**MANAGEMENT INFORMATION CIRCULAR**
(Containing information as at June 7, 2024 unless indicated otherwise)

This Management Information Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of **Xander Resources Inc.** (the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of its shareholders to be held on **Friday, July 12, 2024** at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to "the Company", "we" and "our" refer to **Xander Resources Inc**. and "common shares" means common shares without par value in the capital of the Company. "Beneficial Shareholders" means shareholders who do not hold common shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company at nominal cost. The Company will bear all costs of this solicitation.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY INSERTING THE NAME OF THAT OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your common shares are held in physical form (ie paper form) and are registered in your name, then you are a registered shareholder ("**Registered Shareholder**"). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the common shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your common shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

(a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,

(b) any amendment to or variation of any matter identified therein, and

(c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.**

**Registered Shareholders**

If you are a Registered Shareholder and wish to have your shares voted at the Meeting, you will be required to submit your vote by proxy. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation ("**Endeavor Trust**"), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet, email or by facsimile as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.**

Registered Shareholders electing to submit a Proxy may do so by:

(a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
(b) facsimile to 604.559.8908;
(c) email to proxy@endeavortrust.com; or
(d) online at www.eproxy.ca

**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).

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 and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of the Company. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. 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).

There are two kinds of beneficial owners - 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**").

Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Endeavor Trust by mail, email or by facsimile. In addition, Endeavor Trust provides Internet voting as described on the VIF itself which contain complete instructions. Endeavor Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form (the "**Broadridge VIF**") which 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 on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge 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. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the Broadridge VIF provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

**Notice to United States Shareholders**

The Company's common shares are not registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and this solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Residents of the United States should be aware that applicable Canadian proxy solicitation rules differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company's common shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of common shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada, and reconciled to accounting principles generally accepted in the United States.

**Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Endeavor Trust at Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the registered and records office of the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the approvals of the Plan (as such term is defined below), to the extent that common shares owned by any of them are affected by the Share Consolidation (as such term is defined below), and as may be set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed **June 7, 2024** as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

The Company is authorized to issue an unlimited number of common shares without par value. As of the Record Date, there were **16,772,009** common shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the common shares.

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

## SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors be fixed at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

## ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* British Columbia (the "**BCBCA**"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as a director, the province or state and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

| Name of Nominee; Current Position with the Company and Province or State and Country of Residence | Occupation, Business or Employment[1] | Director Since | Common Shares Beneficially Owned or Controlled[1] |
|---|---|---|---|
| **Deepak Varshney, P. Geo.**<br>British Columbia, Canada<br>*President, CEO and Director* | Professional Geologist and CEO of Xander Resources Inc., Usha Resources Ltd., Totec Resources Ltd., and Formation Metals Inc. | August 5, 2021 | Nil |
| **Richard Paolone**[2]<br>Ontario, Canada<br>*Director* | Principal lawyer of Paolone Law Professional Corporation. | June 16, 2023 | Nil |

| Name of Nominee; Current Position with the Company and Province or State and Country of Residence | Occupation, Business or Employment(1) | Director Since | Common Shares Beneficially Owned or Controlled(1) |
|---|---|---|---|
| **Adrian Smith**(2)<br>British Columbia, Canada<br>*Director* | Professional Geologist, CEO of First Atlantic Nickel Corp. | November 26, 2021 | Nil |
| **James Walker**(2)<br>British Columbia, Canada<br>*Director* | CEO of Ares Strategic Mining Inc. | September 15, 2021 | Nil |

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
(2) Denotes member of the Audit Committee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

**Bankruptcies, Orders and Management Cease Trade Orders**

Other than as set out below, to the best of the Company's knowledge, as at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed nominee for election as a director of the Company (or any of their personal holding companies) was a director or executive officer of any company (including the Company) acted in that capacity for a company that was:

(a) subject to a cease trade ("**CTO**") or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;

(b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;

(c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Richard Paolone is a director of Rotonda Ventures Corp. ("**RVC**"). On September 3, 2020, the British Columbia Securities Commission (the "**BCSC**") issued a CTO against RVC and its insiders for failure to file its annual audited financial statements, management's discussion and analysis and officer certificates for the year ended April 30, 2020. As of the date of this Circular, the CTO remains in effect.

Mr. Paolone is a director of 1143990 BC Ltd. ("**1143990**"). On April 8, 2020, the BCSC issued a CTO against 1143990 and its insiders for failure to file its annual audited financial statements, management's discussion and analysis and officer certificates for the year ended November 30, 2019. As of the date of this Circular, the CTO remains in effect.

