

## **Management Information Circular**

and

## **Voting Proxy**

For the Annual Meeting of Shareholders  
to be held on

**Saturday, September 30<sup>th</sup>, 2023, 11:30 AM**

at

**Simcoe Library**  
46 Colborne Street  
Simcoe, Ontario N3Y 4H3

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## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

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NOTICE IS HEREBY GIVEN that the Annual Meeting (the "Meeting") of the Shareholders (the "Shareholders") of Metalore Resources Limited (the "Company") will be held at the Simcoe Library, The Meeting Room, 46 Colborne Street, Simcoe, Ontario N3Y 4H3, on Saturday, September 30, 2023, at the hour of 11:30 AM (Eastern Standard Time) for the following purposes:

1. To receive and consider the audited financial statements of the Company for the 12 months ended March 31, 2023, together with a report of the auditors thereon;
2. To appoint the auditors and to authorize the directors to fix their remuneration;
3. To elect the directors;
4. To consider, and, if deemed advisable, pass with or without variation an ordinary resolution to approve a stock option plan for current directors and officers of the Company (the "Stock Option Plan") of 48,000 common shares.
5. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

The Board of Directors of the Company have fixed the close of business on August 22, 2023 as the record date for the determination of members entitled to the notice of the Meeting or any adjournment or adjournments thereto and the right to vote thereat.

This notice is accompanied by a form of proxy. 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 Simcoe, Ontario this 1<sup>st</sup> day of September, 2023.

BY ORDER OF THE BOARD



Armen Chilian  
President & CEO

## GENERAL AND VOTING INFORMATION

This Management Information Circular (the "Circular") is furnished in connection with the annual meeting (the "Meeting") of the holders ("Shareholders") of common shares ("Common Shares") of Metalore Resources Limited ("Metalore" or the "Company") to be held on Saturday, September 30, 2023, at the hour of 11:30 AM (Eastern Standard Time) at the Simcoe Library, The Meeting Room, 46 Colborne Street South, Simcoe, Ontario N3Y 4H3 and at any continuation thereof after an adjournment.

### Date of information

The information contained herein is given as of August 22<sup>nd</sup>, 2023, except as otherwise stated.

### Currencies

Unless otherwise specified, all dollar ("\$\$") amounts are stated in Canadian dollars.

### Solicitation of Proxies

The enclosed proxy is being solicited by or on behalf of the management of the Company. The mailing to Shareholders of this Circular will be on or before September 1, 2023. The cost of soliciting proxies will be borne by the Company. While most proxies will be solicited by mail only, regular employees of the Company may also solicit proxies by telephone or in person. Such employees will receive no additional compensation for these services other than their regular remuneration, but will be reimbursed for their reasonable expenses.

The Company will provide proxy materials to brokers, custodians, nominees and fiduciaries and will request that such materials be promptly forwarded to the beneficial owners of Common Shares registered in the names of such brokers, custodians, nominees and fiduciaries. The Company will reimburse brokers, custodians, nominees and fiduciaries for their reasonable charges and expenses incurred in forwarding proxy materials to beneficial owners of Common Shares.

### Registered Shareholders

Registered shareholders are Shareholders whose Common Shares are held in their own name and they will receive a proxy form in their own name.

### Notice to Beneficial Holders of Common Shares

The information in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares in their own name. If you do not hold your Common Shares in your own name, you are considered a "Beneficial Shareholder". You should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of the Common Shares can be recognized and acted upon at the Meeting.

If your Common Shares are listed in an account statement provided to you by a broker, then in almost all cases those Common Shares will not be registered in your name on the records of the Corporation. Those Common Shares will more likely be registered under the name of your broker or an agent of that broker.

The majority of brokers in Canada and the United States delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("Broadridge"). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Beneficial Shareholder may be given the option to vote by telephone or via the Internet. 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.

### Common Shares and Principal Shareholders

The Board of Directors of the Company ("Board of Directors") has fixed August 22, 2023 as the record date for the purpose of determining Shareholders entitled to receive Notice of the Meeting (the "Meeting Record Date").

The Company will prepare, no later than ten (10) days following the Meeting Record Date, a list of Shareholders entitled to vote as of the Meeting Record Date, showing the number of Common Shares held by each such Shareholder. Each person named on the list of Shareholders is entitled to one (1) vote for each Common Share held, except to the extent that: (i) the Shareholder has transferred any Common Shares after the Meeting Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes ownership of those Common Shares and requests not later than ten (10) days before the date of the Meeting that the transferee's name be included on such list before the Meeting, in which case the transferee is entitled to vote those Common Shares at the Meeting.

The authorized capital of the Company consists of 4,000,000 Common Shares. As of the date hereof there were 1,775,035 Common Shares outstanding. Each Common Share carries the right to one (1) vote on any matter properly coming before the Meeting. A quorum for the meeting of Shareholders consists of two (2) persons present in person or by proxy.

The following table shows, as of the date of this Circular, each person who is known to the Company, or its directors and officers, who beneficially own, directly or indirectly, or to exercise control or direction over securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Company entitled to be voted at the meeting.

