



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS OF MKANGO RESOURCES LTD.**

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of Mkango Resources Ltd. (the “**Corporation**”) to be held at the offices of Fasken Martineau DuMoulin LLP at 2400, 333 Bay St, Toronto, Ontario, Canada at the hour of 9:00 a.m. (Toronto time) on November 26, 2024 for the following purposes:

1. to fix the number of directors of the Corporation to be elected at the Meeting at six (6);
2. to elect the directors of the Corporation who will serve until the end of the next annual general meeting or until their successors are appointed;
3. to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration;
4. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the Stock Option Plan;
5. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the EMI Plan;
6. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the RSU Plan; and
7. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Specific details of the matters to be put before the Meeting are set forth in the Circular. Also enclosed is a form of proxy for the Meeting.

The record date (the “**Record Date**”) for determining those shareholders entitled to receive notice of and to vote at the Meeting is October 18, 2024. Only persons registered as shareholders on the books of the Corporation as of the close of business on the Record Date (“**Registered Shareholders**”) are entitled to receive notice of and to vote at the Meeting and at any adjournment thereof, and no person becoming a Registered Shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof. The failure of any Shareholder to receive notice of the Meeting does not deprive the Shareholder of the right to vote at the Meeting.

Registered Shareholders may vote in person at the Meeting or any adjournment thereof, or they may appoint another person, who need not be a Shareholder, as their proxy to attend and vote in their place. Registered Shareholders who are unable to attend the meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the proxy must be received by the Corporation’s transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Attention: Proxy Department or you may vote by telephone 1-866-732-8683 (toll free within Canada and USA) or 1-416-263-9524 (outside North America), or by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America) or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. Your proxy or voting instructions must be received no later than 9:00 a.m. (Toronto time) on November 22, 2024 (or such other date that is two business days immediately preceding the date of the Meeting as it may be adjourned or postponed from time to time).

Beneficial Holders/Non-Registered Shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form received from their intermediary/broker to ensure that the shares of such shareholder will be voted at the Meeting. If you hold your shares in a brokerage account you are not a Registered Shareholder.

Dated this 21st day of October, 2024.

By Order of the Board of Directors

(s) Derek Linfield

Derek Linfield
Chairman and Director



MKANGO RESOURCES LTD.
550 Burrard Street
Suite 2900
Vancouver, BC, V6C 0A3

MANAGEMENT PROXY CIRCULAR

as at October 21, 2024, (except as otherwise indicated)

This Information Circular is furnished by the management of Mkango Resources Ltd. (the “**Corporation**”) to the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation in connection with the solicitation of proxies to be voted at the annual general and special meeting of the Shareholders (the “**Meeting**”) to be held at the offices of Fasken Martineau DuMoulin LLP at 2400, 333 Bay St, Toronto, Ontario, Canada at the hour of 9:00 a.m. (Toronto time) on November 26, 2024 and at any adjournment thereof, for the purposes set forth in the notice of meeting enclosed with this Information Circular (the “**Notice of Meeting**”).

GENERAL PROXY INFORMATION

Solicitation of Proxies

Management of the Corporation is soliciting proxies from Shareholders for the Meeting. The costs incurred in the preparation and mailing of the enclosed form of proxy (the “**Proxy Form**”), Notice of Meeting and this Information Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefore.

The persons named in the Proxy Form are directors and/or senior officers of the Corporation (the “**Management Designees**”). **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the Management Designees in the Proxy Form to represent the Shareholder at the Meeting and may exercise that right either by inserting the name of the other person in the blank space provided in the Proxy Form or by completing another form of proxy.**

The Corporation will not send its proxy-related meeting materials directly to non-objecting beneficial owners under National Instrument 54-101 - Communication With Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”). The Corporation intends to pay for proximate intermediaries to forward the proxy-related materials and voting instruction form to objecting beneficial owners under NI 54-101.

Proxy Voting

A proxy will not be valid unless it is deposited with our transfer agent Computershare Investor Services Inc. (“**Computershare**”), (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed Proxy Form. Your proxy or voting instructions must be received in each case no later than 9:00 a.m. (Toronto Time) on November 22, 2024 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the Meeting.

The website may be used to appoint a proxyholder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxyholder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

REVOCABILITY OF PROXIES

In addition to revocation in any manner permitted by law, you may revoke your Proxy by an instrument in writing signed by you as Registered Shareholder or by your attorney duly authorized in writing. If you are a representative of a Registered Shareholder that is a corporation or association, the instrument in writing must be executed by an officer or by an attorney duly authorized in writing. The revocation must be deposited with the Corporation's registered office, c/o Fasken Martineau DuMoulin LLP, Suite 2900, 550 Burrard Street, Vancouver, British Columbia, V6C 0A3 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such Proxy, with the Chairman of the Meeting on the day of the Meeting, or at any adjournment thereof, and upon either of such deposits the Proxy is revoked. In addition, shareholders can also change their vote by phone or via the internet pursuant to the instructions provided to the Registered Shareholder.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact Computershare or their intermediary to arrange to change their voting instructions.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the Proxy Form 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 Form confers discretionary authority on 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 in the Proxy Form, the persons named in the Proxy Form will vote the Common Shares represented by the Proxy Form for the approval of such matter.

At the time of printing of this Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy Form to vote the Common Shares represented thereby in accordance with their best judgment on such matters.

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders who choose to submit a proxy may do so by completing, dating and signing the enclosed Proxy Form and returning it to the Corporation's transfer agent, (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, the Shareholders may vote by telephone 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America), or by internet using the 15 digit control number located at the bottom of the proxy at www.investorvote.com.

The Proxy Form, voting instructions or internet appointment of a proxyholder must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof at which the Proxy Form is to be used. Failure to complete or deposit a Proxy Form properly may result in its invalidation. The time limit for the deposit of Proxy Forms may be waived by the board of directors of the Corporation (the "Board") at its discretion without notice.

ADVICE TO BENEFICIAL HOLDERS OF SECURITIES

The information set forth in this section is of significant importance to many Shareholders of the Corporation as some Shareholders do not hold their Common Shares in their own names (“Beneficial Shareholders”). Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Beneficial Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held. Therefore, Beneficial Shareholders cannot be recognized at the Meeting for the purposes of voting the Common Shares in person or by way of proxy except as set forth below. Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate persons.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of meetings of Shareholders. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker often is identical to the Proxy Form provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Alternatively, Beneficial Shareholders sometimes are provided with a toll-free telephone number to vote their shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting of shareholders. A Beneficial Shareholder receiving a voting instruction or proxy from Broadridge or another agent cannot use that proxy to vote Common Shares directly at the Meeting as the completed instruction or proxy must be returned as directed by Broadridge or another agent well in advance of the Meeting in order to have the Common Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting the Common Shares registered in the name of the Beneficial Shareholder’s broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank spaces on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting.

If you are a Beneficial Shareholder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.

VOTING DIRECTIONS FOR DEPOSITARY INTERESTS IN CREST

The following instructions are for non-registered beneficial holders who hold their Common Shares through the depository (the “**Depository Interests**”), Computershare Investor Services PLC (the “**Depository**”), as at the Record Date (as defined below). Holders of Depository Interests can direct the Depository how to vote their shares or abstain from voting by completing, signing and returning the enclosed form of instruction (the “**Form of Instruction**”). To be valid, the Form of Instruction must be filled out, correctly signed (exactly as the Shareholder’s name appears on the Form of Instruction), and returned by mail using the enclosed envelope, or by courier or hand delivery to The Office of the Depository, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, UK BS99 6ZY by 09:00 a.m. (BST) on November 21, 2024 (or 72 hours prior to any reconvened Meeting in the event of an

adjournment of the Meeting). The Depositary will then vote or abstain from voting on the Shareholder’s behalf at the Meeting, as instructed in the Form of Instruction.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of preferred shares. The preferred shares are issuable in one or more series. Only holders of the Common Shares are entitled to vote such Common Shares at the Meeting, on the basis of one vote for each Common Share. As of October 18, 2024, 293,453,574 Common Shares were issued and outstanding. The Board has fixed October 18, 2024 as the record date (the “**Record Date**”) for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof, except to the extent that such holder transfers ownership of the Common Shares after the Record Date, in which case the transferee shall be entitled to vote such Common Shares upon establishing ownership and requesting not later than ten days before the Meeting, to be included in the list of Shareholders entitled to vote at the Meeting.