## APPOINTMENT OF AUDITOR

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants ("**DMCL**"), of Suites 1500 and 1700, 1140 West Pender Street, Vancouver, British Columbia V6E 4G1, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the Board. DMCL is the current auditor of the Company and was first appointed on May 2, 2012.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee ("**Audit Committee**") and its relationship with its independent auditor, in accordance with Form 52-110F2 Disclosure by Venture Issuers, as set forth in the following:

### The Audit Committee's Charter

The Audit Committee has an Audit Charter. A copy of the Audit Charter is attached to the Company's management information circular dated November 23, 2021 which was filed on SEDAR at https://www.sedar.com/ on December 7, 2021 and is specifically incorporated by reference into, and forms an integral part of, this Circular.

### Composition of the Audit Committee

The current members of the Audit Committee are Richard Paolone (Chair), Adrian Smith, James Walker. All members of the Audit Committee are considered to be financially literate. All members of the Audit Committee are considered independent members of the Audit Committee.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

### Relevant Education and Experience

The following describes the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member:

**Richard Paolone** is a Toronto-based securities lawyer whose focus includes an emphasis on natural resources and diversified industries. Mr. Paolone is the principal lawyer of Paolone Law Professional Corporation. In his private practice, he has developed experience with respect to public companies, capital markets, mergers and acquisitions, and other facets fundamental to the natural resource sector. Mr. Paolone currently serves as a board member of Critical Infrastructure Technologies Inc (CSE: CTTT), SBD Capital Corp (CSE: SBD), and previously was a board member and CEO of Red Pine Petroleum Ltd. (TSXV: RPN).

**Adrian Smith** is presently CEO of First Atlantic Nickel Corp. and a director of several public companies. Mr. Smith is a professional geologist with over a decade of experience in the capital markets and mineral exploration and development sector. He has successfully executed multiple exploration programs and corporate strategies, including the acquisition, development and optioning of the Mohave Gold project in Arizona, USA during his time as CEO of M3 Metals Corp.

**James Walker** has extensive experience in engineering and project management, particularly within mining engineering, mechanical engineering, construction, manufacturing, engineering design, infrastructure, safety management, and nuclear engineering. He is currently the CEO and President and Director of Ares Strategic Mining and a director of multiple public companies.

James' professional experience includes designing nuclear reactors, submarines, chemical plants, factories, mine processing facilities, infrastructure, automotive machinery, and testing rigs.

Each member of the Audit Committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- 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 be reasonably expected to be raised by the issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

**Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor, other than DMCL.

**Reliance on Certain Exemptions**

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 (*De Minimis Non-audit Services*) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

**Pre-Approval Policies and Procedures**

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires that pre-approval by the Audit Committee of all audit and non-audit services provide by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

**External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by DMCL, to the Company to ensure auditor independence. The following table outlines the fees incurred by DMCL for audit and non-audit services in the last two financial years:

| Nature of Services | Fees Paid to Auditor for the Year Ended March 31, 2023 | Fees Billed by Auditor for the Financial Year Ended March 31, 2022 |
|---|---|---|
| Audit Fees(1) | $25,707.44 | $25,507.44 |
| Audit-Related Fees(2) | Nil | Nil |
| Tax Fees(3) | Nil | Nil |
| All Other Fees(4) | $6,615 | $3,990.00 |
| **Total:** | **$32,322.44** | **$29,497.44** |

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements, and fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

**Exemption**

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the financial year ended March 31, 2024. This exemption exempts a "venture issuer" from the requirements of Part 3 *(Composition of the Audit Committee*) and Part 5 *(Reporting Obligations)* of that instrument, as would otherwise be required by NI 52-110.

## CORPORATE GOVERNANCE

**General**

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 Corporate Governance Guidelines ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to provide disclosure in accordance with Form 58-101F2 Corporate Governance Disclosure (Venture Issuers). NP 58-201 provides guidance on corporate governance practices. The Board believes that good corporate governance improves corporate performance and benefits all USHA Shareholders. The Canadian Securities Administrators have adopted NI 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the Canadian Securities Administrators have implemented NI 58-101, which prescribes certain disclosure by the Company of its corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

**Board of Directors**

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

Management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its audit committee, the Board examines the effectiveness of the Company's internal control processes and management information systems. The plenary Board reviews executive compensation and recommends stock option grants.

The independent members of the Board are Richard Paolone, Adrian Smith and James Walker.

The non-independent member of the Board is Deepak Varshney, President, CEO and Corporate Secretary of the Company.