Name of shareholder	Securities owned, controlled or directed	Percentage of class of outstanding voting securities of the Company <sup>(1)</sup>
Agrita Chilian <sup>(3)</sup>	581,211	32.7%
Southern Ontario Natural Gas <sup>(2)</sup>	468,454	26.4%

### Notes:

(1) Based on 1,775,035 Common Shares issued and outstanding as at the date hereof.

(2) Southern Ontario Natural Gas Limited (herein referred to as, "SONG"), is a private Ontario company indirectly controlled by Carl Chilian.

(3) Agrita Chilian is the widow of George W. Chilian, former president and CEO of the Company who passed away April 17, 2017

### **Appointment of Proxy Holders**

The persons named in the enclosed form of proxy are directors and/or officers of Metalore. A Shareholder has the right to appoint some other person (who need not be a Shareholder) to attend and to act for and on behalf of such Shareholder at the Meeting. To exercise this right, the Shareholder must either insert the name of the desired person in the blank space provided in the proxy and strike out the other names or submit another proper form of proxy and, in either case, deliver the completed proxy by post or other form of delivery to Metalore at its registered office at 422 – 124 Norfolk Street North, Simcoe, Ontario N3Y 3N8, Canada, to be received not later than 11:30am on September 28, 2023 or, in the event of an adjournment, not later than two (2) business days preceding the day to which the Meeting is adjourned.

All Common Shares represented by a properly executed and deposited proxy will be voted or withheld from voting on the matters identified in the Notice of Meeting in accordance with the instructions of the Shareholder as specified thereon.

**If you have appointed a person who was designated by Metalore to vote on your behalf as provided in the enclosed form of proxy and you do not provide any instructions concerning any matter identified in the Notice of Meeting, the person or persons named in the enclosed form of proxy intend to vote the Common Shares represented by such proxy:**

- (1) FOR the approval and appointment of the independent auditor as auditors of the Corporation for the ensuing year and to authorize the Board of Directors to fix the remuneration of the auditors;
- (2) FOR the election of the persons nominated for election as directors of the Company;

The enclosed form of proxy, when properly signed, confers discretionary authority on the person or persons named to vote on any amendment to matters identified in the Notice of Meeting and on any other matter properly coming before the Meeting. Management is not aware of any such matter; however, if such matter properly comes before the Meeting, the proxies will be voted at the discretion of the person or persons named therein.

### **Other Business**

The form of proxy accompanying this Circular confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of the Meeting or other matters which may properly come before the Meeting. Management of the Company knows of no matter to come before the Meeting or of any amendment or variation to matters identified in the Notice of the Meeting, other than the matters referred to in the Notice of the Meeting. However, if matters not now known to management should properly come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the person voting such Common Shares.

### **Revocability of Proxies**

A Shareholder executing the enclosed form of proxy has the right to revoke it at any time before it is exercised. A Shareholder may revoke a proxy by depositing an instrument in writing, executed by the Shareholder or by an attorney authorized in writing, at, or by transmitting, by telephonic or electronic means or any other manner permitted by law, a revocation to, the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or by depositing such instrument with the Chair of the Meeting on the day of the Meeting, or any adjournment thereof, or in any other manner permitted by law.

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

There was no indebtedness of any director or officer of the Company or of any proposed nominee for election as a director of the Company to, or guaranteed or supported by, the Company either pursuant to an employee stock purchase program of the Company or otherwise within 30 days of August 22, 2023.

### **Directors' and Officers' Liability Insurance**

The Company maintains directors' and officers' liability insurance on behalf of the directors and officers of the Company. The current maximum coverage is \$1,000,000, subject to a deductible of \$25,000 per loss. The current annual premium amounts to \$6,615.

### **Interests of Management and Others in Material Transactions**

During Fiscal 2023 the Company exchanged a mineral property in northern Ontario for the remaining 48% interest in certain Houghton Township properties (previously held by SONG), such that it now owns 100% interest in several Houghton Township natural gas properties.

### **Additional Information**

Financial information is provided in the Company's comparative financial statements and Management Discussion and Analysis ("MD&A") for its most recently completed financial year. The Company will furnish, without charge, to any Shareholder submitting a written request, a copy of the Company's Annual Report, Proxy Form, Financial Statements and Management Discussion and Analysis for the year ended March 31, 2023. Such written request should be directed to [armen.chilian@gmail.com](mailto:armen.chilian@gmail.com) or to the attention of Metalore Resources Limited, 422-124 Norfolk Street North, Simcoe, Ontario N3Y 3N8. Copies of these materials are available on the Company's SEDAR+ profile: <https://www.sedarplus.ca>

### **Board of Directors Approval**

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

## **BUSINESS OF THE MEETING – MATTERS TO BE ACTED UPON**

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### **Financial Statements and Auditor's Report**

The Audited Financial Statements and MD&A of Metalore for the year ended March 31, 2023, and the Auditor's Report on those financial statements are available on the Company's SEDAR profile at <https://www.sedarplus.ca>. Additional copies may be obtained from Metalore upon request.

