AFRICAN ENERGY METALS INC.

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

To be held on Monday, September 16, 2024

NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

Dated: August 12, 2024

AFRICAN ENERGY METALS INC.
Suite 401, 750 West Pender Street
Vancouver, British Columbia, V6C 2T7

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the **Annual General and Special** meeting (the "**Meeting**") of **AFRICAN ENERGY METALS INC.** (the "**Company**") will be held on **Monday, September 16, 2024** at **10:00 a.m**. (Pacific Time) online only via a virtual meeting portal through which you can listen to the Meeting and submit questions.

The Meeting will be held for the following purposes:

1. to receive the audited financial statements of the Company for the financial years ended December 31, 2021 and December 31, 2022 , together with the auditor's report thereon;
2. to fix number of directors at four (4);
3. to elect directors for the ensuing year;
4. to appoint Saturna Group, Chartered Professional Accountants LLP, as the Company's auditor for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider and, if deemed appropriate, pass, with or without variation, an ordinary resolution to approve the Company's Stock Option Plan, as more fully described in the accompanying management information circular dated August 12, 2024 (the "**Circular**");
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve a consolidation (the "**Consolidation**") of the common shares in the capital of the Company (the "**Common Shares**") on the basis of a Consolidation ratio of up to four (4) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share, as and when determined by the board of directors of the Company in its sole discretion, as more fully described in the accompanying Circular; and
7. to transact such other business as may properly come before the Meeting or any adjournments thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Also accompanying this Notice are (i) Form of Proxy or Voting Instruction Form, and (ii) Financial Statement Request Form. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting.

Only shareholders of record at the close of business on **August 12, 2024**, will be entitled to receive notice of and vote at the Meeting. Shareholders are entitled to vote at the Meeting either in person or by proxy and each shareholder of the Company entitled to vote on any matter at the Meeting shall be entitled to one vote for every such common share standing in such shareholder's name on the record date of the Meeting.

Registered shareholders who are unable to attend the Meeting and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular.

Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are not a registered shareholder.

ZOOM MEETING DETAILS:

In order to access the Meeting through Zoom, shareholders will need to download the application onto their computer or smartphone and then once the application is loaded, enter the Meeting ID and Password below or open the following link:

https://us06web.zoom.us/j/83522659242?pwd=hHWkWWaTzW6aP2aMH3pCTsQwZVxqEP.1

Shareholders will have the option through the application to join the video and audio or simply view and listen.

Meeting ID: 835 2265 9242
Passcode: 449043

To assist the Scrutineer with attendance, Shareholders are asked to log into the Meeting with their First and Last Names.

DATED at Vancouver, British Columbia, this **12th** day of **August, 2024**.

BY ORDER OF THE BOARD OF DIRECTORS:

Signed: *"J. Stephen Barley"*
J. STEPHEN BARLEY
Executive Chairman & Director

MANAGEMENT INFORMATION CIRCULAR

IMPORTANT NOTICE
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF
AFRICAN ENERGY METALS INC. WILL BE A VIRTUAL ONLY MEETING

The information contained in this Management Information Circular (the "**Circular**"), unless otherwise indicated, is as of August 12, 2024.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by the management (the "**Management**") of African Energy Metals Inc. (the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of the Company's shareholders ("**Shareholders**") to be held on Monday, September 16, 2024, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

The enclosed form of proxy (the "**Proxy**") is solicited by Management. The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

The Company is not relying on the "**Notice and Access**" delivery procedures outlined in National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer to distribute copies of proxy-related materials in connection with the Meeting by posting them on a website.

Section 1 - Voting

APPOINTMENT OF PROXYHOLDERS

The persons named in the Proxy are representatives of the Company.

A Shareholder entitled to vote at the Meeting has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder's behalf at the Meeting other than the persons named in the accompanying form of proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the accompanying form of proxy and insert the name of the Shareholder's nominee in the blank space provided, or complete another suitable form of proxy.

VOTING BY PROXYHOLDER

Manner of Voting

The common shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the shares will be voted accordingly. On any poll, the persons named in the Proxy (the "**Proxyholders**") will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the Proxyholder will do so in accordance with such direction.

The Proxy, when properly signed, confers discretionary authority on the Proxyholder with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time

of printing this Circular, Management is not aware that any such amendments, variations or other matters to be presented for action at the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the Proxyholder.

In the absence of instructions to the contrary, the Proxyholders intend to vote the common shares represented by each Proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.

REVOCABILITY OF PROXY

A Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited with the Company's registrar and transfer agent, Odyssey Trust Company ("**Odyssey**") by hand or mail at 350 – 409 Granville Street, Vancouver, BC, V6C 1T2, Attention: Proxy Department, or by fax at (800) 517-4553 at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

Voting Thresholds Required for Approval

In order to approve a motion proposed at the Meeting, a majority of not less than one-half of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a special resolution (a "**Special Resolution**"), in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO REGISTERED SHAREHOLDERS

Shareholders whose names appear on the records of the Company as the registered holders of common shares in the capital of the Company (the "**Registered Shareholders**") may choose 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, signing, dating and depositing the Proxy with Odyssey, by hand or mail at 350 – 409 Granville Street, Vancouver, BC, V6C 1T2, Attention: Proxy Department, or by fax (800) 517-4553, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. The Proxy may be signed by the Shareholder or by his or her attorney in writing, or, if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

Alternatively, a shareholder may complete his or her form of proxy online at http://odysseytrust.com/Transfer-Agent/Login by following the instructions provided on the form of proxy.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.

Shareholders who do not hold their shares in their own name ("**Beneficial Shareholders**") should note that only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those shares will not be registered in the Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder's intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such shares are registered under the name CDS & Co. (being the registration name for the Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). The shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting shares for the intermediary's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.

These proxy-related materials are being sent to both Registered Shareholders and Beneficial Shareholders of the Company. If you are a Beneficial Shareholder and the Company or its agent has sent these proxy-related materials directly to you, your name, address, and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding your securities on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a Proxyholder for a Registered Shareholder and vote their shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their shares as Proxyholder for a Registered Shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their shares as a Proxyholder.