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

Name of Member	Type of Ownership	Number of Shares	Percentage of Issued and Outstanding Shares
Talaxis Limited	Direct	69,452,381	23.67%

VOTES NECESSARY TO PASS RESOLUTIONS AT THE MEETING

A simple majority of affirmative votes cast at the Meeting by the Shareholders is required to pass the resolutions electing the directors, appointing the auditors and re-approving the Corporation’s amended and restated stock option plan, approved by the Shareholders at the Corporation’s last annual meeting held on October 25, 2023 (the “**Stock Option Plan**”), re-approving the Corporation’s amended and restated enterprise management incentive share option plan, as approved by the Shareholders at the Corporation’s last annual meeting held on October 25, 2023 (the “**EMI Plan**”) and re-approving the Corporation’s restricted share unit plan, as approved by the Shareholders at the Corporation’s last annual meeting held on October 25, 2023 (the “**RSU Plan**”), as required by the policies of the TSX Venture Exchange (“**TSXV**”). If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

QUORUM

Under the Corporation’s Articles, a quorum for the transaction of business at a meeting of shareholders is two persons present who are, or who represent by proxy, shareholders who, in aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting. Under the Corporation’s Articles and the *Business Corporations Act* (British Columbia) (“**BCBCA**”), if a quorum is present at the opening of the Meeting, the Shareholders present may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If a quorum is not present at the opening of the Meeting, the Shareholders present may adjourn the Meeting to a fixed time and place but may not transact any other business.

PARTICULARS OF THE MATTERS TO BE ACTED ON AT THE MEETING

At the Meeting, the Shareholders will (i) receive the audited financial statements of the Corporation for the year ended December 31, 2023, including the auditors’ reports thereon (the “**Financial Statements**”); and (ii) will be asked to consider and, if deemed appropriate:

1. to fix the number of directors of the Corporation to be elected at the Meeting at six (6);

2. to elect the directors of the Corporation who will serve until the end of the next annual general meeting or until their successors are appointed;
3. to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration;
4. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the Stock Option Plan;
5. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the EMI Plan;
6. to pass an ordinary resolution, the full text of which is set forth herein, to re-approve the RSU Plan; and
7. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

FINANCIAL STATEMENTS

The Financial Statements for the fiscal year ended December 31, 2023 are available on the SEDARplus website at <https://www.sedarplus.ca/landingpage/>.

ELECTION OF DIRECTORS

It is the intention of the persons designated in the enclosed Proxy Form, unless otherwise instructed, to vote to elect Derek Linfield, William Dawes, Alexander Lemon, Shaun Treacy, Susan Muir and Philipa Varris to hold office subject to the Articles of the Corporation, as directors of the Corporation.

The foregoing persons are the nominees of management of the Corporation for election as directors of the Corporation. The directors of the Corporation are elected to hold office until the next annual general meeting of the Corporation or until their successors are appointed, unless a director ceases to hold office pursuant to the BCBCA or the office is vacated pursuant to the Articles of the Corporation.

In the absence of instructions to the contrary, the enclosed Proxy Form will be voted for the nominees herein listed. **Management does not contemplate that any of such nominees will be unable to serve as a director; however, if for any reason any of the proposed nominees does not stand for election or are unable to serve as such, proxies in favour of Management Designees will be voted for another nominee in their discretion unless the Shareholder has specified in the Shareholder's proxy that the Shareholder's Common Shares are to be withheld from voting in the election of directors of the Corporation.**

The following table sets out the name of each of the persons proposed to be nominated for election as a director and the name of each of the persons whose term of office, if elected, shall continue after the Meeting; all positions and offices in the Corporation presently held by them; their principal occupations at present and during the preceding five years; the periods during which they have served as directors; and the number of Common Shares, stock options and common share purchase warrants that they have advised the Corporation are currently beneficially owned by them, directly or indirectly, or over which control or direction is exercised, as of the date hereof:

Name, Municipality of Residence, Office and Date became a Director	Present and Principal Occupation During the Last Five Years	Common Shares Beneficially Owned Directly or Indirectly or Controlled or Directed	Stock Options EMI Options, RSUs or Common Share Purchase Warrants Beneficially Owned Directly or Indirectly or Controlled or Directed
<p><i>Derek Linfield</i>⁽¹⁾ Chairman and Director</p> <p>London, United Kingdom January 31, 2014</p>	<p>Mr. Linfield is a director of a number of private companies, as well as being a consultant to the law firm Fasken Martineau DuMoulin LLP (since 2016). Mr Linfield was Chairman of Cornish Lithium PLC until April 2022 and a Non-Executive Director until November 2023.</p>	<p>8,056,227 Common Shares</p>	<p>2,160,000 Stock Options</p>

<p>William Dawes Chief Executive Officer and Director London, United Kingdom December 20, 2010</p>	<p>Mr. Dawes is the Chief Executive Officer of the Corporation. He has been an executive director of Leo Mining & Exploration Limited (“Leominex”) and of Lancaster Exploration Limited (“Lancaster”) since September 2007, Lancaster Exploration Malawi since May 19, 2011, Maginito Limited since January 17, 2018, MKA Exploration Ltd since July 25, 2018, MKA Exploration Malawi Ltd since May 6, 2019, Hypromag Ltd since January 9, 2020 and Mkango Rare Earths UK Limited since June 23, 2021.</p>	<p>12,521,443 Common Shares⁽²⁾⁽³⁾</p>	<p>3,707,500 Stock Options 840,000 EMI Options 3,801,384 RSUs</p>
<p>Alexander Lemon⁽⁶⁾ President and Director London, United Kingdom December 20, 2010</p>	<p>Mr. Lemon is the President of the Corporation. He has been an executive director of Leominex and of Lancaster since September 2007, Lancaster Exploration Malawi since May 19, 2011, Maginito Limited since January 17, 2018, MKA Exploration Ltd since July 25, 2018, MKA Exploration Malawi Ltd since May 6, 2019 and Mkango Rare Earths UK Limited since June 23, 2021.</p>	<p>8,546,205 Common Shares⁽²⁾</p>	<p>3,707,500 Stock Options 840,000 EMI Options 3,801,384 RSUs</p>
<p>Susan Muir⁽¹⁾⁽⁴⁾ Director Toronto, Canada August 28, 2018</p>	<p>Ms. Muir has 40 years’ experience in capital markets, including +20 years in equity research for various Canadian banks and 10+ years as a senior Investor Relations executive for large Canadian mining companies.</p>	<p>12,000 Common Shares</p>	<p>1,370,000 Stock Options</p>
<p>Shaun Treacy⁽¹⁾⁽²⁾⁽⁴⁾ Director Sydney, Australia October 2, 2018</p>	<p>Mr. Treacy has over 30 years’ experience in investment banking and corporate finance, having senior leadership positions with JPMorgan, Lehman Brothers, Nomura and UBS. He has worked in the United States, United Kingdom, Hong Kong and Australia. He is a non-executive director of Warpforge Ltd., an Australian unlisted public company, and is a non executive director of Multiple Sclerosis (Qld) Pty Ltd (Chairman), Multiple Sclerosis (Aust) Pty Ltd and the Charlie Teo Foundation. From 1 September 2021 to August 2023, he was a non-executive director of Adani Mining Pty Limited. Mr. Treacy is also a director of Leominex and a director of, and consultant to, Zenith Advisory Services Pty Ltd.</p>	<p>8,546,205 Common Shares⁽²⁾</p>	<p>1,370,000 Stock Options</p>

<p>Philipa Varris⁽⁶⁾ Director Fulham, United Kingdom</p> <p>May 23, 2023</p>	<p>Ms Varris has held leadership positions in environment, health, safety and community management in the mining sector for over 25 years, primarily in Africa, Australia and Latin America, across a number of mineral commodities. Philipa has been awarded the Australian Centenary Medal for leadership in Australia's largest community consultation and strategic vision development initiative and was recognized in 2020 as one of the Women in Mining's 100 Global Inspirational Women in Mining. Philipa holds a Master of Science in Natural Resources from Curtin University of Technology, is an AusIMM Chartered Environmental Professional and UK Committee member, and is qualified with Corporate Directors International. In recent years Ms Varris has held the positions of EVP and Head of Sustainability with Golden Star Resources and Head of Sustainability with Horizonte Minerals, in addition to holding a NED position with CSE-listed EnviroGold Global.</p>	<p>Nil</p>	<p>400,000 Stock Options</p>
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Notes:

- (1) Member of the Remuneration Committee.
- (2) 8,546,205 of these Common Shares are held through Leominex, a company in which William Dawes and Alexander Lemon each own 17.3% of the issued and outstanding shares. Mr. Treacy owns 0.4% of the shares of Leominex.
- (3) 3,975,238 of these Common Shares are held by William Dawes in his personal capacity.
- (4) Member of the Audit Committee.
- (5) These shares are held by Talaxis Limited.
- (6) Member of the Sustainability Committee, which was established on May 15, 2023.

Corporate Cease Trade Orders or Bankruptcies

No director of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity:

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

No director of the Corporation is, or has been within the past ten years, a director or executive officer of any company that, while such person was acting in that capacity or within a year of that individual 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.

Penalties and Sanctions

No director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court, or regulatory body that would likely be considered important to a reasonable security holder in deciding to vote for a director.