**Directorships of Other Reporting Issuers**

The following directors of the Company are directors of other reporting issuers:

**Deepak Varshney** is a director of Doubleview Gold Corp., Formation Metals Inc., Totec Resources Ltd. and Usha Resources Ltd.

**Adrian Smith** is a director of First Atlantic Nickel Corp., Live Energy Minerals Corp., M3 Metals Corp., Prudent Minerals Corp. and Usha Resources Ltd.

**James Walker** is a director of Ares Strategic Mining Inc., Bayshore Silver Inc., Enyo Strategic Mining Inc. and Totec Resources Ltd.

**Richard Paolone** is a director of 0755461 BC Ltd., 1143990 BC Ltd., 1169032 BC Ltd., Critical Infrastructure Technologies Ltd., Emerald Isle Resources Inc., Republic Goldfields Inc., Rotonda Ventures Corp. and SBD Capital Corp.

**Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

**Ethical Business Conduct**

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

**Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the USHA Shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

**Compensation**

The Board determines compensation for the directors and CEO.

**Other Board Committees**

At present, the only Board committee is the Audit Committee.

**Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

## STATEMENT OF EXECUTIVE COMPENSATION

**Executive Compensation**

In this section "Named Executive Officer" ("**NEO**") means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and the CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation exceeds $150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end.

During the year ended March 31, 2023, the Company had two NEOs: Deepak Varshney, President, CEO and Corporate Secretary of the Company, and Khalid Naeem, CFO of the Company.

**Compensation Discussion and Analysis**

The board of directors (the "**Board**") of the Company has not yet appointed a Compensation Committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing 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, all in light of the Company's annual goals and objectives.

The Company intends to formalize its compensation policies and practices and will take into consideration the implications of any risks associated with the Company's compensation program.

**Philosophy and Objectives**

The compensation program for the Company's senior management is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; and (b) motivating the short and long-term performance of these executives.

**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 omnibus incentive plan (the "**Plan**") which was adopted by the Board on May 4, 2023, approved by the shareholders of the Company on June 16, 2023 and by the TSX Venture Exchange (the "**Exchange**") on June 30, 2023.

Stock options ("**Options**") and/or restricted share units ("**RSUs**") are issued to executives and employees taking into account a number of factors, including the amount and term of Options previously granted and competitive factors. The amounts and terms of Options and RSUs granted are determined by the Board.

Given the evolving nature of the Company's business, the Board will continue to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

**Option-Based Awards**

On May 4, 2023, the Board adopted its Plan, being a "rolling" plan and a "fixed" plan, in that it contemplates (i) grants of Options of up to a maximum of 10% of the issued and outstanding common shares of the Company at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding, and (ii) grants of RSUs up to a maximum of 1,127,201.

The Plan incorporated amendments required pursuant to Exchange Policy 4.4 *Security Based Compensation* which became effective November 24, 2021 (formerly, Policy 4.4 *Incentive Stock Options*).

The Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes Option and/or RSU grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option and RSU grants require approval of the Board. The Plan is administered by the Board.

**Summary Compensation Table**

| Name and Principal Positions | Year[1] | Salary ($) | Share-based awards ($) | Option-based awards ($) | Non-equity incentive plan compensation ($) | | Pension value ($) | All other compensa-tion ($) | Total compensa-tion ($) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Annual incentive plans | Long-term incentive plans | | | |
| **Deepak Varshney[2]** | 2023 | 177,500 | Nil | Nil | Nil | Nil | Nil | Nil | 177,500[8][9] |
| President, CEO and | 2022 | 71,000 | Nil | Nil | Nil | Nil | Nil | Nil | 71,000 |
| Corporate Secretary | 2021 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| **Khalid Naeem[3]** | 2023 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| CFO | 2022 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2021 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| **Peter Michel[4]** | 2023 | 4,000 | Nil | Nil | Nil | Nil | Nil | Nil | 4,000 |
| Former CFO | 2022 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2021 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| **Aaron Atin[5]** | 2023 | 20.000 | Nil | Nil | Nil | Nil | Nil | Nil | 20,000 |
| Former Corporate Secretary | 2022 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2021 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| **Dwayne Yaretz[6]** | 2023 | 45,000 | Nil | Nil | Nil | Nil | Nil | Nil | 45,000 |
| Former Corporate Secretary | 2022 | 51,000 | Nil | Nil | Nil | Nil | Nil | Nil | 51,000 |
| | 2021 | 42,000 | Nil | Nil | Nil | Nil | Nil | Nil | 42,000 |
| **Zara Kanji[7]** | 2023 | 24,500 | Nil | Nil | Nil | Nil | Nil | Nil | 24,500 |
| Former CFO | 2022 | 31,500 | Nil | Nil | Nil | Nil | Nil | Nil | 31,500 |
| | 2021 | 2,500 | Nil | Nil | Nil | Nil | Nil | Nil | 2,500 |

(1) For the financial years ended March 31.