### Appointment of Auditors

The Board of Directors recommends that S&D LLP be appointed as Metalore's auditors to hold office until the close of the next annual meeting and that the Board of Directors be authorized to fix their remuneration as such.

**Unless the form of proxy states otherwise, or if the right to vote is not exercised for the appointment of auditors, the persons named in the enclosed form of proxy intend to vote at the meeting FOR the appointment of S&D LLP as auditors of the Company and to authorize the directors to fix their remuneration.**

### Election of Directors

The by-laws of Metalore provide that the Board of Directors shall consist of at least five (5) directors. The nominees for election as directors of Metalore are listed below, all of whom are currently serving as directors of Metalore. The persons proposed for election are, in the opinion of the Board of Directors and management, well qualified to act as directors for the forthcoming year. Each of such nominees, if elected, will serve until the next annual meeting of Shareholders or until his or her resignation or successor is duly elected or appointed. Management has been informed that each nominee is willing to serve as a director, if elected. Management recommends a vote for all nominees for election as directors of the Company.

### Majority Voting for Directors

The Board has adopted a policy requiring that for election of directors, any nominee who receives a greater number of votes "against" than votes "for" will tender a resignation to the Chairman of the Board promptly following the Meeting. The Nominating and Corporate Governance Committee will consider the offer of resignation and, except in special circumstances, will recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable. The nominee will not participate in any Nominating and Corporate Governance Committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

Management's nominees for election at the AGM are:

Armen A. Chilian	Donald W. Bryson
Timothy J. Cronkwright	Bruce A. Davis
John C. McVicar	

Shareholders have the option to (i) vote for all of the directors of the Company listed in the table below; (ii) vote for some of the directors and against others; or (iii) against all of the directors. **Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are voted otherwise, the persons named in the accompanying proxy intend to vote FOR the election of each of the proposed nominees set forth above as directors of the Corporation.**

### Board Nominees Approval of Option Grants under Equity Compensation Plan

As at the date of this Circular 48,000 treasury shares have been set aside for stock options but all past stock option grants have since expired.

## BOARD OF DIRECTORS

### Board Nominees

The following table, among other things, sets forth the name of all persons proposed to be nominated for election as directors, their place of residence, position held, and periods of service with, the Corporation, or any of its affiliates, their principal occupations and the approximate number of Common Shares of the Corporation beneficially owned, controlled or directed, directly or indirectly, by them.

Name, Province or State and Country of Residence	Date First Became a Director	Present Principal Occupation and Positions Held During the Preceding Five Years	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>
Armen A. Chilian <i>Ontario, Canada</i>	1987-2001 2017	President & CEO of the Company (May 2017 to present); Corporate Secretary (Aug 2016 to present)	40,000
Donald W. Bryson <i>Ontario, Canada</i>	2017	Principal, Bryson CPA Professional Corporation.	[Nil]
Timothy J. Cronkwright <sup>(2)(3)(4)</sup> <i>Ontario, Canada</i>	2009	Co-owner & Co-Manager, Trademark Warehousing Limited	2,500
Bruce A. Davis <sup>(2)(3)(4)</sup> <i>Georgia, USA</i>	2009	Owner & Manager, Davis Bros. Wood Products Inc.	3,000
John C. McVicar <sup>(2)(3)</sup> <i>Ontario, Canada</i>	1982	Insurance Broker, Insurance Central/Broker Link (2009 – present); Insurance Broker & Partner, Meen & Associates (1991 – 2009)	6,900

### Notes:

- (1) The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Company and has been furnished by the respective individuals.
- (2) Member of the Audit Committee. Timothy J. Cronkwright is Chairman of the Audit Committee.
- (3) Member of the Compensation Committee. Timothy J. Cronkwright is Chairman of the Compensation Committee.
- (4) Member of the Nominating and Corporate Governance Committee. Timothy J. Cronkwright is the Chairman of the Nominating and Corporate Governance Committee.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 52,400 Common Shares, representing approximately 2.95% of the issued and outstanding Common Shares as of the date hereof.

### **Corporate Cease Trade Orders and Bankruptcies**

To the best knowledge of the Company, no individual set forth in the above table is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while such individual was acting in the capacity as director, chief executive officer or chief financial officer; or
- b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

No individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual.

No individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

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

### **COMPENSATION DISCUSSION AND ANALYSIS**

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#### **Compensation Committee**

The Compensation Committee is comprised of Timothy J. Cronkwright (Chair), Bruce A. Davis and John C. McVicar, all of whom are independent within the meaning of Canadian Securities Administrator's National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"). All Compensation Committee members have direct or indirect experience that is relevant to their responsibilities in executive compensation. In their roles as members of the Compensation Committee and as current or former senior executive officers, each member of the Compensation Committee has developed skills and experience in executive compensation issues which enable them as a group to make decisions on the suitability of the Company's compensation policies and practices.