Individual Bankruptcies

No director of the Corporation is or has, within the ten years prior to the date hereof, 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 that individual.

APPOINTMENT OF AUDITORS

On October 2, 2024 BDO LLP resigned as auditors of the Corporation. MNP LLP, Suite 2000, 112 4th Ave SW, Calgary AB, T2P 0H3, will be nominated at the Meeting for appointment as auditor of the Corporation in place of BDO LLP, to hold office until the next annual general meeting of Shareholders, or until its successors are elected or appointed, and at a remuneration to be fixed by the directors. The Board resolved on October 8, 2024 that MNP LLP be appointed as auditors of the Corporation to replace BDO LLP. BDO LLP was first appointed as the Corporation's auditor on November 26, 2020.

There have been no reportable disagreements between the Corporation and BDO LLP and no qualified opinions or denials of opinions by BDO LLP for the purposes of National Instrument 51-102. A copy of the Corporation's Reporting Package with respect to the resignation of BDO LLP and appointment of MNP LLP as auditor of the Corporation (including the Notice of Change of Auditor, a letter from BDO LLP and a letter from MNP LLP) is attached as Appendix "A" to this Information Circular.

The foregoing resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. **Unless otherwise directed, the Management Designees named in the accompanying Proxy Form intend to vote in favour of the appointment of MNP LLP, Chartered Accountants, as auditor of the Corporation, to hold office until the next annual general meeting of the Shareholders, at a remuneration to be determined by the directors of the Corporation.**

APPROVAL OF STOCK OPTION PLAN

General

The Corporation's amended and restated option plan (the "**Stock Option Plan**") was last approved by the Shareholders at the Corporation's annual meeting held on October 25, 2023.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to re-approve the Stock Option Plan of the Corporation. Re-approval of the Stock Option Plan is being sought in accordance with policies of the TSXV, whereby issuers whose security based compensation plans which reserve shares for issuance upon the exercise of options based on a percentage of the issuer's issued and outstanding shares rather than a fixed number ("**Rolling Plans**"), must have such plans approved by the Shareholders annually. The Shareholders will therefore be asked at the Meeting to vote on a resolution to re-approve the Stock Option Plan.

Description of Stock Option Plan

The Stock Option Plan (as well as the other Share Compensation Arrangements, as defined below) was established to recognize contributions made by directors, officers, employees and consultants of the Corporation, to provide incentives to qualified parties to increase their proprietary interest in the Corporation and to thereby encourage their continuing association with the Corporation. The Board administers the Stock Option Plan and it is their responsibility to ensure that the provisions of the Stock Option Plan are adhered to.

A copy of the Stock Option Plan has been filed on SEDARplus and is available on the Corporation's website.

Eligible Participants

Participation in the Stock Option Plan is limited to any person who is a director, officer, employee or consultant of the Corporation or of its subsidiaries, as the Board may designate such person as a participant under the Stock Option Plan (each, a “**Stock Option Plan Participant**”).

Transferability

Options granted under the Stock Option Plan are not transferable or assignable other than by will or by the laws of succession. In the case of the death of a Stock Option Plan Participant, any vested option held by such Stock Option Plan Participant at their date of death will become exercisable by the Stock Option Plan Participant’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Stock Option Plan Participant and the date of expiration of the term otherwise applicable to such option.

Grant of Options

All Options under the Stock Option Plan are granted by means of an agreement between the Corporation and a Stock Option Plan Participant in a form approved by the Board and will expire not later than the tenth anniversary of the date such Options were granted or such other length of time as may be permitted by the TSXV or such other exchange on which the Common Shares are listed.

Rights as Shareholders/Payment of Dividend Equivalents

Stock Option Plan Participants have no rights as Shareholders in respect of any of the Common Shares underlying their Options (including any rights to receive dividends or other distributions, or voting rights), until such time as they have exercised their Options for Common Shares.

Exercise Price of Options

The Board determines the purchase price for Common Shares under the Options but in no event shall the price be less than the market price (as defined in policies of the TSXV or such other exchange that the Common Shares may be listed on) less any permitted discounts.

Option Limits

If and for so long as the Common Shares are listed on the TSXV, the number of Common Shares which may be issuable under the Stock Option Plan, together with any other stock option plan, employee stock purchase plan, restricted share unit plan or other compensation or incentive mechanism involving the issuance or potential issue of Common Shares of the Corporation (each, a “**Share Compensation Arrangement**”) shall be limited to 10 percent (10%) of the issued and outstanding common shares of the Corporation, calculated as at the date of grant (on a non-diluted basis) (the “**Optioned Shares**”). In addition, the number of Common Shares which may be issuable under the Stock Option Plan, together with each other Share Compensation Arrangement, within any 12 month period: (i) to any Stock Option Plan Participant, will not exceed 5% of the total issued and outstanding Common Shares on the grant date on a non-diluted basis (unless the Corporation has obtained the requisite disinterested Shareholder approval), (ii) to any one consultant will not exceed 2% of the then issued Common Shares; (iii) to all Stock Option Plan Participants conducting investor relations activities, will not exceed 2% of issued and outstanding Common Shares on the grant date on a non-diluted basis; (iv) to Insiders (as such term is defined in the Stock Option Plan) (as a group), will not exceed 10% of the issued and outstanding Common Shares of the Corporation (unless the Corporation has obtained the requisite disinterested Shareholder approval), calculated as at the grant date on a non-diluted basis; and (v) to Insiders (as a group), will not exceed 10% of the total number of issued and outstanding Common Shares at any time (unless the Corporation has obtained the requisite disinterested Shareholder approval). Any Option grant to a Stock Option Plan Participant performing investor relations activities must vest in stages over no less than 12 months with no more than 1/4 of the Options vesting in any three month period.

Termination of Employment

If a Stock Option Plan Participant is dismissed as a director, officer, employee or consultant by the Corporation or by one of its subsidiaries without Cause (as such term is defined in the Stock Option Plan), all unvested options of that Participant under the Stock Option Plan will automatically vest and such Participant shall have the right, for a period

not exceeding 90 days from the date of such dismissal, to exercise the option under the Stock Option Plan with respect to all Common Shares underlying any Options of such Participant.

If a Stock Option Plan Participant ceases to be a director, officer, employee or consultant of the Corporation or of one of its subsidiaries as a result of:

- (i) disability or illness preventing such Participant from performing the duties routinely performed by such Participant;
- (ii) retirement at the normal retirement age prescribed by the Corporation pension plan;
- (iii) resignation; or
- (iv) such other circumstances as may be approved by the board of directors

such Participant will have the right for a period not exceeding 90 days from the date of ceasing to be a director, officer, employee, consultant (or, if earlier, until the expiry date of the option rights of the Participant pursuant to the terms of the Option Agreement) to exercise the option under the Stock Option Plan with respect to all optioned Common Shares of such Participant to the extent they were exercisable on the date of ceasing to be a director, officer, employee or consultant.

Change of Control

If, at any time when an Option remains unexercised with respect to any Common Shares underlying any Options, an offer to purchase all of the common shares of the Corporation is made by a third party, the Corporation will use its best efforts to bring such offer to the attention of the Stock Option Plan Participants as soon as practicable and the Corporation may, at its option, require the acceleration of the time for the exercise of the option rights granted under the Stock Option Plan and of the time for the fulfillment of any conditions or restrictions on such exercise.

See also “*Executive Compensation*” – “*Stock Option Plan*” below for additional information about the Stock Option Plan.

The aggregate number of Common Shares issuable upon the exercise of all options granted under the Stock Option Plan, together with securities issued under any other Share Compensation Arrangement, cannot exceed 10% of the issued and outstanding Common Shares.

Shareholder Approval Being Sought

Pursuant to the rules of the TSXV, the Stock Option Plan must be passed by a majority of the votes cast on an ordinary resolution by Shareholders at the Meeting. The Shareholders will be asked to consider and, if deemed advisable, to pass the following ordinary resolution re-approving the Stock Option Plan:

“BE IT RESOLVED AS AN ORDINARY RESOLUTIONS THAT:

1. the Stock Option Plan in the form filed on SEDARplus on September 14, 2023, is hereby re-approved as the stock option plan of the Corporation;
2. the Corporation be authorized to grant options pursuant to and subject to the terms and conditions of the Stock Option Plan;
3. the form of the Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation;
4. the number of common shares of the Corporation issuable under the Stock Option Plan, together with securities issuable under any other stock option plan, employee stock purchase plan, restricted share unit plan or other compensation or incentive mechanism involving the issuance or potential issue of Common Shares of the Corporation, be set at a maximum of 10% of the aggregate number of Common Shares issued and outstanding from time to time subject to any limitations imposed by applicable laws, rules, regulation and policies;
5. the continuation of the 16,238,334 options outstanding on the date hereof under the Stock Option Plan of the Corporation (and such other options as may be issued prior to the date of the Meeting in

accordance with the terms of the stock option plan), without amendment to their terms except as required to comply with the Stock Option Plan be authorized and approved; and

6. any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation 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 the foregoing.”