(2) Mr. Varshney has served as the President and CEO of the Company since September 1, 2021 and as Corporate Secretary of the Company since May 1, 2023.

(3) Mr. Naeem has served as the CFO of the Company since May 1, 2023.

(4) Mr. Michel served as CFO of the Company from December 22, 2022 to April 30, 2023.

(5) Mr. Atin served as Corporate Secretary of the Company from December 22, 2022 to April 30, 2023.

(6) Mr. Yaretz served as Corporate Secretary of the Company from April 13, 2020 to December 22, 2022.

(7) Ms. Kanji served as CFO of the Company from February 23, 2021 to December 22, 2022.

(8) Mr. Varshney was granted 90,000 Options in the financial year ended March 31, 2022, with a fair value of $13,987 using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk-free interest rate of 0.99%, a forfeiture rate of nil, and volatility of 107.70%.

(9) Mr. Varshney was not granted any Options in the financial year ended March 31, 2023.

## Incentive Plan Awards

Pursuant to the Plan, the Company may grant up to 10% (rolling) of the issued and outstanding common shares of the Company pursuant to Option grants and up to 1,127,201 (fixed) common shares may be reserved for the issuance of common shares pursuant to the exercise of RSUs.

The following table sets out all Option-based awards outstanding as at the financial year-ended March 31, 2023 for each NEO. There were no share-based awards to any of the NEOs as at the year-ended March 31, 2023.

| **Option-based Awards** | | | | |
|---|---|---|---|---|
| **Name and Principal Positions** | **Number of Securities Underlying Unexercised Options (#)** | **Option Exercise Price ($)** | **Option Expiration Date** | **Value of Unexercised in-the-Money Options ($)(1)** |
| **Deepak Varshney**<br>President, CEO and Corporate Secretary | 1,000,000<br>800,000 | 0.075<br>0.04 | May 3, 2027<br>December 22, 2027 | Nil<br>Nil |
| **Khalid Naeem**<br>CFO | Nil | N/A | N/A | N/A |
| **Peter Michel**<br>Former CFO | Nil | N/A | N/A | N/A |
| **Aaron Atin**<br>Former Corporate Secretary | Nil | N/A | N/A | N/A |
| **Dwayne Yaretz**<br>Former Corporate Secretary | 75,000<br>125,000<br>200,000<br>100,000<br>200,000<br>300,000 | 0.15<br>0.05<br>0.15<br>0.13<br>0.04<br>0.075 | November 23, 2025<br>May 4, 2025<br>December 29, 2025<br>October 13, 2026<br>December 22, 2027<br>May 3, 2027 | Nil<br>Nil<br>Nil<br>Nil<br>Nil<br>Nil |
| **Zara Kanji**<br>Former CFO | Nil | N/A | N/A | N/A |

(1) This amount is based on the difference between the market value of the securities underlying the Options on March 31, 2023, which was $0.035, being the last trading day of the Company's common shares for the financial year and the exercise price of any outstanding Options.

The following table sets out all RSUs outstanding as at March 31, 2023 for each NEO.

| **Name and Principal Position** | **Number of securities underlying unexercised RSUs (#)** | **RSU Expiration Date** |
|---|---|---|
| **Deepak Varshney**<br>President, CEO and Corporate Secretary | Nil | N/A |
| **Khalid Naeem**<br>CFO | Nil | N/A |
| **Peter Michel**<br>Former CFO | Nil | N/A |
| **Aaron Atin**<br>Former Corporate Secretary | Nil | N/A |

| Name and Principal Position | Number of securities underlying unexercised RSUs (#) | RSU Expiration Date |
|---|---|---|
| **Dwayne Yaretz**<br>Former Corporate Secretary | Nil | N/A |
| **Zara Kanji**<br>Former CFO | Nil | N/A |

**Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets out the value vested during the financial year-ended March 31, 2023 for Options and RSUs awarded under the Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period.

| Name | Option-based awards- Value vested during the year ($) | Share-based awards - Value vested during the year ($) | Non-equity incentive plan compensation Value earned during the year ($) |
|---|---|---|---|
| **Deepak Varshney**<br>President, CEO and Corporate Secretary | 91,073 | Nil | Nil |
| **Khalid Naeem**<br>CFO | Nil | Nil | Nil |
| **Peter Michel**<br>Former CFO | Nil | Nil | Nil |
| **Aaron Atin**<br>Former Corporate Secretary | Nil | Nil | Nil |
| **Dwayne Yaretz**<br>Former Corporate Secretary | 25,939 | Nil | Nil |
| **Zara Kanji**<br>Former CFO | Nil | Nil | Nil |

**Termination and Change of Control Benefits**

In the event of a termination without just cause, death, disability, or due to a change of control, Deepak Varshney, the CEO, will be entitled to receive within ten days of termination a sum equal to $300,000. Furthermore, in the event of a termination due to a change of control, the CEO will also be due a further $150,000 per year for every year the CEO has provided services to the Company.