The Compensation Committee oversees the remuneration, nomination and appointment policies and practices of the Company. The principal responsibilities of the Compensation Committee include:

- considering the Company's overall remuneration strategy and, where information is available, verifying the appropriateness of existing remuneration levels using external sources for comparison;
- comparing the nature and amount of the Company's directors' and executive officers' compensation to performance against goals set for the year while considering relevant comparative information, independent expert advice and the financial position of the Company;
- making recommendations to the Board of Directors in respect of director and executive officer remuneration matters, with the overall objective of ensuring maximum shareholder benefit from the retention of high quality board and executive team members;
- considering nominees for independent directors of the Company; and
- planning for the succession of directors and executive officers of the Company, including appointing, training and monitoring senior management to ensure that the Board of Directors and management have appropriate skill and experience.

#### **Compensation Program: Discussion and Analysis**

The Company has a compensation program to compensate executive management which includes a base salary and cash bonus awards where warranted designed to be competitive within the marketplace while aligning management's compensation with the long-term interests of shareholders. In considering executive management's compensation, the financial condition of the Company is also taken into consideration. The compensation program aims to ensure total remuneration is competitive by market standards and links rewards with the short-term and long-term strategic goals and performance of the Company.

The Board of Directors establishes the remuneration of the Chief Executive Officer (the "CEO") on the basis of a recommendation from the Compensation Committee. The Compensation Committee, based on the recommendation of the CEO, will establish the remunerations of executives reporting to the CEO, including their participation in incentive plans offered by the Company.

#### **Key Elements of Compensation**

##### **Base Salary**

In determining the basic salary of an executive officer, the Compensation Committee places equal weight on the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by comparable businesses;
- (c) the experience level of the executive officer; and
- (d) his or her overall performance based on corporate objectives.

During the most recently completed financial year, the Company has not engaged any external compensation consultants or advisors.

### Bonus Payments

Executive officers are eligible for annual cash bonuses, after taking into account and giving equal weight to, financial performance, attainment of certain corporate objectives and individual performance.

In taking into account the financial performance aspect, it is recognized that executive officers cannot control certain factors, such as interest rates and the international market for oil and gas. When applying the financial performance criteria, the Compensation Committee considers factors over which the executive officers can exercise control, such as meeting budget targets established by the Board of Directors at the beginning of each year, controlling costs, taking successful advantage of business opportunities and enhancing the competitive and business prospects of the Company. There are no pre-established payout ranges.

### Long-term Incentives

#### Stock Options

The grant of options pursuant to the Stock Option Plan is an integral component of the compensation arrangements of the senior officers of the Company. The Board believes that the grant of options to directors and insiders and Common Share ownership by such persons serves to motivate such officers to strive towards achievement of the Company's long-term strategic objectives, which will benefit all shareholders of the Company. Options are awarded to employees of the Corporation by the Board, based on the recommendations of the Compensation Committee. Decisions with respect to options granted are based upon the individual's level of responsibility and their contribution towards the Company's goals and objectives, and additionally may be awarded in recognition of the achievement of a particular goal or extraordinary service. The Board considers the overall number of options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of options and the size of such grants.

### Determination of Executive Compensation

#### (a) Corporate Objectives for the Twelve Months Ended March 31, 2023

In determining executive compensation for the twelve months ended March 31, 2023, it was recognized that the operating environment in the Ontario natural gas sector weakened due to lower natural gas prices. In this environment, it was determined that the following objectives remain paramount:

1. Continue to provide efficient production operations.
2. Preserve and maintain financial integrity
3. Manage the sale of natural gas to optimize pricing.
4. Determine and implement capital expenditure programs
5. Maintain strong relations with industry participants.
6. Continue operating safely and in compliance with applicable guidelines.

Overall Performance		
1.	Continue to provide efficient production operations.	Production was 125,326 MMBtu for the year ended March 31, 2023 compared to 134,182 MMBtu for the comparative previous period. The Company posted a net loss of \$1,755,227 (\$0.99 per share) for the year ended March 31, 2023 compared to a net income of \$1,749,434 (\$0.99 per share) for the year ended March 31, 2022. The net loss was primarily the result of impairment, due to low natural gas price forecasts and related assumptions, used in the 2023 natural gas reserves report.
2.	Preserve and maintain financial integrity.	The Company had working capital of \$5,109,084 at March 31, 2023 compared to working capital of \$4,759,744 at March 31, 2022.
3.	Manage the sale of natural gas to optimize pricing.	For the year ended March 31, 2023, revenue increased to \$1,069,643 from \$812,789 for the year ended March 31, 2022.
4.	Determine and implement capital expenditure programs, primarily being pipeline replacements and facilitating new field line customer installations.	During the period the Company produced natural gas from 80 wells in two townships in Norfolk County, Ontario and has maintained its indirect distribution to 150 commercial and residential customers along its gathering pipelines pursuant to an agreement with Enbridge Gas Inc.  The Company's various interests in the large tract of claims in the Brookbank area are under Joint Venture exploration agreement with [Equinox Gold] Greenstone Gold Mines GP Inc.