The foregoing resolution must be approved by a simple majority of the votes cast by Shareholders at the Meeting by the Shareholders voting in person or by proxy. **The Management Designees, unless instructed otherwise, intend to vote to approve the Stock Option Plan, in the form filed on SEDARplus on September 14, 2023.**

APPROVAL OF ENTERPRISE MANAGEMENT INCENTIVE PLAN, AS AMENDED

General

The Corporation’s amended enterprise management incentive plan (the “**EMI Plan**”) was last approved by Shareholders at the Corporation’s annual meeting held on October 25, 2023.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass, with or without variation, a resolution to re-approve the EMI Plan.

Pursuant to policies of the TSXV, the re-approval of the EMI Plan requires approval by a simple majority of Shareholders. The EMI Plan provides the Corporation with a vehicle by which equity-based incentives may be awarded to the UK-based employees of the Corporation or its subsidiaries in a tax-efficient manner to recognize and reward their significant contributions to the long-term success of the Corporation and its subsidiaries, including to align such employees’ interests more closely with Shareholders.

Description of EMI Plan

A copy of the EMI Plan has been filed on SEDARplus and is available on the Corporation’s website.

Eligible Participants

Participation in the EMI Plan is restricted to employees of the Corporation and its subsidiaries who: (i) are required to spend on average at least the statutorily required minimum time on the business of the Corporation or its group companies, (ii) do not, together with Associates (as defined in the EMI Plan), have a Material Interest (defined to be 30% or more of the issued and outstanding Common Shares), and (iii) do not have Associates who have a Material Interest (each, an “**EMI Eligible Person**”).

Transferability

Options granted under the EMI Plan (each, an “**EMI Option**”) are not transferable or assignable other than by operation of law on death. In the case of the death of an EMI Option Holder, any vested EMI Option held by an EMI Option Holder at the date of their death will become exercisable by the EMI Option Holder’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such EMI Option Holder and the date of expiration of the term otherwise applicable to such option.

Grant of EMI Options

The EMI Plan permits the Corporation to grant EMI Options to EMI Eligible Persons and to determine the vesting schedule applicable to such EMI Options.

Following vesting, an EMI Option Holder will be entitled to exercise their EMI Options to purchase Common Shares at the exercise price included in the option agreement entered into by the EMI Eligible Person and the Corporation on the date on which the EMI Option is granted.

The term of an EMI Option cannot be extended, so that its effective term exceeds 10 years in total.

Exercise Price of EMI Options

The Board determines the purchase price for Common Shares under the EMI Options but in no event shall the price be less than the market price (as defined in policies of the TSXV or such other exchange that the Common Shares may be listed on) less any permitted discounts.

EMI Option Limits

No EMI Options may be granted which would cause the total Market Value (as such term is defined in the EMI Plan) of the Common Shares that can be acquired on exercise of all EMI Options at the relevant grant dates to exceed £3 million.

If and for so long as the Common Shares are listed on the TSXV, the number of Common Shares which may be issuable under the EMI Plan, together with any other Share Compensation Arrangement, shall be limited to 10 percent (10%) of the issued and outstanding common shares of the Corporation, calculated as at the date of grant (on a non-diluted basis). In addition, if and for so long as the Common Shares are listed on the TSXV, the number of Common Shares which may be issuable under the EMI Plan, together with any other Share Compensation Arrangement, within any one-year period: (i) to any EMI Eligible Person, will not exceed 5% of the total issued and outstanding Common Shares on the grant date on a non-diluted basis (unless the Corporation has obtained the requisite disinterested Shareholder approval), (ii) to Insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis (unless the Corporation has obtained the requisite disinterested Shareholder approval); (iii) to all EMI Eligible Persons conducting investor relations activities, will not exceed 2% of issued and outstanding Common Shares on the grant date on a non-diluted basis; and (iv) to Insiders (as a group), will not exceed 10% of the total number of issued and outstanding Common Shares at any time (unless the Corporation has obtained the requisite disinterested Shareholder approval). Any EMI Options issued to EMI Eligible Persons performing investor relations activities must vest in stages over no less than 12 months with no more than 1/4 of the EMI Options vesting in any three month period.

In addition, no EMI Option will be granted to an EMI Eligible Person which would cause the total Market Value at the relevant grant dates of the Common Shares that an EMI Eligible Person may acquire on exercise of the EMI Options to exceed £249,999.

Termination of Employment

An EMI Option Holder who gives or receives notice of termination of employment (whether or not lawful) and an EMI Option Holder who ceases to be an Employee (whether or not following notice) may not exercise an EMI Option at any time while the notice remains effective or after ceasing to be an Employee, except that where the EMI Option Holder ceases to be an employee as a result of death, disability, retirement, resignation, dismissal without Cause (as defined in the EMI Plan) or such other circumstances as may be approved by the Board, the EMI Option will be exercisable, to the extent vested, during a period ending no later than 90 days after cessation or until the expiration date of the EMI Option. In all of these cases, EMI Options will be exercisable only to the extent that they have vested on the termination date except that where an EMI Option Holder is dismissed without Cause (as defined in the EMI Plan), its unvested EMI Options will become exercisable in full during a period ending no later than 90 days after cessation or until the expiration date of the EMI Option.

Change of Control

If an offer to purchase all of the Common Shares is made by a third party, the Corporation will be required to use its best efforts to bring such offer to the attention of EMI Option Holders as soon as practicable and the Corporation may, at its option, require the acceleration of the time for the exercise of EMI Options and for the fulfilment of any conditions or restrictions on such exercise.

Shareholder Approval Being Sought

Pursuant to the rules of the TSXV, the EMI Plan must be passed by a majority of the votes cast on an ordinary resolution by Shareholders at the Meeting. The Shareholders will be asked to consider and, if deemed advisable, to pass the following ordinary resolution approving the EMI Plan:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the EMI Plan, in the form filed on SEDARplus on September 14, 2023, is hereby re-approved as the enterprise management incentive stock option plan of the Corporation;
2. the Corporation be authorized to grant EMI Options pursuant to and subject to the terms and conditions of the EMI Plan;
3. the form of EMI Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation;
4. the number of common shares of the Corporation issuable under the EMI Plan, together with securities issuable under any other stock option plan, employee stock purchase plan, restricted share unit plan or other compensation or incentive mechanism involving the issuance or potential issue of Common Shares of the Corporation, be set at a maximum of 10% of the aggregate number of Common Shares issued and outstanding from time to time subject to any limitations imposed by applicable laws, rules, regulation and policies;
5. the continuation of the 1,680,000 options outstanding on the date hereof under the EMI Plan of the Corporation (and such other options as may be issued prior to the date of the Meeting in accordance with the terms of the EMI Plan), without amendment to their terms except as required to comply with the EMI Plan be authorized and approved; and
6. any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation 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 the foregoing.”

The foregoing resolution must be approved by a simple majority of the votes cast by Shareholders at the Meeting by the Shareholders voting in person or by proxy. **The Management Designees, unless instructed otherwise, intend to vote to re-approve the EMI Plan, in the form filed on SEDARplus on September 14, 2023.**

APPROVAL OF RESTRICTED SHARE UNIT PLAN, AS AMENDED

General

The Corporation’s amended restricted share unit plan (the “**RSU Plan**”) was last approved by Shareholders at the Corporation’s annual meeting held on October 25, 2023.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass, with or without variation, a resolution to re-approve the RSU Plan.

Description of RSU Plan

A copy of the RSU Plan has been filed on SEDARplus and is available on the Corporation’s website.

Eligible Participants

Participation in the RSU Plan is restricted to employees of the Corporation and its subsidiaries (an “**RSU Eligible Person**”).

Transferability

RSUs are not transferable or assignable other than by will or the laws of descent and distribution. In the case of death of an RSU Eligible Person who has been issued RSUs (“**RSU Holder**”), all RSUs will be deemed to have vested on the date of death of the RSU Holder and must be redeemed by no later than one year following the death of the RSU Holder.

Grant of RSUs

The RSU Plan permits the Remuneration Committee of the Board, or if there is no such committee, the Board, to grant awards of RSUs to an RSU Eligible Person and to determine the RSU Redemption Date applicable to such

RSUs. In addition, the Committee may, at its sole discretion, at the time of the grant of RSUs, make such RSUs subject to performance conditions to be achieved by the Corporation to entitle the holder thereof to receive the Common Shares.