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities that they own ("**OBO**s" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("**NOBO**s" for Non-Objecting Beneficial Owners).

Non-Objecting Beneficial Owners

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs. This year, the Company will not be relying on those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, proxy materials are being sent to registered shareholders directly and to intermediaries to be forwarded to all NOBOs, who can expect to receive a voting instruction form ("**VIF**"). These VIFs are to be completed and returned in accordance with the mailing, and/or telephone voting, and/or internet voting instructions contained therein. Results of the VIFs received from NOBOs will be tabulated and appropriate instructions will be provided at the Meeting with respect to the shares represented by the VIFs received.

Objecting Beneficial Owners

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

Applicable regulatory rules require intermediaries to seek voting instructions from OBOs in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to an OBO by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the OBO.

The form of proxy provided to OBOs by intermediaries will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. The majority of intermediaries now delegate responsibility for obtaining instructions from OBOs to Broadridge. Broadridge typically supplies voting instruction forms, mails those forms to OBOs, and asks those OBOs to return the forms to Broadridge or follow specific telephonic or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **An OBO receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.**

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

No person who has been a director or officer of the Company at any time since the beginning of the Company's last financial year, nor any proposed nominee for election as a director, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the approval of the Company's 10% 'rolling' stock option plan to the extent that such directors and/or officers hold stock options.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended (the "**Act**"), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Section 2 – Voting Securities and Principal Holders Thereof

The Board of Directors of the Company (the "**Board**") has fixed August 12, 2024, as the record date (the "**Record Date**") for determining persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

The Company is authorized to issue an unlimited number of common shares. As of the Record Date, there were 20,067,952 common shares without par value issued and outstanding, each carrying the right to one vote. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the common shares.

To the knowledge of the directors and executive officers of the Company, as of August 12, 2024, no person beneficially owns or exercises control or direction over common shares carrying more than 10% of the votes attached to the common shares.

Section 3 – Advance Notice Provisions

On October 14, 2016, Shareholders adopted New Articles, which included advance notice provisions (the "**Advance Notice Provisions**") with respect to the election of directors, for the Company. Under the Advance Notice Provisions, advance notice to the Company must be made in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to a requisition of Shareholders or a proposal made in accordance with the *Business Corporations Act* (British Columbia).

Among other things, the Advance Notice Provisions require that: (a) in the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than 5:00 p.m. on the 10th day following such public announcement; and (b) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), notice to the Company must be made not later than the 5:00 p.m. on the 15th day following the day on which the first public announcement of the date of the special meeting was made. The Advance Notice Provisions also set out the information that the shareholder notice must contain, for an effective nomination to occur.

No person will be eligible for election as a director of the Company unless nominated in accordance with the Advance Notice Provisions.

Section 4 – Statement of Executive Compensation

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers.* The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial years ended December 31, 2022, and the decision-making process relating to compensation.

Information contained in this Statement of Executive Compensation is as of December 31, 2022 unless indicated otherwise.

Currencies

Unless otherwise indicated herein, references in this Circular to "USD$" are to the lawful currency of the United States and references to "CAD$" are to the lawful currency of Canada.

Named Executive Officer

In this section, Named Executive Officer ("**NEO**") means each of the following individuals:

(a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a Chief Executive Officer ("**CEO**"), including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as a Chief Financial Officer ("**CFO**"), including an individual performing functions similar to a CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than individuals identified in paragraphs (a) and (b) above at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

(d) each individual who would be a NEO under paragraph I but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Disclosure in this section sets forth compensation for each of (i) Grant Dempsey, Former President and Chief Operating Officer, resigned on January 1, 2023; Murray Flanigan, Former CFO and Corporate Secretary, resigned on August 30, 2023; Jack Stephen Barley, Executive Chairman and former CEO; B. Yves Kabongo, CEO; (together, the "**NEOs**"); (ii) Shu Zhan, Michael Townsend, Ramey Joe Sandberg (together the "**Directors")**. Michael Townsend resigned as a director resigned as a director effective June 30, 2023 and Shu Zhan resigned as a director effective August 2, 2024.

Director and NEO Compensation

Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO, in any capacity, for the financial year ended December 31, 2022:

Table of Compensation Excluding Compensation Securities							
Name and position	**Year**	**Salary, consulting fee, retainer, or commission (USD$)**	**Bonus (USD$)**	**Committee or meeting fees (USD$)**	**Value of perquisites (USD$)**	**Value of all other compensation (USD$)**	**Total compensation (USD$)**
Jack Stephen Barley [1] Executive Chairman & director, former CEO	2022	143,595	Nil	Nil	Nil	Nil	143,595
	2021	143,595	Nil	Nil	Nil	Nil	143,595
B. Yves Kabongo [2] CEO	2022	50,000	Nil	Nil	Nil	Nil	50,000
	2021	50,000	Nil	Nil	Nil	Nil	50,000
Murray Guinn Flanigan [3] Former CFO and Corporate Secretary	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Grant Dempsey [4] Former President and COO	2022	180,129	Nil	Nil	Nil	Nil	180,129
	2021	180,129	Nil	Nil	Nil	Nil	180,129
Shu Zhan [5] Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Michael Townsend [6] Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Ramey Joe Sandberg [7] Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

1 Jack Stephen Barley was appointed President, CEO and director on October 20, 2017 until he resigned as President on May 2, 2018 when he was appointed Chairman. Subsequently, he resigned as CEO and Chairman on July 9, 2021 when he was appointed Executive Chairman. He was appointed as Interim CFO effective August 30, 2023.
2 B. Yves Kabongo was appointed CEO on July 9, 2021 and subsequently resigned on July 3, 2024.
3 Murray Flanigan was appointed CFO on October 20, 2017 and Corporate Secretary on June 19, 2019 and resigned on August 30, 2023.
4 Grant Dempsey was appointed President and Chief Operating Officer on May 2, 2018 and resigned on January 1, 2023.
5 Shu Zhan was appointed director on October 20, 2017 and subsequently resigned on August 2, 2024.
6 Michael Townsend was appointed director on August 26, 2020 and resigned as s director effective June 30, 2023.
7 Ramey Joe Sandberg was appointed director on August 26, 2020.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to each NEO and director during the financial years ended December 31, 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

There are no vesting provisions of the compensation securities and there are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were granted or issued to any NEO and director during the most recently completed financial year.