5.	<b>Maintain strong relations with industry participants</b>	<b>The Company sells natural gas to Enbridge Gas Inc. which distributes the gas directly to local residential and commercial customers within Metalore's gas gathering pipeline system. In August 2019, the Ontario Energy Board granted Metalore the right to sell natural gas directly to a potentially large volume customer, New Leaf Canada Inc., located near Walsh, Ontario.</b>
6.	<b>Continue operating safely and in compliance with applicable guidelines.</b>	<b>The Company experienced no safety incidents and was in compliance with all applicable guidelines during the period.</b>

*(b) Rationale of NEO Employment Agreements*

As described under "Executive Compensation – Employment Agreements", the Company does not have a written consulting agreement with Armen A. Chilian (CEO & Director). Mr. Chilian renders invoices to the Company for services rendered at arm's length rates.

As described under "Executive Compensation – Employment Agreements", the Company does not have a written consulting agreement with Donald W. Bryson (CFO & Director). Mr. Bryson renders invoices to the Company for services rendered at arm's length rates. This arrangement is viewed as appropriate at this time given the Company's small scale of operations. Should the Company's operations expand, the Company would require further support from the CFO and the compensation of the CFO would be adjusted accordingly. In addition, as the CFO is not extensively involved in strategic execution and the CFO function is more support in nature, the CFO is compensated for services rendered primarily as a function of time spent. This approach is viewed as appropriate at this time for the reasons discussed. As the CEO has primary responsibility for strategy execution, the corporate objectives for the twelve months ended March 31, 2023 noted above will not be discussed in relation to the CFO.

*(c) Formulation of CEO Executive Compensation*

As of September 30, 2017, Armen A. Chilian was elected President and CEO.

<b>Factor /Criteria</b>	<b>Comment</b>
<b>Particular Responsibilities Related to the Position</b>	The CEO is the senior officer of the Company and has overall supervisory and managerial responsibility. This level of responsibility supports material compensation.
<b>Salaries Paid by Comparable Businesses</b>	The Company does not engage in benchmarking at this time due to a lack of comparable businesses. Echo Energy Canada Inc. and Greentree Gas & Oil Ltd. were reporting issuers actively engaged in natural gas development and production in Ontario but they have become defunct or insolvent in the previous years. The Company is mindful of the salaries paid to executives in the Canadian junior natural resource sector, but does not benchmark to any particular issuer because of dissimilar operations.
<b>Experience Level of the Executive Officer</b>	The CEO is experienced with the business and operations of the Company. His knowledge, skill and expertise are acknowledged.

**Compensation Risk Considerations**

The Compensation Committee is responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. The Company believes the programs are balanced and do not motivate unnecessary or excessive risk taking. The Company does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of the Company as of the date of hereof, no director or NEO of the Company has participated in the purchase of such financial instruments.

**EXECUTIVE COMPENSATION**

**Named Executive Officers**

In accordance with applicable securities regulations, Named Executive Officers ("NEOs") means the following individuals:

- (a) the Chief Executive Officer ("CEO") of the Company or any person that acted in a similar capacity during the most recently completed fiscal year;
- (b) the Chief Financial Officer ("CFO") of the Company or any person that acted in a similar capacity during the most recently completed fiscal year;
- (c) none of the Company's most highly compensated executive officers have received more than \$100,000 per year for the past three years;



## PERFORMANCE GRAPH



Event	Date	Metalore Resources Limited			S&P / TSX-V Composite Index		
		Value	Price	+/-	Value	Index	+/-
	29-Mar-2018	\$100.00	\$2.00	0 %	100.00	797	0.00 %
Cedartree gold zone/xtn study	29-Jun-2018	\$105.00	\$2.10	5 %	92.85	740	-7.15 %
	28-Sep-2018	\$90.00	\$1.80	-10 %	88.96	709	-11.04 %
	29-Dec-2018	\$81.50	\$1.63	-18.5 %	69.89	557	-30.11 %
	29-Mar-2019	\$71.00	\$1.42	-29 %	78.67	627	-21.33 %
OEB grants CPCN	28-Jun-2019	\$45.00	\$0.90	-55 %	73.40	585	-26.60 %
	30-Sep-2019	\$105.00	\$2.10	5 %	71.52	570	-28.48 %
	31-Dec-2019	\$97.50	\$1.95	-2.5 %	70.77	564	-29.23 %
	31-Mar-2020	\$100.00	\$2.00	0 %	48.81	389	-51.19 %
Gold Price rises	30-Jun-2020	\$100.00	\$2.00	0 %	78.04	622	-21.96 %
	30-Sep-2020	\$120.00	\$2.40	20 %	89.08	710	-10.92 %
Cedartree Sold	31-Dec-2020	\$135.50	\$2.71	35.5 %	110.29	879	10.29 %
	31-Mar-2021	\$150.00	\$3.00	50 %	118.82	947	18.82 %
Gas Price rises	30-Jun-2021	\$127.50	\$2.55	27.5 %	120.45	960	20.45 %
	30-Sep-2021	\$118.00	\$2.36	18 %	108.16	862	8.16 %
	31-Dec-2021	\$112.00	\$2.24	12 %	118.07	941	18.07 %
	31-Mar-2022	\$120.00	\$2.40	20 %	112.30	895	12.30 %
Takeover Talks	30-Jun-2022	\$110.00	\$2.20	10 %	77.42	617	-22.58 %
	30-Sep-2022	\$120.00	\$2.40	20 %	74.53	594	-25.47 %
Gas Price falling	31-Dec-2022	\$121.00	\$2.42	21 %	71.52	570	-28.48 %
	31-Mar-2023	\$125.50	\$2.51	25.5 %	79.55	634	-20.45 %

The following graph compares the annual change in the cumulative total shareholder value for \$100 invested in Common Shares of Metalore Resources Limited compared to the cumulative value from \$100 invested in the S&P/TSX Venture Composite Index for the five most recently completed financial years of the Company.