Following vesting, the RSUs will be redeemed on or about (but not later than 30 days following) each applicable RSU Redemption Date (as defined in the RSU Plan) (the “**RSU Redemption Date**”), and the RSU Holder will be entitled to receive and the Corporation will issue to such RSU Holder, as applicable: (i) the number of Common Shares equal to the numbers of RSUs vested on the RSU Redemption Date. The RSU Redemption Date in respect of any RSU is the date provided for in the agreement granting the RSUs or if no date is set, the tenth (10th) anniversary of the grant date, unless otherwise provided for in the RSU Plan. The Remuneration Committee has the discretion to stipulate the length of time for vesting and to determine various performance objectives based on certain business criteria as a pre-condition to an RSU vesting.

Payment of Dividend Equivalents

When dividends are paid on Common Shares, an RSU Holder shall be credited with dividend equivalents in respect of the RSUs credited to such RSU Holder’s Account as of the record date for payment of dividends provided however that the Corporation shall be entitled to make a payment in cash in lieu of issuing Common Shares if the number of Common Shares available for issuance under the RSU Plan have been exhausted. Such dividend equivalents shall be converted into additional RSUs (including fractional RSUs) based on the fair market value per Common Share on the date credited and redeemed on the date of redemption, of the RSUs with respect to which the dividend equivalent was granted.

Maximum Number of Common Shares Issued

The number of Common Shares which may be reserved for issuance under the RSU Plan for the redemption of RSUs granted under the RSU Plan, provided that, all RSUs granted shall be deemed to be redeemed into Common Shares for the purposes of this calculation, shall not exceed 15,000,000 Common Shares (the “**RSU Limit**”), which represents no more than 10% of the number of issued and outstanding Common Shares on the date of the adoption of the RSU Plan. Notwithstanding the RSU Limit, however, no RSUs may be issued under the RSU Plan if such issuance, when aggregated with the number of Common Shares which may be issuable under all other share compensation arrangements, would exceed 10% of the number of issued and outstanding Common Shares at the time of the grant, subject to customary adjustments in accordance with the RSU Plan and, if required by the TSXV Policies or any other stock exchange on which the Common Shares of the Corporation may then be listed, and by the shareholders of the Corporation.

If and for so long as the Common Shares are listed on the TSXV, the number of Common Shares which may be issuable under the RSU Plan for the redemption of RSUs granted under such plan, and any other share compensation arrangement, within any one-year period: (i) to any RSU Eligible Person, will not exceed 5% of the total issued and outstanding Common Shares on the grant date on a non-diluted basis (unless the Corporation has obtained the requisite disinterested Shareholder approval), (ii) to Insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis (unless the Corporation has obtained the requisite disinterested Shareholder approval), provided that, in determining the number of Common Shares issuable, all RSUs granted shall be deemed to be redeemed into Common Shares; and (iii) to Insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares at any time (unless the Corporation has obtained the requisite disinterested Shareholder approval).

If and for so long as the Common Shares are listed on the TSXV, no RSUs will be granted under the RSU Plan to any RSU Eligible Person whose role and duties primarily consist of Investor Relations Activities, as defined under TSXV policies.

Termination of Employment

If, prior to an RSU Redemption Date, an RSU Eligible Person terminates its employment in accordance with its employment agreement with the Corporation or a subsidiary, or where the Corporation or a subsidiary terminates the employment of RSU Eligible Person, provided no circumstances amounting to Cause (as defined in the RSU Plan) exist, the RSU Redemption Date will be deemed to be the date on which the termination of such employment

takes effect and all RSUs granted to such RSU Eligible Person and outstanding under the RSU Plan will, on such termination date, immediately vest and be redeemed in accordance with the terms of the RSU Plan.

If, prior to an RSU Redemption Date, the employment of an RSU Eligible Person is terminated by the Corporation or a subsidiary or by an RSU Eligible Person where Cause exists or if an RSU Eligible Person voluntarily terminates its employment other than in accordance with its employment agreement, all of the RSU Eligible Person's RSUs will be cancelled and no amount will be paid by the Corporation to such RSU Eligible Person in respect of the RSUs so cancelled.

Change of Control

In the event of a change of control of the Corporation, all RSUs granted to RSU Eligible Persons and outstanding under the RSU Plan will immediately vest and will be redeemed.

Shareholder Approval Being Sought

Pursuant to rules of the TSXV, the RSU Plan must be passed by a majority of the votes cast on an ordinary resolution by Shareholders at the Meeting. The Shareholders will be asked to consider and, if deemed advisable, to pass the following ordinary resolution approving the RSU Plan:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the RSU Plan, in the form filed on SEDARplus on September 8, 2022, is hereby re-approved as the restricted share unit plan of the Corporation;
2. the Corporation be authorized to grant restricted share units pursuant to and subject to the terms and conditions of the RSU Plan;
3. the form of RSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation;
4. the number of common shares of the Corporation issuable under the RSU Plan be set at a maximum of 15,000,000 Common Shares (the “**RSU Limit**”), provided that notwithstanding the RSU Limit, no additional RSUs may be issued under the RSU Plan if such issuance, when aggregated with the number of issued and outstanding common shares which may be issuable under each other share compensation arrangement of the Corporation, would exceed 10% of the number of issued and outstanding common shares at the time of grant, subject to any limitations imposed by applicable laws, rules, regulation and policies;
5. the continuation of the 8,612,024 restricted share units outstanding on the date hereof under the RSU Plan of the Corporation (and such other restricted share units as may be issued prior to the date of the Meeting in accordance with the terms of the RSU Plan), without amendment to their terms except as required to comply with the RSU Plan, be authorized and approved; and
6. any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation 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 the foregoing.”

The foregoing resolution must be approved by a simple majority of the votes cast by Shareholders at the Meeting by the Shareholders voting in person or by proxy. **The Management Designees, unless instructed otherwise, intend to vote to re-approve the RSU Plan as filed on SEDARplus on September 8, 2022.**

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This compensation discussion and analysis describes and explains the Corporation's policies and practices with respect to compensation.

Director and named executive officer compensation excluding compensation securities

The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Corporation and its subsidiaries for the financial year ended December 31, 2023 in respect of the Corporation's NEOs and Directors. A Named Executive Officer is defined under Form 51-102F6V - *Statement of Executive Compensation* ("**Form 51-102F6V**") to include the following individuals:

- (a) the chief executive officer ("**CEO**" or "**Chief Executive Officer**") of the Corporation or an individual who acted in a similar capacity during the most recently completed financial year;
- (b) each chief financial officer ("**CFO**" or "**Chief Financial Officer**") of the Corporation or an individual who acted in a similar capacity during the most recently completed financial year;
- (c) the Corporation's most highly compensated executive officer or most highly compensated individual acting in a similar capacity, other than the CEO and CFO, as at the end of the most recently completed financial year, and whose total compensation was, individually, more than CAD\$150,000 per year; and;
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year.

The Corporation's Named Executive Officers for the year ended December 31, 2023 are William Dawes, Alexander Lemon and Rob Sewell. William Dawes was appointed as CEO of the Corporation effective December 20, 2010 and prior thereto, served as a director of the Corporation's subsidiary, Lancaster. Alexander Lemon was appointed as President of the Corporation effective December 20, 2010 and prior thereto, served as a director of the Corporation's subsidiary, Lancaster. Rob Sewell was appointed as CFO on June 30, 2022. No other individuals were considered Named Executive Officers, as such term is defined in Form 51-102F6V, during the year ended December 31, 2023.

Table of compensation excluding compensation securities				
Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	All other compensation (US\$)	Total compensation (US\$)
William Dawes, CEO and Director ⁽¹⁾	2023	237,794	Nil	237,794
	2022	223,629	Nil	223,629
Alexander Lemon, President and Director ⁽¹⁾	2023	237,794	Nil	237,794
	2022	234,952	Nil	234,952
Tim Slater, former interim CFO ⁽¹⁾⁽²⁾	2023	n/a	n/a	n/a
	2022	41,830	Nil	41,830
Robert Sewell, CFO ⁽³⁾	2023	205,138	Nil	205,138
	2022	104,877	Nil	104,877
Derek Linfield, Chairman and Director	2023	87,028	Nil	87,028
	2022	86,248	Nil	86,248
Susan Muir, Director	2023	25,000	Nil	25,000
	2022	25,000	Nil	25,000
Shaun Treacy, Director	2023	25,000	Nil	25,000
	2022	25,000	Nil	25,000
Stephen Motteram Director ⁽⁴⁾	2023	Nil	Nil	Nil
	2022	Nil	Nil	Nil

Table of compensation excluding compensation securities				
Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	All other compensation (US\$)	Total compensation (US\$)
Philipa Varris Director ⁽⁵⁾	2023	14,708	Nil	14,708
	2022	Nil	Nil	Nil

Notes:

- (1) These amounts were paid in Pound Sterling and are stated in United States dollars (“US\$”). The amounts in US\$ were determined using the relevant annual weighted average exchange rate.
- (2) Tim Slater resigned as interim CFO on June 30, 2022.
- (3) Robert Sewell became CFO on June 30, 2022.
- (4) Stephen Motteram resigned as director on December 14, 2023.
- (5) Philipa Varris appointed as director on May 24, 2023.