Stock Option Plans and Other Incentive Plans

The Company's current Stock Option Plan (the "**Plan**") was adopted by the Board on November 8, 2022, and approved by the Shareholders at the Annual General Meeting held on December 8, 2022 and replaced the previous Stock Option Plan.

A copy of the Plan is available for review at the registered and records office of the Company at 401 – 750 West Pender Street, Vancouver, British Columbia V6C 2T7 during normal business hours up to and including the date of the Meeting.

Pursuant to the Plan, the Board may grant stock options to purchase common shares in the capital of the Company from time to time by the Board to eligible persons (collectively, "**Service Providers**") in consideration of such Service Providers providing services to the Company or its affiliates. The number of stock options granted by the Company to Service Providers is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines. The stock options are exercisable by the Service Providers giving the Company notice and payment of the exercise price for the number of common shares to be acquired.

The purpose of the Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company.

Under the Plan, the maximum aggregate number of common shares reserved for issuance, including stock options currently outstanding, is equal to ten (10%) percent of the common shares outstanding from time to time (the "**10% Maximum**"). The 10% Maximum is an "evergreen" provision, meaning that, following the exercise, termination, cancellation or expiration of any stock options, a number of common shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future stock option grants.

At the most recently completed financial year, there are 973,750 stock options outstanding under the Plan, 225,000 of which are held by NEOs or directors of the Company.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2022:

Equity Compensation Plan Information			
Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by Securityholders	973,750	$0.45	1,033,045[1]
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	973,750	$0.45	1,033,045[1]

1 Represents the number of common shares available for issuance under the Stock Option Plan, which reserves a number of common shares for issuance, pursuant to the exercise of stock options, that is equal to 10% of the issued and outstanding common shares from time to time.

Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. Except as disclosed below, during the financial year ended December 31, 2022, there were no other agreements or arrangements that provided for compensation to NEOs or directors of the Company, or that provided for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director's responsibilities.

Executive Chairman

CHM Financial Services Inc. is a company controlled by J. Stephen Barley, Chairman and Director, CHM Financial Services Inc. under the terms of the consulting agreement has agreed to provide certain consulting and advisory services to the Company for a monthly fee of CAD $10,000 per month.

If the consulting agreement is terminated without cause, the Company is to pay to the consultant an amount equal to (i) CAD $45,000, if termination notice is given prior to the first anniversary date of the date of the consulting agreement; or (ii) CAD $90,000, if such notice is given after the first anniversary date of the consulting agreement.

In the event of a Change of Control[1], the consultant has the right to terminate the agreement within 90 days of the date of any Change of Control by giving the Company one month's written notice of such termination. In the event of such termination of the consulting agreement:

[1] **"Change of Control"** means:

(i) the sale, transfer or disposition of the Company's assets in complete liquidation or dissolution of the Company;

(ii) the Company amalgamates, merges or enters into a plan of arrangement with another company at arm's length to the Group, other than an amalgamation, merger or plan of arrangement that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such amalgamation, merger or plan of arrangement; or

(iii) any Person or combination of persons at arm's length to the Group acquires or becomes the beneficial owner of, directly or indirectly, more than 35% of the voting securities of the Company, whether through the acquisition of previously issued and outstanding voting

(a) the Company will pay to the consultant an amount equal to: (i) CAD $45,000, if the Change of Control occurs prior to the first anniversary of the consulting agreement; or (ii) CAD $90,000, if the Change of Control occurs after the first anniversary of the consulting agreement; and

(b) any unvested stock options shall vest immediately upon the consultant's termination of employment.

Chief Financial Officer

GR7 Consulting Corp. is a company controlled by Murray Flanigan, CFO and Corporate Secretary. GR7 Consulting Corp. under the terms of the consulting agreement has agreed to provide certain consulting and advisory services to the Company for a monthly fee of CAD $5,000 per month. No salary was paid or accrued.

If the consulting agreement is terminated without cause, the Company is to pay to the consultant an amount equal to (i) CAD $30,000, if termination notice is given prior to the first anniversary date of the date of the consulting agreement; or (ii) CAD $60,000, if such notice is given after the first anniversary date of the consulting agreement.

In the event of a Change of Control, the consultant has the right to terminate the agreement within 90 days of the date of any Change of Control by giving the Company one month's written notice of such termination. In the event of such termination of the consulting agreement:

(a) the Company will pay to the consultant an amount equal to: (i) CAD $30,000, if the Change of Control occurs prior to the first anniversary of the consulting agreement; or (ii) CAD $60,000, if the Change of Control occurs after the first anniversary of the consulting agreement; and
(b) any unvested stock options shall vest immediately upon the consultant's termination of employment.

Mr. Flanigan resigned as Chief Financial Officer and Corporate Secretary effective August 30, 2023.

Chief Operating Officer

The Company employs the services of Grant Dempsey, the President and Chief Operating Officer pursuant to an employment contract for a monthly salary of USD $20,000. No salary was paid or accrued.

Mr. Dempsey resigned as Chief Operating Officer effective January 1, 2023.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

Compensation of directors of the Company is reviewed annually and determined by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with

securities, or of voting securities that have not been previously issued, or any combination thereof, or any other transaction having a similar effect, and such Person or combination of Persons exercise(s) the voting power attached to such securities in a manner that causes the Incumbent Directors to cease to constitute a majority of the Board.

compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Company had no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended December 31, 2023, or subsequently, up to and including the date of this Circular with the exception of stock-based compensation as detailed in this Circular.