### Performance Graph Comments

The Company's core business was natural gas production throughout the Performance Graph timeframe shown above. Changes were implemented in fiscal Q3 2019 (Gas Producers Agreement with Enbridge Gas Inc.) and Q2 2020 (awarded Certificate of Public Convenience and Necessity by the Ontario Energy Board) to help maintain and potentially add to future revenue. The Company's northern Ontario gold properties have seen limited exploration over the past few years and in fiscal Q3 2021, the Cedartree property was sold.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

### Directors' Stock Options

As at the date of this Circular 48,000 treasury shares have been set aside for stock options but all past stock option grants have since expired.

## CORPORATE GOVERNANCE

Metalore believes that good corporate governance is an essential element in a well-managed company. Metalore follows the corporate governance practices recommended by National Policy 58-201, Corporate Governance Guidelines, adopted by the Canadian Securities Administrators, and exceeds those guidelines where it is deemed appropriate. The following is a description of the Company's corporate governance practices made in accordance with NI 58-101.

### Diversity Considerations and Objectives

The Company has not adopted a written policy relating specifically to the identification and nomination of women on the Board or Executive Officer positions. The Board believes that having written policies governing the selection of Board nominees could unduly restrict the Board's ability to select the most capable candidates that are free from conflicts of interest or other considerations that may impede the ability of the person to serve as a Director. Potential nominees for the Board of Directors and candidates for Executive Officer positions are being evaluated

by the Company's "Nominating and Corporate Governance Committee(s)" evaluated on the basis of experience, skill, ability and capacity to contribute to the effective function of the Board and Management of the Company.

It should be noted that Metalore enjoyed the distinct honour and benefit of having a highly skilled, technical Woman (1) serve on the Board, as well as Executive Officer (Vice President, Public Relations) for thirty-five years running (October 1975 – October 2010) until her untimely death. The Company also had a Woman (2) geologist, employed full time, in the field for eight years (1981 – 1988). Furthermore, the Company has employed women at secretarial and accounting staff positions for over 50 years, and continues to do so.

(1) Mrs. Patricia Shelander, M.Sc., St. Paul, Minnesota

(2) Miss Barbara Kowalski, M.Sc., Brantford, Ontario

#### **Board of Directors**

The Board of Directors is currently composed of five (5) directors. Form 58-101F1 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under National Instrument 52-110 - *Audit Committees* ("NI 52-110"), which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment and, specifically in addition to other circumstances, excludes "independence" where the individual has received more than \$75,000 in direct compensation during a twelve month period in the prior three years.

Of the existing directors of the Company, two are not "independent" under NI 52-110 for the following reasons:

- (i) Armen A. Chilian (President and Chief Executive Officer) is an "insider" or Managing Director and accordingly is not considered "independent" as a result of this relationship; and
- (ii) Donald W. Bryson (Chief Financial Officer) is an "insider" or management director and accordingly is not considered "independent" as a result of this relationship.

The remaining three (3) directors, Timothy J. Cronkwright, Bruce A. Davis, and John C. McVicar are considered by the Board to be "independent", within the meaning of NI 52-110. In assessing Form 58-101F1 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors as noted above.

A majority of the directors is independent, as three (3) of the five directors are independent as noted above. To facilitate the functioning of the Board of directors independently of management, the following structures and processes are in place:

- John C. McVicar is independent and acts as the lead director for the independent directors with a mandate to provide leadership for the independent directors and oversight of the structures and processes described below which are intended to facilitate the functioning of the board of directors independently of management;
- when appropriate, members of management, are not present for the discussion and determination of certain matters at meetings of the board of directors. During the most recently completed financial year, one meeting of the independent members of the directors was held, and it is now the Company's policy to hold at least one meeting of the independent board of directors during each financial quarter;
- under the by-laws of the Company, any two directors may call a meeting of the board of directors;
- the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee consists of independent directors who meet independent of management directors; and
- in addition to the above standing Committees of the board of directors, independent committees may be appointed from time to time, when appropriate.