External Management Companies

There are currently no contracts with external management companies in effect, other than the agreement with Leominex described below under “*Employment, consulting and management agreements – Management Agreements*”.

Stock options and Other Compensation Securities

The Corporation issued the following compensation securities to the directors or named executive officer during the year ended December 31, 2023 for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries.

Name and position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class⁽⁸⁾	Date of Issue or Grant	Exercise Price (C\$)	Closing Price of Common Shares on date of grant (C\$)	Closing Price of Common Shares on December 31, 2023 (C\$)	Expiry Date
William Dawes, CEO and Director ⁽¹⁾	Stock Options	287,500	May 30,2023	0.2025	0.18	0.17	May 29,2033
William Dawes, CEO and Director ⁽¹⁾	Restricted Share Units (“RSUs”)	287,500	May 30,2023	0.00	0.18	0.17	May 29,2033
Alexander Lemon, President and Director ⁽¹⁾	Stock Options	287,500	May 30,2023	0.2025	0.18	0.17	May 29,2033
Alexander Lemon, President and Director ⁽¹⁾	Restricted Share Units (“RSUs”)	287,500	May 30,2023	0.00	0.18	0.17	May 29,2033
Robert Sewell, Chief Financial Officer ⁽¹⁾	Stock Options	375,000	May 30,2023	0.2025	0.18	0.17	May 29,2033
Derek Linfield, Chairman and Director ⁽¹⁾	Stock Options	250,000	May 30,2023	0.2025	0.18	0.17	May 29,2033

Susan Muir, Director ⁽¹⁾	Stock Options	175,000	May 30,2023	0.2025	0.18	0.17	May 29,2033
Shaun Treacy, Director ⁽¹⁾	Stock Options	175,000	May 30,2023	0.2025	0.18	0.17	May 29,2033
Philipa Varris, Director	Stock Options	400,000	May 30,2023	0.2025	0.18	0.17	May 29,2033

Notes:

- (1) As at December 31, 2023, each of the directors and NEOs held the following number of Stock Options, EMI Options and RSUs, as applicable: William Dawes held 3,707,500 Stock Options, 840,000 EMI Options and 2,287,500 RSUs; Alexander Lemon held 3,707,500 Stock Options, 840,000 EMI Options and 2,287,500 RSUs; Derek Linfield held 3,410,000 Stock Options; Susan Muir held 1,370,000 Stock Options, Shaun Treacy held 1,370,000 Stock Options and Robert Sewell held 725,000 Stock Options.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised during the financial year ended December 31, 2023.

Stock Option Plan, EMI Plan and RSU Plan

There were no options re-priced under the Stock Option Plan or EMI Plan or RSUs re-priced under the RSU Plan during the Corporation's financial year ended December 31, 2023.

Employment and Services Agreement

On October 1, 2021, the Corporation entered into a management services agreement (the "**Management Services Agreement**") with Mkango Rare Earths UK Limited, a wholly-owned subsidiary of the Corporation, incorporated in the UK. In March 2023, this agreement was transferred from Mkango Rare Earths UK Limited to Mkango Serviceco UK Limited ("**Mkango UK**"). Pursuant to the Management Services Agreement, Mkango UK agreed to provide management services to the Corporation for a monthly service fee of £500. The Corporation also agreed to reimburse Mkango UK for the fees and expenses paid by Mkango UK in respect of the Corporation's directors resident in the UK.

Material Terms of Employment Agreements and Consulting Agreements**Employment Agreements**

The non-executive directors' compensation is agreed by the Board. Will Dawes and Alexander Lemon each entered into employment agreements with Mkango Rare Earths UK Limited in October 2021, which agreements were transferred to Mkango ServiceCo UK Limited in March 2023.

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to Named Executive Officers of the Corporation (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year.

Termination and Change of Control Benefits

There is no employment contract, compensatory plan, or other arrangement in place with the Named Executive Officers, nor are there any agreements between the Corporation and the Named Executive Officers that provide for payment to the Named Executive Officers of the Corporation in connection with any termination, resignation, retirement or change in responsibilities of the Named Executive Officers, except as discussed under the section entitled "Executive Compensation" and other than pursuant to the Employment Agreements with William Dawes and Alexander Lemon which provide that:

- a) upon termination without cause, the employee will be entitled to an amount equal to 1.5 times the employee's annual salary; and

- b) upon a Change of Control (as defined below), the consultant will be entitled to an amount equal to 1.5 times the employee's annual salary.

The payments above upon termination without cause and Change of Control are in addition to the employee's entitlements under the Stock Option Plan, the EMI Plan and the RSU Plan, as described above.

Under the respective Employment Agreements, a "**Change of Control**" shall occur if:

- a) a person, or persons acting jointly or in concert, beneficially holds more than 50% of the voting securities of the Corporation and, as a result, can exercise the right to elect a majority of the members of the Board;
- b) any merger or consolidation of the Corporation with, or sale of all or substantially all of the Corporation's assets or business to, another person (other than an affiliate of the Corporation);
- c) there is a sale of ownership of 50% or more of the voting securities of the Corporation to another person (other than to an affiliate or subsidiary of the Corporation);
- d) a person, or persons acting jointly or in concert, as a result of any powers conferred by the articles of association or any other document or law/stock exchange regulation regulating the Corporation can direct that the affairs of the Corporation are conducted in accordance with their wishes; or
- d) any similar transaction or combination of the foregoing which would have substantially the same effect as any of the foregoing.

Consulting Agreements

Since Lancaster's incorporation in 2007, Leominex has been providing services to Lancaster. This arrangement was formalized by the entering into of a service provision agreement between Leominex and Lancaster on September 20, 2010 (the "**Services Agreement**"). Pursuant to the terms of the Services Agreement, Leominex provides Lancaster with a variety of services, including administrative, financial and accounting, office equipment, title maintenance, human resource planning and advice, geological and other services (the "**Services**"). Leominex's registered address is Jayla Place, Wickhams Cay 1, P.O. Box 3190, Road Town, Tortola, British Virgin Islands, VG1110. In addition to being directors of the Corporation, William Dawes, Alexander Lemon and Shaun Treacy are also directors of Leominex.

Other than pursuant to the Services Agreement, there are no management functions of the Corporation which are to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

Oversight and description of director and named executive officer compensation

The Corporation's compensation philosophy is to provide competitive compensation with a view to attract, motivate and retain highly qualified executive officers capable of achieving the Corporation's strategic and performance objectives and ultimately creating and preserving shareholder value. Consistent with this philosophy, the Corporation's compensation program is designed to achieve the following key objectives:

- recruit, inspire and retain highly skilled executives;
- reward those who meet and exceed both short-term operational and long-term strategic goals; and
- align the interests of executives with corporate performance, and therefore Shareholders' interests.

The Board has not formally considered the implications of risks associated with the Corporation's compensation policies and practices as, in their view, the current structure of the Corporation's executive compensation arrangements is focused on long-term value and is designed to correlate to the long-term performance of the Corporation, which includes but is not limited to performance of its share price.

The NEOs (as defined below) and directors of the Corporation are not formally prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of shares, including shares granted or underlying share-based compensation or otherwise held directly or indirectly by an NEO or a director. In the view of the Board, the structure and nature of directors and executive compensation is designed to reduce the need to hedge or offset any potential decrease in the price of shares of the Corporation and is adequate to ensure that the interests of the directors and NEOs are adequately aligned with those of the Corporation generally.

Elements of Compensation Program

As discussed in further detail below, the Corporation’s compensation program is comprised of two main elements:

- (1) base salaries;
- (2) long-term incentives in the form of security-based awards.

These components are combined to provide a compensation package that is designed to attract, retain and motivate the executive management of the Corporation with competitive remuneration packages. The remuneration policy is aligned to the Corporation’s appetite for risk and long-term strategic goals. A proportion of remuneration is structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the Corporation. In determining such policy, the remuneration committee takes into account all factors which it deems necessary, including relevant legal and regulatory requirements and the provisions and recommendations of relevant regulator guidance.

Base Salary

The primary element of the Corporation’s compensation program is base salary. The Corporation’s view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to a named executive officer (“**Named Executive Officer**” or “**NEO**”) as base salary is determined primarily by past performance, anticipated future contribution and internal value of the NEOs.

Stock Options, EMI Options and Restricted Share Units

The Stock Option Plan, the EMI Plan and the RSU Plan are intended to align NEOs’ long-term incentives with the interests of Shareholders. Under the Stock Option Plan and EMI Plan, options are awarded to senior executives for present and potential contribution to the performance of the Corporation. Options issued by the Corporation vest over time and have a maximum ten-year term, providing incentives to executives to support long-term corporate goals and Shareholder interests, further encouraging the long-term retention of such individuals. The grant of option-based awards to NEOs is approved by the Board.