There are no other compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

**Director Compensation**

During the most recently completed financial year-ended March 31, 2023, the directors who were not NEOs received the following compensation for services provided to the Company.

| Name | Fees earned ($) | Share-based awards ($) | Non-equity incentive plan compensation ($) | Pension value ($) | All other compensation ($) | Total ($) |
|---|---|---|---|---|---|---|
| James Walker(1) | Nil | 32,853 | Nil | Nil | Nil | 32,853 |
| Adrian Smith(2) | Nil | 13,827 | Nil | Nil | Nil | 13,827 |
| Richard Paolone(3) | Nil | Nil | Nil | Nil | Nil | Nil |
| James H. Hirst(4) | 45,000 | 44,394 | Nil | Nil | Nil | 89,394 |
| Dr. Andreas Rompel(5) | Nil | 19,597 | Nil | Nil | Nil | 19,597 |

(1) Mr. Walker has served as a director of the Company since September 15, 2021.

(2) Mr. Smith has served as a director of the Company since November 30, 2021.

(3) Mr. Paolone has served as a director of the Company since June 16, 2023.

(4) Mr. Hirst served as a director of the Company from September 25, 2020 to May 4, 2022.

(5) Mr. Rompel served as a director of the Company from May 4, 2022 to June 16, 2023.

**Outstanding Option-Based Awards**

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year-ended March 31, 2023, including awards granted before the most recently completed financial year.

There were no share-based awards granted to any of the directors, other than those who are also NEOs of the Company, as at the financial year-ended March 31, 2023.

| Name | Number of securities underlying unexercised options (#) | Option exercise price ($) | Option expiration date | Value of unexercised in-the-money options ($)(1) |
|---|---|---|---|---|
| James Walker | 150,000<br>400,000<br>300,000 | 0.13<br>0.04<br>0.075 | September 15, 2026<br>December 22, 2027<br>May 3, 2027 | Nil<br>Nil<br>Nil |
| Adrian Smith | 150,000<br>400,000 | 0.115<br>0.04 | October 1, 2023<br>December 22, 2027 | Nil<br>Nil |
| Richard Paolone | Nil | N/A | N/A | N/A |
| James H. Hirst | 700,000 | 0.075 | May 3, 2027 | Nil |
| Dr. Andreas Rompel | 200,000<br>200,000 | 0.075<br>0.04 | May 3, 2027<br>December 22, 2027 | Nil<br>Nil |

(1) This amount is based on the difference between the market value of the securities underlying the Options on March 31, 2023, which was $0.035, being the last trading day of the Company's common shares for the financial year and the exercise price of any outstanding Options.

The following table sets out all RSUs outstanding as at March 31, 2023 for each director, other than those who are also NEOs of the Company:

| Name and Principal Position | Number of securities underlying unexercised RSUs (#) | RSU Expiration Date |
|---|---|---|
| James Walker | Nil | N/A |
| Adrian Smith | Nil | N/A |
| Richard Paolone | Nil | N/A |
| James H. Hirst | Nil | N/A |
| Dr. Andreas Rompel | Nil | N/A |

***Narrative Discussion***

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year.

The purpose of granting such Options and/or RSUs is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

**Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year-ended March 31, 2023:

| Name | Option-based awards- Value vested during the year ($) | Share-based awards - Value vested during the year ($) | Non-equity incentive plan compensation Value earned during the year ($) |
|---|---|---|---|
| James Walker | 32,853 | Nil | Nil |
| Adrian Smith | 13,827 | Nil | Nil |
| Richard Paolone | Nil | Nil | Nil |
| James H. Hirst | 44,394 | Nil | Nil |
| Dr. Andreas Rompel | 19,597 | Nil | Nil |