In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers option grants to directors under the Company's Stock Option Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of stock options. Other than the Stock Option Plan, as discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Board's view, during the financial year ended December 31, 2022, there was no need for the Company to design or implement a formal compensation program for NEOs.

Elements of NEO Compensation

As discussed above, the Company provides a Stock Option Plan to motivate NEOs by providing them with the opportunity, through stock options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of stock options to NEOs. Other than the Stock Option Plan, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

Section 5 – Corporate Governance

General

This section sets out the Company's approach to corporate governance pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), which requires issuers to disclose their corporate governance practices, and addresses the Company's compliance with National Policy 58-201 - *Corporate Governance Guidelines* ("**NP 58-201**"), which provides guidance on corporate governance practices.

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to a company's shareholders. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management.

The Board is committed to sound corporate governance practices as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

The Board is responsible for managing and supervising the management of the business and affairs of the Company and it supervises the CEO and CFO, both of whom are required to act in accordance with the scope of authority provided to them by the Board. Management was delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management through frequent meetings of the Board and by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its audit committee, the Board examines the effectiveness of the Company's internal control processes and management information systems. The Board reviews executive compensation and recommends stock option grants.

Each year, the Board reviews the relationship that each director has with the Company in order to satisfy itself that relevant independence criteria have been met.

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

Director Independence

As at the date of the Circular, the Board consists of J. Stephen Barley, R. Joe Sandberg and Arndt Roehlig. Messrs. Sandberg and Roehlig are considered to be independent directors of the Company as they are free from any interest which could reasonably interfere with their exercise of independent judgment as a director of the Company.

Mr. Barley, who also serves the Company as Executive Chairman, interim CFO and Interim CEO, is an "insider" or management director and, as such, is not considered to be "independent".

Mandate of the Board

The Board is elected by and accountable to the shareholders of the Company. The mandate of the Board is to continually govern the Company and to protect and enhance the assets of the Company in the long-term best interests of the Shareholders. The Board will annually assess and approve a strategic plan which takes into account, among other things, the opportunities and the identification of the principal risks of the issuer's business, and ensuring the implementation of appropriate systems to manage these risks.

Directorships

In addition to the position on the Board of Directors, the following directors also serves as a director of the following reporting issuers or reporting issuer equivalents:

Name of Director	Name of Reporting Issuer or Equivalent	Exchange or Market
Arndt Roehlig	Plantable Health Inc. Spectre Capital Corp.	Cboe Canada TSX Venture Exchange

Orientation and Continuing Education

The Board does not currently have a formal orientation program for new Board members and orientation is done on an informal basis. New Board members are provided with such information as is considered necessary to ensure that they are familiar with the Company's business and understand the responsibilities of the Board.

The Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors can consult with the Company's professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

Ethical Business Conduct

Each director and officer, in the exercise of his or her duties and responsibilities, must act honestly and in good faith in the best interest of the Company and in compliance with applicable laws, rules and regulations. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including 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.

The Board has not, to date, adopted a formal written code of ethical business conduct. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Additionally, the Board expects that such persons will treat each other, security holders of the Company and all other persons with goodwill, fairness and respect. The Board strives to create a culture in the Company that values honesty, high ethical standards and compliance with laws rules and regulations. The Board is aware of the recommendation in NP 58-201 to adopt a written code of business conduct and ethics, has reviewed different standards that may be appropriate for the Company to adopt, and intends to adopt a written code of business conduct and ethics.

Nomination of Directors

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

The identification of potential candidates for nomination as directors of the Company is a function performed by the Board with assistance from the CEO as the entire management team is encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

Compensation

The compensation of directors and the CEO is determined by the Board as a whole, pursuant to recommendations made by the Compensation Committee of the Company. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Directors are not currently paid any compensation for acting as directors and compensation is not contemplated at this time. Directors have been awarded incentive stock options – please refer to Section 4 – *Statement of Executive Compensation – Stock Options and Other Compensation Securities*. The quantity and quality of Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing independent directors with significant input into compensation decisions. Given the current size and scope of operations of the Company, the Board has formally appointed a Compensation Committee composed of independent directors.

Other Board Committees

In addition to the Audit Committee and Compensation Committee, the Board has formally appointed a Health and Safety Committee and a Disclosure Committee.

The functions of the Health and Safety Committee include facilitating co-operation between the Company and workers to instigate, develop and carry out measures to ensure the health and safety of workers and assisting in developing health and safety policies, procedures and systems for the workplace.

The functions of the Disclosure Committee include assisting officers and directors fulfill the Company's and their individual responsibilities regarding (i) the identification and disclosure of material information about the Company and the accuracy, completeness and timeliness of the Company's financial reports, (ii) promoting compliance with disclosure controls and procedures, and (iii) providing relevant, timely and effective communications to the Company's stakeholders.

Assessments

The Board does not have any formal process for assessing the effectiveness of the Board, its committees, or individual directors. Such assessments are done on an informal basis by the CEO and the Board as a whole.

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and the audit committee on an ongoing basis.

Section 6 – Audit Committee

The Company is a venture issuer as defined under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") and each venture issuer is required to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

Audit Committee Charter

The audit committee has a charter as adopted by the Board, a copy of which is attached to this Circular as Schedule "A", and is specifically incorporated by reference into, and forms an integral part of this Circular.

Composition of the Audit Committee

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The current members of the Audit Committee are J. Stephen Barley, R. Joe Sandberg and Arndt Roehlig, all of whom are financially literate as defined by NI 52-110, and Messrs. Sandberg and Roehlig are considered to be independent.

Relevant Education and Experience

J. Stephen Barley has over 40 years of experience in the public corporate arena assisting in the structuring of mergers and acquisitions and providing corporate finance advice. After 15 years of private practice as a corporate finance and securities lawyer, Mr. Barley left the practice of law in 1997 to become president of CHM Financial Services Inc., a private company offering advice to and investing in numerous public companies engaged in the resource and technology sector. Mr. Barley remains a member in good standing of the law societies of British Columbia and Alberta and holds a BCom degree from Mount Allison University and an LLB from Dalhousie University.