Individual grants under the Stock Option Plan, the EMI Plan and the RSU Plan are determined by an assessment by the Board (who will receive recommendations from the Remuneration Committee) of an NEO’s current and expected performance, contribution to the Corporation, level of responsibility, importance of position and taking into account the number of options already held by the individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2023:

	Number of securities to be issued upon exercise of outstanding Stock Options, EMI Options, RSUs, warrants and rights	Weighted-average exercise price of outstanding Stock Options, EMI Options, RSUs, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	26,530,358	US\$0.10 ⁽¹⁾	2,814,999
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	26,530,358	US\$0.10⁽¹⁾	2,814,999

Notes:

- (1) Assumes that the RSUs have an exercise price of \$0.00. If the RSUs were excluded from the calculation, the weighted-average price of the outstanding Stock Options and EMI Options would be US\$0.15.

The Stock Option Plan provides for the issuance of stock options to acquire up to that number of Common Shares that is equal to 10% of the issued and outstanding Common Shares. This is a Rolling Plan. The Stock Option Plan was established to recognize contributions made by directors, officers, employees and consultants of the Corporation, to provide incentives to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Board administers the Stock Option Plan and it is their responsibility to ensure that the provisions of the Stock Option Plan are adhered to. Under the Stock Option Plan, options are issued pursuant to option agreements to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation. Options issued under the Stock Option Plan expire on a date not later than ten years after the issuance of such option. As at the date hereof, there are 16,238,334 Stock Options outstanding and vested under the Stock Option Plan to purchase Common Shares, representing approximately 5.5% of the issued and outstanding Common Shares.

See “*Approval of Enterprise Management Incentive Plan, as amended – Description of EMI Plan*” for a description of the EMI Plan. As of the date hereof, there are 1,680,000 EMI Options outstanding under the EMI Plan to purchase Common Shares representing approximately 0.6% of the issued and outstanding Common Shares.

See “*Approval of Restricted Share Unit Plan, as amended – Description of RSU Plan*” for a description of the RSU Plan. As of the date hereof, there are 8,612,024 RSUs outstanding under the RSU Plan to purchase Common Shares representing approximately 2.9% of the issued and outstanding Common Shares.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director or officer, or former director or officer of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein and below, or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or officer, proposed nominee for election as a director or any Shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or executive officer of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any proposed nominee for election as a director of the Corporation, 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 and the grant of Stock Options, EMI Options and RSUs which may be granted to such persons upon approval of the Stock Option Plan, EMI Plan and RSU Plan and as may be set out herein.

MANAGEMENT CONTRACTS

Since Lancaster’s incorporation in 2007, Leominex has been providing management and other services to Lancaster. This arrangement was formalized by the entering into of a service provision agreement between Leominex and Lancaster on September 20, 2010 (the “**Services Agreement**”). Pursuant to the terms of the Services Agreement, Leominex provides Lancaster with a variety of services, including administrative, financial and accounting, office equipment, title maintenance, human resource planning and advice, geological and other services (the “**Services**”). Leominex’s registered address is Jayla Place, Wickhams Cay 1, P.O. Box 3190, Road Town, Tortola, British Virgin Islands, VG1110. In addition to being directors of the Corporation, William Dawes, Alexander Lemon and Shaun Treacy are also directors of Leominex.

Other than pursuant to the Services Agreement and the Management Services Agreement, there are no management functions of the Corporation which are to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”), the Corporation is required to disclose its corporate governance practices as summarized below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Corporation’s management through frequent meetings. The Board is currently composed of six directors, four of whom are considered to be independent for purposes of NI 58-101. The independent members of the Board are Derek Linfield, Susan Muir, Shaun Treacy and Philipa Varris. Alexander Lemon is not considered an independent director as he is the President of the Corporation, William Dawes is not considered independent as he is the CEO of the Corporation.

The Board may meet independently of management as needed. Although they are permitted to do so, the independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. To facilitate independent judgment among the Board, the Board encourages open and transparent discussions in carrying out its various functions. Furthermore, the Board is in regular formal and informal contact and independent directors are continually provided with the opportunity to be fully apprised of the Corporation’s plans and to question management as required.

Directorships

The following Company’s directors also hold position in other reporting issuers as follows:

Name	Name and Jurisdiction of the Reporting Issuer	Market	Position(s) with Other Issuer	From	To
Philipa Varris	Envirogold Global Limited	Canadian Securities Exchange	Director	August 23, 2021	Present

Attendance

The following table sets forth the attendance by directors of formal board meetings held during the year ended December 31, 2023:

Name	Board Meetings Attended (in person or by telephone)
Derek Linfield	11
William Dawes	10
Alexander Lemon	11
Susan Muir	11
Shaun Treacy	11
Philipa Varris ⁽²⁾	3
Stephen Motteram ⁽¹⁾	11

Notes:

- (1) Stephen Motteram resigned as director on December 14, 2023.
- (2) Philipa Varris was appointed as director on May 24, 2023

Position Descriptions

While the Board has not codified written descriptions of the Chair of the Board and each committee, the Chief Executive Officer or the Chief Financial Officer, the Corporation and the Board delineate the roles and responsibilities of each position through frequent and transparent communication with each other regarding such roles and responsibilities.

Orientation and Continuing Education

The Corporation takes appropriate steps to assist new directors of the Corporation to develop an understanding of (i) the role of the Board and its committees; (ii) the contribution that directors are expected to make to the Board; and (iii) the nature and operation of the Corporation's business. The Corporation also provides all directors appropriate opportunities when required to maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Corporation's business remains current.

In order to orient new directors regarding the role of the Board, its committees and directors, including the business and operations of the Corporation, all potential new directors are given the opportunity to meet with the Chief Executive Officer and other directors to ask questions and become familiar with the Corporation prior to being elected as a director.

Ethical Business Conduct

The Board has not adopted a written code for the directors, officers and employees but may consider doing so in the future. The Board has found that the fiduciary duties placed on individual directors by the Corporation'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 Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors, which evoke such a conflict.

Nomination of Directors

The Board has not appointed a nominating committee. The Board determines new nominees to the Board although no formal process has been adopted. The nominees are generally the result of recruitment efforts by the Board including both formal and informal discussions among the directors and officers.

Compensation

A copy of the Remuneration Committee Charter was filed on SEDARplus on September 10, 2021, describing the responsibilities, powers and operation of the Remuneration Committee. The table below lists the members of the Remuneration Committee following the Meeting and their independence:

Name	Independent
Derek Linfield	Yes
Susan Muir ⁽¹⁾	Yes
Shaun Treacy	Yes
Philipa Varris	Yes

Note:

(1) Chair of Remuneration Committee.

Relevant Education and Experience

All the members of the Remuneration Committee have been involved in providing legal advice to or the financing, administration and operation of managing public companies or significant operations of private companies, which provides relevant experience to serve on the Remuneration Committee.

Other Board Committees

The Corporation has no standing committees at this time, other than the Remuneration Committee, the Audit Committee (as defined below) and the Sustainability 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. The Board through the careful selection of its members and from fostering a culture of openness has established an environment where its members are given ongoing feedback on their performance.

AUDIT COMMITTEE

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee (the “**Audit Committee**”) and its relationship with its independent auditor, as set forth in the following:

Audit Committee Charter

A copy of the Audit Committee Charter is attached as Appendix “A” hereto.

Composition of the Audit Committee

The table below lists the members of the Audit Committee and their independence and financial literacy:

Audit Committee Members	Independent	Financially Literate
Philipa Varris	Yes	Yes
Susan Muir	Yes	Yes
Shaun Treacy ⁽¹⁾	Yes	Yes

Notes:

(1) Chair of Audit Committee.

Relevant Education and Experience

All the members of the Audit Committee have been involved in the financing, administration and operation of managing public companies or significant operations of private companies. All members have the ability to read, analyze, and understand the complexities surrounding the issuance of financial statements.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted policies and procedures for the engagement of non-audit services. The Audit Committee has delegated to its members the authority to pre-approve non-audit services, provided, however, that such pre-approval of non-audit services shall be presented to the Audit Committee at its first scheduled meeting following any such pre-approval.

External Auditor Service Fees (by Category)

Nature of Services	Fees Paid to Auditor in Year Ended December 31, 2023 (US\$)	Fees Paid to Auditor in Year Ended December 31, 2022 (US\$)
Audit Fees ⁽¹⁾	147,948	103,125
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total	147,948	103,125

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Corporation’s financial statements. Audit Fees include 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 Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of its reporting obligations under NI 52-110 for the year ended December 31, 2022. This exempts a “venture issuer” (as defined in NI 52-110) from the requirement to comply with Part 3 “*Composition of the Audit Committee*” and Part 5 “*Reporting Obligations*” of NI 52-110.