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the Company's financial year ended March 31, 2023:

| | Number of securities to be issued upon exercise of outstanding options | Weighted-average exercise price of outstanding options ($) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) |
|---|---|---|---|
| **Plan Category** | **(a)** | **(b)** | **(c)** |
| Equity compensation plans approved by securityholders - (the stock option plan) | 9,589,398(1) | 0.03(2) | 12,733,606(3) |
| Equity compensation plans not approved by securityholders | N/A | N/A | N/A |
| **Total:** | **9,589,398** | | **12,733,606** |

(1) Comprised of 9,589,398 Options and Nil RSUs outstanding as at the year ended March 31, 2023.
(2) Weighted average exercise price applies to the Options outstanding as at the year ended March 31, 2023.
(3) Based on the issued and outstanding common shares of 110,509,925 as at the year ended March 31, 2023.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company's management, no informed person (a director, officer or holder of 10% or more of the common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial year ended March 31, 2023, or has any interest in any material transaction in the current year other than as set out herein.

## MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company or its subsidiary.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Re-Approve Omnibus Incentive Plan

Exchange policy requires all of its listed companies to have a Security Based Compensation Plan (as defined in Exchange Policy 4.4 *Security Based Compensation*) if the Company intends to grant or issue Security Based Compensation (as defined in Exchange Policy 4.4 *Security Based Compensation*) to its directors, officers, employees, management company employees and consultants or to an eligible charitable organization. The Board adopted its Plan, being an omnibus plan, dated for reference May 4, 2023 to include new terms pursuant to the Exchange Policy 4.4 *Security Based Compensation* that came into effect on November 24, 2021.

The Plan is a 10% rolling Option plan and 10% fixed RSU plan. The Company received shareholder approval to the Plan on June 16, 2023 and Exchange approval to the Plan on June 30, 2023.

Under Exchange policy, the initial adoption of the Plan requires Disinterested shareholder approval by ordinary resolution and the continuation of the Plan requires annual shareholder approval at each annual meeting of the Company by ordinary resolution. The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in compensation with other companies in the industry.

The material terms of the Plan are disclosed in the Company's Circular dated May 1, 2023, which was filed on SEDAR+ at www.sedarplus.ca on May 26, 2023.

### Shareholder Approval and Exchange Acceptance

The Plan is subject to the acceptance by the shareholders of the Company and by the Exchange on an annual basis. At the Meeting, shareholders will be asked to consider and vote on the ordinary resolution to approve the Plan, with or without variation, as follows:

**UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The Company's omnibus incentive plan (the "**Plan**"), dated for reference May 4, 2023, comprising 10% rolling stock options ("**Options**") and 10% fixed restricted share units ("**RSUs**"), as more particularly described in the management information circular of the Company dated June 7, 2024, be ratified, confirmed and approved.

2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.

3. The Company be authorized to grant Options and RSUs pursuant and subject to the terms and conditions of the Plan.

4. Any amendments to the Plan are subject to the Company receiving prior TSX Venture Exchange and shareholder approvals, as applicable, in accordance with the Plan.

5. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.

**The Board recommends that shareholders vote in favour of the Plan. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the foregoing ordinary resolution.**

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

A copy of the Compensation Plan is available at the Company's registered and records office at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6.

**Approve Share Consolidation**

Effective February 8, 2024, the Company effected a consolidation of its issued and outstanding common shares on the basis of ten (10) old common shares for every one (1) common share held. The Company is contemplating consolidating its issued and outstanding common shares on the basis of up to ten (10) post-February 8, 2024 consolidated common share for every one (1) common share held (the "**Share Consolidation**").

The policies of the Exchange state that shareholder approval of consolidations is required for their acceptance if, when combined with any other security consolidation conducted by the issuer within the previous 24 months that was not approved by its shareholders, results in a cumulative consolidation ratio of greater than ten (10) to one (1) over such 24 month period.

Accordingly, at the Meeting, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution as set forth below authorizing the Company to consolidate the common shares of the Company.

The Board shall in its sole discretion determine the consolidation ratio that results in the Company continuing to meet the distribution requirements of the Exchange. Subject to the approval of the Exchange, approval of the ordinary resolution by holders of common shares would give the Board authority to implement the Share Consolidation at any time in the following twelve months. Notwithstanding approval of the proposed Share Consolidation by its shareholders, the Board, in its sole discretion, may revoke the ordinary resolution and abandon the Share Consolidation without further approval or action by or prior notice to shareholders.

The background to and reasons for the Share Consolidation, and certain risks associated with the Share Consolidation and related information, are described in Schedule "A" of the Circular.

*No Fractional Shares to be Issued*

No fractional common shares will be issued in connection with the Share Consolidation. As set out in Section 83 of the *Business Corporations Act* (British Columbia) ("**BCBCA**"), if any fractional shares result from the Share Consolidation, each fractional share remaining after consolidation that is less than one-half of a share must be cancelled and each fractional share that is at least one-half of a share must be changed to one whole share.