Joe Sandberg BSc, MBA, AIPG is a senior geologist with over 50 years of experience and a Qualified Person. Mr. Sandberg has over 30 years geological experience in precious metals exploration and development in epithermal, mesothermal and Carlin type deposits.

Arndt Roehlig is an independent director who has served on numerous Canadian public company boards operating in the resource and technology sectors. As president and chief executive officer of various companies, Mr. Roehlig has raised millions of dollars for TSX Venture Exchange listed companies. He specializes in negotiation and reorganizing publicly traded companies.

Each member of the Company's Audit Committee has adequate education and experience relevant to his performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

(a) an understanding of the accounting principles used by the Company to prepare its financial statements;

(b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and provisions;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

(d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on certain exemptions set out in NI 52-110, namely section 2.4 (*De Minimus Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), and any exemption, in whole or in part, in Part 8 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors for the financial year ended December 31, , 2022, for audit fees are as follows:

Financial Year Ending	Audit Fees[1] (USD$)	Audit Related Fees[2] (USD$)	Tax Fees[3] (USD$)	All Other Fees[4] (USD$)
2022	$50,598	Nil	Nil	$282
2021	48,953	Nil	10,383	Nil

1 The aggregate audit fees billed.
2 The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".
3 The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
4 The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

During the most recently completed financial year, the Company relied on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

Section 7 – Particulars of Matters to be Acted Upon

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If 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.

1. Presentation of Financial Statements

The audited financial statements of the Company for the financial year ended December 31, 2022 (the "**Financial Statements**") and the auditor's report thereon (the "**Auditor's Report**"), will be presented to Shareholders at the Meeting.

The Financial Statements, Auditor's Report, and related management's discussion and analysis for the financial year ended December 31, 2022, are available under the Company's profile on SEDAR (www.sedar.com).

Management will review the Company's financial results at the Meeting and Shareholders and proxyholders will be given an opportunity to discuss these results with management. **No approval or other action needs to be taken at the Meeting in respect of these documents.**

2. Fixing the Number of Directors

There are currently three directors on the Company's board of directors. At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting of Shareholders or until their successors are elected or appointed be set at four (4).

Unless otherwise directed, it is the intention of management to vote proxies IN FAVOUR of setting the number of directors to be elected at four (4).

3. Election of Directors

Each director of the Company is elected annually and holds office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated, in accordance with the Articles of the Company.

In the absence of instructions to the contrary, the shares represented by Proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a Director.

Information Concerning Nominees Submitted by Management

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director, the province or state and country in which he is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which he has been a director of the Company, the respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. Two of the nominees are currently directors of the Company.

Pursuant to the Articles of the Company, any additional director nominations for the Meeting must have been received by the Company in accordance with the Advance Notice provisions therein. As no such nominations were received by the Company, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

Name, province and country of ordinary residence, and positions held with the Company	Principal occupation, business or employment[1]	Period serving as a director of the Company	Number of common shares beneficially owned or controlled[2]
J. Stephen Barley[3,4,5,6] Ontario, Canada Executive Chairman and Director Interim CFO Interim CEO	President, CHM Financial Services Inc., 2001-present	October 20, 2017	591,526
R. Joe Sandberg[3,4,6] Nevada, USA Director	Independent Geological consultant since September 2019.	August 26, 2020	44,616
Arndt Roehlig British Columbia, Canada Director	President of Raincoast Capital Inc. since May 2007.	August 2, 2024	Nil
Jason Baker Director Nominee	Senior Associate at Altus Capital since 2023 – Present; Student - UBC Sauder School of Business - 2021-2023; Senior Accountant at Gooseneck Hospitality from 2019 until 2022.	Proposed Nominee	Nil

1 The information as to principal occupation, business or employment of director nominees is not within the knowledge of management of the Company and has been furnished by the respective nominees.
2 The information as to common shares of the Company beneficially owned or controlled as at the Record Date is not within the knowledge of management of the Company and has been furnished by the respective nominees or from the records contained in the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.
3 Member of Audit Committee.
4 Member of Compensation Committee.
5 Member of Disclosure Committee.
6 Member of Health and Safety Committee.

Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Except as disclosed herein, none of the proposed directors, including any personal holding company of a proposed director:

(a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or

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

(b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;

(c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000, if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director, or

(e) has 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 whether to vote for a proposed director.

J. Stephen Barley is a director and Executive Chairman of the Company. On July 3, 2024, the British Columbia Securities Commission (the "BCSC") issued a cease trade order against the Company where Mr.

Barley serves as a director and Executive Chairman, Interim CFO, and Interim CEO, for failure of the Company to file its audited financial statements and management's discussion & analysis and related certifications for the year ended December 31, 2023, and interim financial statements and management's discussion and analysis for the period ended March 31, 2024, and related certifications.

R. Joe Sandberg is a director of the Company. On July 3, 2024, the BCSC issued a cease trade order against the Company where Mr. Sandberg serves as a director, for failure of the Company to file its audited financial statements and management's discussion & analysis and related certifications for the year ended December 31, 2023, and interim financial statements and management's discussion and analysis for the period ended March 31, 2024, and related certifications.

Arndt Roehlig is a director of the Company. On July 3, 2024, the BCSC issued a cease trade order against the Company where Mr. Roehlig serves as a director, for failure of the Company to file its audited financial statements and management's discussion & analysis and related certifications for the year ended December 31, 2023, and interim financial statements and management's discussion and analysis for the period ended March 31, 2024, and related certifications.

4. Appointment and Remuneration of Auditor

At the Meeting, Saturna Group, Chartered Professional Accountants, located at PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver BC V6C 3S7, the independent registered certified auditor of the Company, will be recommended by management and the Board of directors for re-appointment as auditor of the Company at a remuneration to be fixed by the directors. See *Section 6 - Audit Committee – External Service Fees*.