OTHER MATTERS

Management of the Corporation is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter comes before the Meeting properly it is the intention of the persons named in the enclosed Proxy Form to vote the Common Shares represented thereby in accordance with their best judgement on such matters.

ADDITIONAL INFORMATION

Additional information and the Corporation’s Financial Statements relating to the Corporation is available on SEDARplus. Shareholders may contact the Corporation to request copies of the Corporation’s Financial Statements and management’s discussion and analysis (“**MD&A**”) by sending a request to the office of the Corporation. Financial information is provided in the Corporation’s annual Financial Statements and MD&A for the financial year ended December 31, 2023.

APPENDIX “A”
MKANGO RESOURCES LTD.
AUDIT COMMITTEE CHARTER

Role and Objective

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Mkango Resources Ltd. (“**Mkango**” or the “**Corporation**”) to which the Board has delegated its responsibility for the oversight of the nature and scope of the annual audit, the oversight of management’s reporting on internal accounting standards and practices, the review (and challenge, where necessary) of financial information, accounting systems and procedures, financial reporting and financial statements and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee are as follows:

1. to assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of Mkango, including its annual and half year reports, interim management statements and preliminary results announcements and any other formal announcements relating to its financial performance, reviewing significant financial reporting issues and judgements and any other related matters;
2. to provide better communication between directors and external auditors;
3. to communicate directly with the external auditors;
4. to enhance the external auditor’s independence;
5. to increase the credibility and objectivity of financial reports; and
6. to strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

Membership of Committee

1. The Committee will be comprised of at least three (3) directors of Mkango or such greater number as the Board may determine from time to time and each member of the Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities (in particular, as the terms independent and financially literate are used in Multilateral Instrument 52-110 Audit Committees (“MI 52-110”) unless the Board determines that the exemption contained in MI 52-110 is available and determines to rely thereon.)
2. The board of directors may from time to time designate one of the members of the Committee to be the Chair of the Committee. The Board shall determine whether and how many members of the Committee qualify as financially literate as defined by applicable law.
3. Appointments to the Committee shall be for a period of up to three years, which may be extended by additional periods of up to three years, provided the members continue to remain independent.
4. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting on such matter.

Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. To review and update the charter at least annually.
2. Oversee the work of the external auditors, including the resolution of any disagreements between management and the external auditors regarding financial reporting.
3. Satisfy itself on behalf of the Board with respect to the adequacy of Mkango’s internal control systems.

4. Review the annual and interim financial statements of Mkango and related management's discussion and analysis ("MD&A") prior to their submission to the Board for approval. The process should include but not be limited to:
 - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
 - reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - reviewing accounting treatment of unusual or non-recurring transactions;
 - ascertaining compliance with covenants under loan agreements;
 - reviewing disclosure requirements for commitments and contingencies;
 - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - reviewing unresolved differences between management and the external auditors; and
 - obtaining explanations of significant variances with comparative reporting periods.
5. Review the financial statements, prospectuses, MD&A, annual information forms ("AIF") (as applicable) and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of Mkango's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
6. With respect to the appointment of external auditors by the Board:
 - recommend to the Board the external auditors to be nominated;
 - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
 - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Corporation to determine the auditors' independence;
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
 - review and pre-approve any non-audit services to be provided to Mkango or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time;
 - review the performance of the external auditors annually or more frequently as required; and
 - ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms and oversee the selection process and further ensure that all tendering firms have such access as is necessary to information and individuals during the tendering process.
7. Review with external auditors (and internal auditor if one is appointed by Mkango) their assessment of the internal controls of Mkango, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee will also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of Mkango and its subsidiaries.

8. Give due consideration to applicable laws and regulations, the provisions of the UK Corporate Governance Code, the QCA Corporate Governance Guidelines for Small and Mid Sized Quoted Companies, NAPF Corporate Governance Policy & Voting Guidelines for Smaller Companies and the requirements of the London Stock Exchange's rules for AIM companies as appropriate.
9. Review risk management policies and procedures of Mkango (i.e. hedging, litigation and insurance).
10. Establish a procedure for:
 - the receipt, retention and treatment of complaints received by Mkango regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of Mkango of concerns regarding questionable accounting or auditing matters and keep the said procedures under review, ensuring that that it allows proportionate and independent investigation of such matters and appropriate follow up action.
11. Review and approve Mkango's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of Mkango.
12. Review Mkango's procedures for detecting fraud.
13. Review Mkango's systems and controls for the prevention of bribery and receive reports on non-compliance.

Not only does the Committee have the authority to communicate directly with the external auditors of the Corporation, but the Corporation requires the external auditors to report directly to the Committee. The Committee will also have the authority to investigate any financial activity of Mkango. All employees of Mkango are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at such compensation as established by the Committee and at the expense of Mkango without any further approval of the Board.

Meetings and Administrative Matters

1. At all meetings of the Committee every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee should be scheduled to take place at least four times per year (quarterly). Minutes of all meetings of the Committee will be taken. The President and Chief Executive Officer, Chief Operating Officer and Chief Financial Officer will if invited to do so by the Committee attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chair.
5. The Committee will meet with the external auditors at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditors and the Committee consider appropriate. At least once per year, the Committee should meet with the external auditors in the absence of management to determine, inter alia, that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee.
6. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
7. The Committee may invite such officers, directors and employees of the Corporation as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.

8. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.
9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.

Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the chairman of the Board by the Chair.

ADDENDUM TO
MKANGO RESOURCES LTD.'S
MANAGEMENT PROXY CIRCULAR DATED OCTOBER 21, 2024
CHANGE OF AUDITOR PACKAGE

**MKANGO RESOURCES LYD.
NOTICE OF CHANGE OF AUDITOR PURSUANT TO
NATIONAL INSTRUMENT 51-102**

TO: **BDO LLP
MNP LLP**

AND TO: Alberta Securities Commission
 British Columbia Securities Commission

RE: Notice Regarding Change of Auditor Pursuant to Section 4.11 of National
 Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”)

Dear Sirs/Mesdames:

Notice is hereby given, pursuant to Section 4.11 of NI 51-102, of a change of auditor of Mkango Resources Ltd. (the “**Corporation**”).

1. BDO (UK) LLP (“**BDO**”), the former auditors of the Corporation, tendered their resignation effective October 2, 2024 and the directors of the Corporation have appointed MNP LLP (“**MNP**”) as successor auditors in their place.
2. The Corporation’s change in auditor follows a mandatory requirement of the resignation of BDO (UK) LLP, due solely to a British Columbia regulatory requirement for the Corporation to have a British Columbia registered auditor.
3. The resignation of BDO and appointment of MNP in their place has been approved by the Board and the Audit Committee.
4. There have been no reservations contained in BDO’s reports on any of the Corporation’s financial statements relating to the period during which BDO was the Corporation’s auditor.
5. There are no reportable events (as defined under section 4.11(1) of NI 51-102).

Signed this 8th day of October 2024.

MKANGO RESOURCES LTD.

By: (s) Robert Sewell
Name: Robert Sewell
Title: Chief Financial Officer



Tel: +44 (0)20 7486 5888
Fax: +44 (0)20 7487 3686
DX 9025 West End W1
www.bdo.co.uk

55 Baker Street
London W1U 7EU

October 8, 2024

To: British Columbia Securities Commission
Alberta Securities Commission

And to: Board of Directors of Mkango Resources Ltd.

Re: Notice of Change of Auditors - Mkango Resources Ltd

With respect to the above-noted Notice of Change of Auditors and pursuant to National Instrument 51-102, we have read the Notice of Change of Auditors of Mkango Resources Ltd dated October 8, 2024. We confirm our agreement, based on our knowledge at this date, with the information contained in paragraphs 1, 3, 4 and 5 of that notice pertaining to our firm. For the purposes of paragraph 3, we are not aware what was considered or approved by the Audit Committee or the Board of Directors of Mkango Resources Ltd.

Yours very truly,

DocuSigned by:
BDO LLP
6103657B0565403...

BDO LLP

Chartered Professional Accountants
London, United Kingdom



October 11, 2024

TO: British Columbia Securities Commission
Alberta Securities Commission

Dear Sirs/Madams:

Re: Notice of Change of Auditors – Mkango Resources Ltd. (“the Company”)

Pursuant to National Instrument 51-102 Continuous Disclosure Obligations, we have reviewed the information contained in the Notice of Change of Auditor of the Company dated October 8, 2024 (“the Notice”) and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm. We advise that we have no basis to agree or disagree with the comments in the Notice relating to BDO UK LLP.

Yours very truly,

MNP LLP

Chartered Professional Accountants

MNP LLP

Suite 2000, 112 - 4th Avenue SW, Calgary AB, T2P 0H3

1.877.500.0792 T: 403.263.3385 F: 403.269.8450