The following table sets forth the independence, board meeting attendance record and directorships with other reporting issuers for the Directors each of whom is also proposed in this circular for election at the AGM:

Name	Independent <sup>(1)</sup>	Basis for determination of independence	Attendance at Board of Director meetings held during the most recently completed fiscal year <sup>(2)</sup>	Other reporting issuers of which the Director serves as a Director
Armen A. Chilian	No	Officer of Metalore	Attended all 4 Board meetings	N/A
Donald W. Bryson	No	Officer of Metalore	Attended all 4 Board meetings	N/A
Timothy J. Cronkwright	Yes	No direct or indirect material relationship with the Company	Attended all 4 Board meetings	N/A
Bruce A. Davis	Yes	No direct or indirect material relationship with the Company	Attended 3 Board Meetings	N/A
John C. McVicar	Yes	No direct or indirect material relationship with the Company	Attended all 4 Board meetings	N/A

**Notes:**

- (1) To be considered independent, a member of the Board of Directors must not have any direct or indirect “material relationship” with 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 judgement.
- (2) The Board of Directors meets at least once each calendar quarter. The frequency of the meetings and the nature of the meeting agendas are dependent upon the nature of the business and affairs which the Company faces from time to time. During the most recently completed financial year, the Board of Directors met four (4) times.

**Mandate of the Board of Directors**

The duties and responsibilities of the Board of Directors are:

- to supervise the management of the business and affairs of the Company; and
- to act with a view towards the best interests of the Company.

In discharging its mandate, the Board of Directors is responsible for the oversight and review of the development of, among other things, the following matters:

- the strategic planning process of the Company;
- identifying the principal risks of the Company’s business and ensuring the implementation of appropriate systems to manage these risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy for the Company to facilitate communications with investors and other interested parties; and
- the integrity of the Company’s internal control and management information systems.

The Board of Directors also has the mandate to assess the effectiveness of the Board of Directors as a whole, its committees and the contribution of individual directors.

**Position Descriptions**

*Chair of the Board*

The Chair of the Board is currently John C. McVicar. The Board has developed and adopted a written position description for the Chair of the Board. Pursuant to the written description, the Chair is responsible for, among other things: Chairing all meetings of the Board in a manner that promotes meaningful discussion; providing leadership to the Board to enhance the Board’s effectiveness; managing the Board; Acting as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner, which involves working with the Corporate Governance and Compensation Committee to ensure that the Company is building a healthy governance culture; and, at the request of the Board of Director, representing the Company to external groups such as shareholders and other stakeholders, including community groups and governments.

*Chief Executive Officer*

The Board has also developed and adopted a role statement for the Chief Executive Officer whose primary role is to take overall supervisory and managerial responsibility for the day to day operations of the Company’s business and to manage the Company in an effective, efficient and forward-looking way and to fulfill the priorities, goals and objectives determined by the Board of Directors in the context of the Company’s strategic plans, budgets and responsibilities set out below, with a view to increasing shareholder value. The Chief Executive Officer is responsible to the Board. Without limiting the foregoing, the Chief Executive Officer is responsible for the following: developing and maintaining the Company’s goal to operate to the highest standards of the industry; maintaining and developing with the Board strategic plans for the Company and implement such plans to the best abilities of the Company; providing quality leadership to the Company’s staff and ensuring that the Company’s human resources are managed properly; providing high-level policy options, orientations and discussions for

consideration by the Board; together with any special committee appointed for such purpose, maintaining existing and developing new strategic alliances and considering possible merger or acquisition transactions with other mining companies which will be constructive for the Company's business and will help enhance shareholder value; providing support, co-ordination and guidance to various responsible officers and managers of the Company; ensuring communications between the Company and major stakeholders, including and most importantly the Shareholders, are managed in an optimum way and are done in accordance with applicable securities laws; providing timely strategic, operational and reporting information to the Board and implement its decisions in accordance with good governance, with the Company's policies and procedures, and within budget; acting as an entrepreneur and innovator within the strategic goals of the Company; co-ordinating the preparation of an annual business plan or strategic plan; ensuring appropriate governance skills development and resources are made available to the Board; providing a culture of high ethics throughout the organization; and taking primary responsibility for the administration of all of the Company's subareas and administrative practices.

#### *Chair of the Audit, Compensation and Nominating and Corporate Governance Committees*

Although the Board of Directors has not developed and adopted a written position description for the Chair of each of the Audit, Compensation and Nominating and Corporate Governance Committees, the Board of Directors delineates the role and responsibility of each Chair by having adopted a charter for the each committee which outlines specific tasks, duties and responsibilities of the respective Chair and the Committee in accordance with the recommendations set forth in NP 58-201.

#### **Orientation and Continuing Education**

When new directors are appointed, they receive an orientation on the role of the Board, its Committees and its directors, and the nature and operation of the Company's business, which consists of the following:

- an orientation session with senior officers to overview the Company's business and affairs
- an orientation session with the Chair and the Chairperson of each standing Committee
- an orientation session with legal counsel and the representatives of the Company's auditors

Sufficient information (such as recent annual reports, financial statements, management discussion and analysis, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Company's business and the procedures of the Board. As well, new directors meet with management of the Company to receive a detailed overview of operations. All directors are encouraged to visit and meet with management on a regular basis. The Company also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation..