The Company's management recommends that the shareholders vote in favour of the appointment of Saturna Group, Chartered Professional Accountants, as the Company's auditor for the ensuing year and grant the Board of directors the authority to determine the remuneration to be paid to the auditor. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the appointment of Saturna Group, Chartered Professional Accountants, to act as the Company's auditor until the close of its next annual general meeting and also intend to vote FOR the proposed resolution to authorize the Board of directors to fix the remuneration to be paid to the auditor.

4. Stock Option Plan

The Company is seeking the approval of its current stock option plan dated November 8, 2022, (the "**Plan**"), whereby a maximum of 10% of the number of issued and outstanding shares of the Company at any given time may be reserved for issuance pursuant to the exercise of options. As the number of shares reserved for issuance under the Plan increases with the issue of additional shares by the Company, the Plan is considered to be a "rolling" stock option plan.

The purpose of the Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company.

Particulars of the Plan

The Plan provides that stock options may be granted to Service Providers of the Company (defined as a director, officer, employees, management company employee, consultant or consultant company) of the Company. For the purposes of the Plan, the terms "director", "officer", "employee", "management company employee", "consultant" and "consultant company" have the meanings set out in the Exchange Policy 4.4.

The Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the issued and outstanding common shares of the Company (subject to standard anti-dilution adjustments). If a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares reserved for issuance under that expired or terminated stock option will again be available for the purposes of the Plan. Any stock option outstanding when the Plan is terminated will remain in effect until it is exercised or it expires.

The Plan provides that it is solely within the discretion of the Board to determine who should receive stock options and in what amounts, subject to the following conditions:

(a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the Service Provider in the event of the Service Provider's death;

(b) options may be exercisable for a maximum of ten years from the date of grant;

(a) options to acquire no more than 5% of the issued shares of the Company may be granted to any one person (including companies wholly-owned by such person) in any 12-month period;

(c) options to acquire no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12-month period;

(b) options to acquire no more than an aggregate of 2% of the issued shares of the Company may be granted to a Service Provider conducting Investor Relations Activities in any 12-month period, without the prior consent of the Exchange;

(b) at no time will options be issued which could permit at any time the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeding 10% of the issued shares;

(c) at no time will options be issued which could permit at any time the grant to insiders (as a group), within a 12-month period, of an aggregate number of options exceeding 10% of the issued shares calculated at the date an option is granted to any insider;

(c) options held by a Service Provider must expire within one year after the Service Provider ceases to be a director, officer, employee, management company employee, consultant or consultant company, which time period the Company determines is reasonable;

(i) options held by a Service Provider who is engaged in Investor Relations Activities must expire within 30 days after the Service Provider ceases to be employed by the Company to provide Investor Relations Activities; and

(j) in the event of a Service Provider's death, the Service Provider's personal representative may exercise any portion of the Service Provider's vested outstanding options for a period of one year following the Service Provider's death.

The Plan provides that other terms and conditions may be attached to a particular stock option, such terms and conditions to be referred to in a schedule attached to the option certificate. Stock options granted to Service Providers vest when granted unless otherwise determined by the Board on a case by case basis. Stock options granted to Service Providers performing Investor Relations Activities, will vest in stages over 12 months with no more than ¼ of the options vesting in any three-month period.

In addition, under the Plan, a stock option will expire immediately in the event a director or officer ceases to be a director or officer of the Company as a result of:

(a) ceasing to meet the qualifications under the Act;

(b) the passing of a special resolution by the shareholders; or

(c) an order made by a regulatory authority.

A stock option will also expire immediately in the event a Service Provider ceases to be a Service Provider as a result of termination for cause or a Service Provider ceases to be a Service Provider as a result of an order made by a regulatory authority.

The price at which a Service Provider may purchase a share upon the exercise of a stock option will be as set forth in the option certificate issued in respect of such option and in any event will not be less than the Discounted Market Price of the Company's shares as of the date of the grant of the stock option (the "**Award Date**"). The market price of the Company's shares for a particular Award Date will typically be the closing trading price of the Company's shares on the day immediately preceding the Award Date, or otherwise in accordance with the terms of the Plan. Discounted Market Price has the meaning assigned by Policy 1.1 of the Exchange.

In no case will a stock option be exercisable at a price less than the minimum prescribed by the organized trading facility or the applicable regulatory authorities that would apply to the award of the stock option in question.

Subject to the provisions of the Plan, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

A "net exercise" whereby Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Common Shares that is the equal to the quotient obtained by dividing: (A) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options; by (B) the VWAP of the underlying Shares; or

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

The Plan also provides that: (a) disinterested shareholder approval will be obtained for any reduction in the exercise price of an option held by an Insider; and (b) options cannot be granted to Service Providers that are not bona fide Service Providers, as the case may be.

Shares will not be issued pursuant to stock options granted under the Plan until they have been fully paid for by the option holder.

The above information is intended to be a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which is available under the Company's profile on SEDAR+ (www.sedarplus.ca).

As at August 12, 2024, there were 780,000 stock options outstanding.

Shareholder Approval

The Plan is subject to receipt of the annual acceptance from the Exchange to its filing. Shareholders will be asked to consider, and if thought fit, pass, an ordinary resolution approving the Company's Plan. The text of the proposed resolution is as follows:

"**BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS AND SUBJECT TO REGULATORY APPROVAL, THAT**:

1. the Company's Stock Option Plan (the "**Plan**"), dated November 8, 2022, be and is hereby confirmed, ratified and approved.

2. the Board be authorized on behalf of the Company to make any further amendments to the Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure the approval of the Plan;

3. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares in the capital of the Company (the "**Common Shares**") that would equal 10% of the issued and outstanding Common Shares as at the time of the grant; and

4. any one or more of the directors or senior officers of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and other writings, including treasury orders, and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to this ordinary resolution, the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

The resolution may be passed by a simple majority of the shares voted by shareholders of the Company who vote on the matter in person via teleconference or by proxy.

Accordingly, the Board recommends that shareholders vote in favour of the resolution approving the Plan. In the absence of instructions to the contrary, the shares represented by proxy will be voted FOR the confirmation, ratification, and approval of the Plan.