*Effects of the Share Consolidation on the Common Shares*

If approved and implemented, the Share Consolidation will occur simultaneously for all of the common shares and the consolidation ratio will be the same for all of such common shares. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding common shares that will result from the Share Consolidation will cause no change in the capital attributable to the common shares and will not materially affect any shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of common shares.

In addition, the Share Consolidation will not materially affect any shareholder's proportionate voting rights, except as may result from fractional shares. Each common share outstanding after the Share Consolidation will be entitled to one vote and will be fully paid and non-assessable.

The principal effects of the Share Consolidation will be that the (i) number of common shares issued and outstanding will be reduced from 16,772,009 common shares as of the date of this Circular to approximately 1,677,201 common shares, assuming a Share Consolidation ratio of ten (10) pre-Consolidation common share for one (1) post-Consolidation common share. Subject to the treatment of fractional common shares, the implementation of the Share Consolidation would not affect the total shareholders' equity of the Company, or any components of shareholders' equity as reflected on the Company's financial statements except: (i) to change the number of issued and outstanding common shares; and (ii) to change the stated capital of the common shares to reflect the Share Consolidation.

*Procedure for Implementing the Share Consolidation*

If the ordinary resolution is approved by shareholders and the Board decides to implement the Share Consolidation, the Share Consolidation will be implemented at a future date following the Meeting as the Board may determine, subject to approval by the Exchange.

*No Dissent Rights*

Under the BCBCA, shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

*Resolution*

The text of the ordinary resolution, which will be submitted to shareholders at the Meeting, is set forth below. For the reasons indicated above, the Board and management of the Company believe that the proposed Share Consolidation is in the best interests of the Company and, accordingly, recommend that shareholders vote **FOR** the ordinary resolution.

**UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. All of the common shares without par value in the authorized share structure of the Company both issued and unissued (the "**Shares**") be consolidated on the basis of up to ten (10) pre-consolidated shares for one (1) post-consolidated share, or such ratio as may be approved by the directors of the Company and the TSX Venture Exchange (the "**Share Consolidation**").

2. Any fractional shares resulting from the Share Consolidation shall be dealt with in accordance with the provisions of Section 83 of the *Business Corporations Act* (British Columbia).

3. The directors of the Company are hereby authorized to determine the time at which the Share Consolidation shall become effective.

4. Any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to these resolutions.

5. Notwithstanding that the foregoing resolutions have been duly passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, without further approval or authorization of the shareholders of the Company, to modify, vary or amend such terms and conditions in respect of the Share Consolidation as may be required by the regulatory authorities having jurisdiction or as the board of directors may in its sole discretion deem in the best interests of the Company, and to revoke any or all of these resolutions at any time prior to their being acted upon.

The resolution respecting the Share Consolidation will not be effective unless and until deposited at the Company's records office by direction of the Board.

**The Board and management recommend that shareholders vote in favour of the foregoing ordinary resolution approving the Share Consolidation. The persons named in the enclosed form of proxy intend to vote for the approval of the foregoing ordinary resolution at the Meeting, unless otherwise directed by the shareholders appointing them.**

## ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Company for the financial year ended March 31, 2023 and in the related management discussion and analysis (together, the "**Financial Materials**"). The Financial Materials were filed on SEDAR+ on August 9, 2023, at www.sedarplus.ca and will be placed before the Meeting.

Additional information relating to the Company and a copy of the Financial Materials may be obtained at www.sedarplus.ca, and upon request from the Company at Suite 400 – 1681 Chestnut Street, Vancouver, BC, V6J 4M6, telephone: (604) 737-2303 or fax: (604) 737-1140. Copies of the above documents will be provided, upon request, free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

## OTHER MATTERS

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Circular.

## SCHEDULE "A"

### Background to and reasons for the Share Consolidation

The Board believes that it is in the best interests of the Company to reduce the number of outstanding common shares by way of the Share Consolidation. The potential benefits of the Share Consolidation include:

- Access to expertise and management teams – the future success of the Company is highly dependent on attracting qualified personnel with experience and a proven track record. Given the current prevailing global market conditions, and once the share structure of the Company has been consolidated, the Company believes it can attract key management personnel that can be instrumental realizing on the Company's existing opportunities and creating value for investors.