#### **Ethical Business Conduct**

The Board of Directors of the Company has adopted a written code for the directors, officers and employees of the Company. Copies of the Code of Conduct are available upon written request from the Chief Financial Officer of the Company. The Audit Committee is responsible for ensuring compliance with the Company's code of conduct. The Audit Committee fulfils this mandate by reviewing the business and affairs of the Corporation on a quarterly basis and in consultation with the auditors on an annual basis. There have been no departures from the Company's code of conduct during the most recently completed financial year.

In addition to those matters which, by law, must be approved by the Board of Directors, the approval of the Board of Directors is required for:

- the Company's annual business plan and budget;
- major acquisitions or dispositions by the Company; and
- transactions which are outside of the Company's existing business.

To ensure the directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest, all such matters are considered and approved by the independent directors.

The Company believes that it has adopted corporate governance procedures and policies which encourage ethical behaviour by the Company's directors, officers and employees.

#### **Expectations of Management**

The Board of Directors has charged management with responsibility for the efficient management of the business and affairs of the Company and the identification and proposal of initiatives for the Company to secure opportunities as they arise. In order for the Board of Directors to effectively carry out its mandate, it regularly assesses the abilities of, and communicates those assessments to, management.

The Board of Directors recognizes the value of direct input from management as it serves to assist the Board of Directors in its deliberations. Where appropriate, members of management are invited to attend meetings of the Board of Directors to provide their input on various matters.

#### **Committees of the Board of Directors**

The Board of Directors has three (3) standing committees:

- the Audit Committee;
- the Nominating and Corporate Governance Committee; and
- the Compensation Committee.

All of the members of the committees are independent of management and report directly to the Board of Directors. From time to time, when appropriate, ad hoc committees of the Board of Directors are appointed by the Board of Directors.

**Audit Committee Information**

The members of the Audit Committee are Timothy J. Cronkwright (Chair), Bruce A. Davis and John C. McVicar. During the year ended March 31, 2023 the Audit Committee met one (1) time.

The Audit Committee of the Company's Board of Directors is principally responsible for:

- recommending to the Company's Board of Directors the external auditor to be nominated for election by the Company's shareholders at each annual meeting and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor;
- reviewing the Company's annual and interim financial statements, Management's Discussion and Analysis and press releases regarding earnings before they are reviewed and approved by the Board of Directors and publicly disseminated by the Company; and
- reviewing the Company's financial reporting procedures to ensure adequate procedures are in place for the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph.

**Nominating and Corporate Governance Committee**

The members of the Nominating and Corporate Governance Committee are Timothy J. Cronkwright (Chair) and Bruce A. Davis. During fiscal 2023, the Nominating and Corporate Governance Committee met one (1) time.

The purposes of the Nominating and Corporate Governance Committee are:

- to identify and recommend individuals to the Board of Directors for nomination as members of the Board of Directors and its committees (other than the Nominating and Corporate Governance Committee);
- to review and set out recommendations for the remuneration of the President & Chief Executive Officer of Metalore; and
- to develop and recommend to the Board of Directors a set of corporate governance principles applicable to Metalore.

The Corporate Governance and Nominating Committee is responsible for reviewing with the Board of Directors, on an annual basis, the requisite skills and characteristics of prospective board members as well as the composition of the Board of Directors as a whole. This assessment will include member's contribution, qualification as independent, as well as consideration of diversity, age, skills and experience in the context of the needs of the Board of Directors. The board identifies new candidates for board nomination by considering experience and qualifications in the areas of mining, financial reporting, capital markets and public company stewardship. The Board of Directors seeks to have members composed of skills and experiences in these areas and will augment its membership of the Board of Directors from time to time as considered necessary in order to ensure experience and skills from these areas are reflected on the Board of Directors at all times.

**Compensation Committee**

The members of the Compensation Committee are Timothy J. Cronkwright (Chair), Bruce A. Davis and John C. McVicar. The Compensation Committee was not formed until June 30, 2011. During fiscal 2023 this committee met one (1) time.

See "Compensation Discussion and Analysis" section elsewhere in this Circular for further information about the Compensation Committee.

**Shareholder Communications**

The Board of Directors has authorized management to represent the Company in its communications with shareholders and members of the investment community. In addition, management meets regularly with investors and other interested parties to receive and respond to inquiries and comments. The Company seeks to ensure that all inquiries and concerns receive a complete and timely response from the appropriate member of management.

The Board of Directors reviews the Company's significant communications with investors and the public, including Management's Discussion & Analysis, Management Information Circular, annual audited financial statements and quarterly unaudited financial statements.

**Assessment**

The Board of Directors, its committees and its individual directors are assessed regularly, on at least an annual basis, as to their effectiveness and contribution. The process by which such assessments are made is through questionnaires developed by the Board and its Corporate Governance and Nominating Committee, which are distributed to each director and/or committee member for review and completion each year. In addition, the Chair of the Board and the Chair of each committee encourage discussion amongst the Board or the committee, as the case may be, as to their evaluation of their own effectiveness over the course of the year. All directors and/or committee members are free to make suggestions for improvement of the practice of the Board and/or its committees at any time and are encouraged to do so.