6. APPROVAL OF SHARE CONSOLIDATION

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Consolidation Resolution**") to approve a consolidation of the issued and outstanding Common Shares (the "**Share Consolidation**") on the basis of up to four (4) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share (the "**Consolidation Ratio**"), as and when determined by the Board in its sole discretion.

In addition to the requirement that Shareholders approve the Consolidation Resolution, the ability of the Board to effect the Share Consolidation is subject to the approval of the TSX Venture Exchange. Notwithstanding the foregoing, even if the Consolidation Resolution is approved by Shareholders at the Meeting, the Board may elect to revoke the Consolidation Resolution and abandon the Share Consolidation without prior approval of, or notice to, Shareholders.

Principal Reasons for Effecting the Share Consolidation

The Board believes that is in the best interests of the Company to have the authority to implement the Share Consolidation for the following reasons:

(i) Increased investor interest. A higher post-consolidation share price could help generate interest in the Company among new and existing investors. While decreasing the number of Common Shares outstanding may not, by itself, affect the marketability of the Common Shares, in practice many investors, including institutional investors and investment funds, consider low-priced shares as unduly speculative in nature and, as a matter of policy, avoid investments in such shares. As a result, a higher anticipated share price may meet investing guidelines for certain investors that are currently prevented under their investing guidelines from investing in the Common Shares at current price levels, and may allow such investors to leverage their investment by meeting margin eligibility requirements; where commissions are based on the number of shares traded, investors pay lower commissions to trade a fixed value of shares where the per share price is higher; and

(ii) Improved liquidity. The aggregate potential effect of increased interest from investors and potentially lower transaction costs could ultimately improve the trading liquidity of the shares.

There can be no assurance that any increase in the market price per Common Share or improved liquidity would result from the proposed Share Consolidation.

Principal Effects of the Share Consolidation

The principal effects of the Share Consolidation would be:

i. Reduction in the number of Common Shares outstanding. The number of Common Shares issued and outstanding will be reduced from 20,067,952 Common Shares (as of the date of this Circular) to 5,016,988, assuming the Consolidation ratio is completed on the basis of four () pre-Consolidation Common Shares for one (1) post-Consolidation Common Share; and

ii. Adjustments to the outstanding options and common share purchase warrants of the Corporation. The exercise price and the number of Common Shares issuable under the Company's outstanding Options and common share purchase warrants will be proportionately adjusted, with any fraction rounded down to the nearest whole number.

If the Consolidation Resolution is approved, the Share Consolidation would be implemented, if at all, only upon a determination by the Board that it is in the best interests of the Company at that time. In connection with any determination to implement the Share Consolidation, the Board will set the timing for such Share Consolidation, subject to receipt of all necessary regulatory approvals, including the approval of the Exchange. No further action on the part of Shareholders would be required in order for the Board to implement the Share Consolidation.

The Share Consolidation will not materially affect any Shareholder's proportionate voting rights. Each Common Share outstanding after the Share Consolidation will be fully paid and non-assessable and will entitle the holder to one vote per Common Share.

If approved and implemented, the Share Consolidation will occur simultaneously for all the Common Shares and the Consolidation Ratio will be the same for all the Common Shares. Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Share Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any Shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares. Any fractional Common Shares resulting from the Share Consolidation will be rounded down to the nearest whole number and any such fractional interest will be cancelled without consideration.

Certain Risks Associated with the Share Consolidation

The effect of the Share Consolidation upon the market price of the Common Shares cannot be predicted with certainty, and the history of share consolidations for corporations similar to the Company is varied. Certain risks associated with the Share Consolidation are as follows:

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

If the Share Consolidation is implemented and the market price of the Common Shares declines, the percentage decline may be greater than would occur in the absence of the Share Consolidation. The market price of the Common Shares will, however, also be based on the Company's performance and other factors, which are unrelated to the number of Common Shares outstanding.

While the Board believes that a higher share price may provide the benefits described above, the Share Consolidation may not result in a share price that will attract institutional investors or investment funds. As a result, the liquidity of the Common Shares may not improve after giving effect to the Consolidation. Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Share Consolidation.

The Share Consolidation may result in some Shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis, which may be more difficult to sell, or require greater transaction costs per share to sell.

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

Procedure for Implementing the Share Consolidation

If the Consolidation Resolution is approved by Shareholders and the Board decides to implement the Consolidation, the Company will file the Consolidation Amendment with the Director under the *Business Corporations Act* (British Columbia) (the "BCBCA") in the form prescribed by the BCBCA to amend the Company's Articles. The Consolidation will become effective as specified in the Consolidated Amendment and the certificate of amendment issued by the BCBCA.

Effect on Registered Holders

If the proposed Share Consolidation is approved by Shareholders and implemented, registered Shareholders will be required to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing post-consolidation Common Shares. Following the

announcement by the Company of the Consolidation Ratio selected by the Board the effective date of the Share Consolidation, registered Shareholders will be provided with a letter of transmittal by the Company's transfer agent, Computershare, to be used for the purpose of surrendering their certificates representing the then outstanding Common Shares to such transfer agent in exchange for new share certificates representing Common Shares after giving effect to the Share Consolidation. After the Share Consolidation, share certificates representing pre-consolidation Common Shares will: (i) not constitute good delivery for the purposes of trades of Common Shares post-consolidation; and (ii) be deemed for all purposes to represent the number of Common Shares to which the shareholder is entitled as a result of the Share Consolidation. No delivery of a new share certificate to a Shareholder will be made until the Shareholder surrenders its certificates representing the pre-consolidation Common Shares along with the letter of transmittal to the registrar and transfer agent of the Company in the manner detailed therein.

Effect on Non-Registered Holders

Non-Registered Beneficial Holders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have specific procedures for processing the Share Consolidation. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact your nominee.