- Greater investor interest − a higher post-Share Consolidation common share price could help generate interest in the Company among investors, as a higher anticipated common share price may: (i) meet investing guidelines for certain institutional investors and investment funds that may be prevented under their investing guidelines from investing in the common shares at current price levels; and (ii) allow investors to leverage their investment by meeting margin eligibility requirements;

- Reduction of shareholder transaction costs − investors may benefit from relatively lower trading costs associated with a higher common share price. It is possible that many investors pay commissions based on the number of common shares traded when they buy or sell common shares. If the common share price were higher, investors may pay lower commissions to trade a fixed dollar amount than they would if the common share price is lower;

- Improved trading liquidity − the combination of potentially lower transaction costs and increased interest from investors may ultimately improve the trading liquidity of the common shares; and

- Raise additional capital at a higher price per share – the higher anticipated price of the post-Share Consolidation common shares will allow the Company to raise additional capital through the sale of additional common shares at a higher price per common share than would be possible in the absence of the Share Consolidation.

The Share Consolidation is subject to approval of the Exchange. As a condition to the approval of a consolidation of shares listed for trading on the Exchange, the Exchange requires, among other things, that an Exchange-listed issuer continue to meet the Exchange's "Continuous Listing Requirements" after the Share Consolidation. Among other continued listing requirements, in order for the Company to continue to meet the applicable Continuous Listing Requirements, the Company must have at least 150 "Public Security Holders" (as defined under Exchange policies) holding a certain minimum number of common shares, each free of restrictions on transfer, after completion of the Share Consolidation. As a result, management of the Company may determine that it is necessary to implement a lower Share Consolidation ratio in order to satisfy the applicable Continuous Listing Requirements and obtain approval of the Share Consolidation from the Exchange. Management of the Company may also determine to implement a lower Share Consolidation ratio for other reasons, such as to adjust to a higher stock price for the Company's shares or to reflect an increase in the actual or expected value of the Company's assets.

If the ordinary resolution is approved, the Share Consolidation would be implemented, if at all, only upon a determination by the Board that it is in the best interests of the Company at that time. In connection with any determination to implement the Share Consolidation, the Board will set the timing for the Share Consolidation to become effective, which the Board currently anticipates will be as soon as practicable following the Meeting. No further action on the part of shareholders would be required in order for the Board to implement the Share Consolidation.

If the Board does not implement the Share Consolidation prior to the next annual meeting of shareholders, the authority granted by the ordinary resolution to implement the Share Consolidation on these terms would lapse and be of no further force or effect. The ordinary resolution also authorizes the Board to elect not to proceed with, and abandon, the Share Consolidation at any time if it determines, in its sole discretion, to do so.

No delivery of a certificate evidencing a post-Share Consolidation common share will be made to a shareholder until the shareholder has surrendered the issued certificates representing its pre-Share Consolidation common shares. Until surrendered, each certificate formerly representing pre-Share Consolidation common shares shall be deemed for all purposes to represent the number of post-Share Consolidation common shares to which the holder is entitled as a result of the Share Consolidation.

Non-registered beneficial shareholders holding their common shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have various procedures for processing the Share Consolidation. If a shareholder holds common shares with such a bank, broker or other nominee and has any questions in this regard, the shareholder is encouraged to contact its nominee. No fractional shares will be issued upon the consolidation of the Common Shares.

Certain Risks associated with the Share Consolidation

The Company's total market capitalization immediately after the proposed Share Consolidation may be lower than immediately before the proposed Share Consolidation

There are numerous factors and contingencies that could affect the common share price prior to or following the Share Consolidation, including the status of the Company's reported financial results in future periods, and general economic, geopolitical, stock market and industry conditions. Accordingly, the market price of the common shares may not be sustainable at the direct arithmetic result of the Share Consolidation and may be lower. If the market price of the common shares is lower than it was before the Share Consolidation on an arithmetic equivalent basis, the Company's total market capitalization (the aggregate value of all common shares at the then market price) after the Share Consolidation may be lower than before the Share Consolidation.

A decline in the market price of the common shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of the Share Consolidation, and the liquidity of the common shares could be adversely affected following the Share Consolidation

If the Share Consolidation is implemented and the market price of the common shares declines, the percentage decline may be greater than would occur in the absence of the Share Consolidation. The market price of the common shares will, however, also be based on the Company's performance and other factors, which are unrelated to the number of common shares outstanding. Furthermore, the liquidity of the common shares could be adversely affected by the reduced number of common shares that would be outstanding after the Share Consolidation.

The Share Consolidation may result in some shareholders owning "odd lots" of less than 100 Common Shares on a post-Share Consolidation basis. "Odd lots" may be more difficult to sell or require greater transaction costs per common share to sell, than common shares held in "board lots" of even multiples of 100 common shares.