No Dissent Rights

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

Shareholder Approval of Consolidation Resolution

In order to be adopted, the Articles of the Company require that the Consolidation Resolution be approved by an ordinary resolution of the Shareholders, being a majority of the votes cast by Shareholders present in person or by proxy at the Meeting. The text of the Consolidation Resolution to be submitted to shareholders at the Meeting is set forth below:

WHEREAS the policies of the TSX Venture Exchange require shareholder approval for any security consolidation which, when combined with any other security consolidation conducted by the Issuer within the previous 24 months that was not approved by its Shareholders, would result in a cumulative consolidation ratio of greater than 10 to 1 over such 24 month period;

"BE IT RESOLVED AS AN ORDINARY RESOLUTION, THAT:

1. The Board of Directors of African Energy Metals Inc. (the "**Company**") is hereby authorized to effect a share consolidation of the common shares of the Company (the "**Common Shares**") at its sole discretion to provide that:
    i. the authorized share capital of the Company is altered by consolidating (the "**Consolidation**") all of the issued and outstanding common shares of the Company (the "**Common Shares**") on the basis of a consolidation ratio of up to four (4) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share; and
    ii. any fractional Common Share arising post-Consolidation be deemed to have been tendered by its registered owner to the Company for cancellation and will be returned to the authorized but unissued share capital of the Company;
2. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such other deeds, documents,

instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Company may be necessary or desirable to carry out the terms of the foregoing resolutions; and

3. 3. notwithstanding that this resolution has been duly passed by the shareholders, the directors are hereby authorized and empowered, if they decide not to proceed with this resolution, to revoke this resolution, at their sole discretion, in whole or in part at any time prior to it being given effect without further notice to, or approval of, the shareholders."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE CONSOLIDATION RESOLUTION IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE CONSOLIDATION RESOLUTION.

Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. As of the date of the Circular, Management knows of no other matters to be acted upon at the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting the common shares represented by the proxy.

Section 8 – Other Information

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Circular or "routine indebtedness", as that term is defined in Form 51-102F5 of National Instrument 51-102 - *Continuous Disclosure Obligations*, none of:

(a) the individuals who are, or at any time since the beginning of the last financial year of the Company were, a director or officer;

(b) the proposed nominees for election as directors; or

(c) any associates of the foregoing persons,

is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any subsidiary of the Company (a "**Subsidiary**"), or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any Subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "**Informed Person**" means:

(a) a Director or Officer;

(b) a director or executive officer of a person or company that is itself an Informed Person or a Subsidiary;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company's financial statements for the financial year ended December 31, 2022, none of

(d) the Informed Persons of the Company;

(e) the proposed nominees for election as a Director; or

(f) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

MANAGEMENT CONTRACTS

The management functions of the Company are not, to any substantial degree, performed by persons other than the directors or officers of the Company. See *Section 4 – Statement of Executive Compensation* for information regarding Company's management contracts.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available under the Company's profile on the SEDAR website located at www.sedar.com. The Company's financial information is provided in the Company's comparative financial statements for its financial year ended December 31, 2022. Shareholders may request copies of the Company's financial statements by contacting the Company's Chief Financial Officer at Suite 401, 750 West Pender Street, Vancouver, British Columbia, V6C 2T7.

DIRECTOR APPROVAL

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

DATED at Vancouver, British Columbia, this 12th day of August, 2024.

BY ORDER OF THE BOARD

/signed/ "J. Stephen Barley"
J. Stephen Barley
Executive Chairman and Director

AFRICAN ENERGY METALS INC.
(the **"Company**")

CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. Purpose

1.1 The Audit Committee's primary function is assisting the Company's Board of Directors in fulfilling its oversight responsibilities to shareholders. The Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:

a. oversee the work and enhance the independence of the external auditor;

b. facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;

c. increase the credibility and objectivity of the Company's financial reports and public disclosure; and

d. review the Company's annual financial statements prior to approval thereof by the Board of Directors.

1.2 The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.

1.3 The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

2.1 Each member of the Audit Committee must be a director of the Company.

2.2 The Audit Committee will consist of at least three members, the majority of whom are neither officers, employees or Control Persons (as that term is defined by the policies of the TSX Venture Exchange) of the Company or any of its affiliates, and the majority of whom must be "independent" and "financially literate" as those terms are defined by, and subject to the provisions of, National Instrument 52-110 – Audit Committees as adopted by the Canadian Securities Administrators, as such Instrument is revised or replaced from time to time.

2.3 The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

(a) engage and terminate, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

(c) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1 The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors for appointment by shareholders;

(b) recommending to the Board of Directors the terms of engagement for and compensation of the external auditor;

(c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and enquiring if there are any sanctions imposed by the CPAB on the external auditor;

(f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;

(g) where there is to be a change in external auditor, reviewing the issues related to the change and the information to be included in the required notice to be filed with securities regulators with respect to such change;

(h) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;

i. reviewing any disagreements in financial reporting between the external auditor and the Company's management;

(j) reviewing the external auditor's report, audit results and financial statements prior to approval of same by the Board of Directors;

(k) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements prior to Board approval and dissemination of annual financial statements to shareholders and the public;

(l) reviewing the Company's financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information by the Company;

(m) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company prior to is dissemination to the public;

(n) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;

(o) ensuring the integrity of the Company's disclosure controls and internal controls over financial reporting;

(p) resolving disputes between management and the external auditor regarding financial reporting;

(q) reviewing the external auditor's internal quality control procedures and any material issues raised with respect thereto by any peer, governmental or professional authority review and the steps taken to deal with those issues; and examining all relationships between the external auditor and the Company, in order to assess and ensure the external auditor's independence;

(r) reviewing risk management policies and procedures (for example, hedging, litigation and insurance), as well as current areas of financial risk and whether management is managing these effectively;

(s) establishing procedures for:

(i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and

(ii) the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters;

(t) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(u) pre-approving all non-audit services to be provided by the Company's external auditor to the Company or any of its subsidiaries and, in this regard, considering whether the external auditor's performance of any such non-audit services is compatible with the external auditor's independence; and

(v) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and fees and Audit Committee activities.

4.2 The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

5.1 The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.

5.2 The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.

5.3 The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.

5.4 The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.

5.5 A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.

5.6 The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.

5.7 The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.8 The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

6.1 The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.