

CAPELLA MINERALS LIMITED
formerly New Dimension Resources Ltd.
Mission, BC V4S1E7
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MANAGEMENT INFORMATION CIRCULAR
(As at December 7, 2022, except as otherwise indicated)

Capella Minerals Limited (the “**Company**”) is providing this Management Information Circular (the “**Circular**”) and a form of proxy in connection with management’s solicitation of proxies for use at the Annual General and Special Meeting of Shareholders (the “**Meeting**”) of the Company to be held on **Friday, January 5, 2024** and at any adjournments. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

All dollar amounts referenced herein are expressed in Canadian Dollars unless otherwise noted.

CONTINUED SPECIAL MEASURES

In view of the past Corona virus pandemic, the Company continues to encourage Shareholders not to attend the Meeting in person. The Company requires anyone wanting to attend the Meeting in person to register in advance. As always, the Company encourages Shareholders to vote prior to the Meeting. Any person who intends to attend the Meeting in person must register with the Company’s corporate secretary at least 96 hours in advance by calling Kathryn Witter at 604.410-2277 or by email at kathryn.witter@outlook.com. At the time of the Meeting the Company may also be providing shareholders who call to request, dial-in details for attendance via teleconference. There will be no voting via teleconference.

The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the Meeting in response to developments in respect of COVID-19 or similar outbreaks including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of news release. If applicable and as appropriate, the Company will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Circular will not be mailed out in the event of changes to the Meeting format.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on behalf of a shareholder of the company (a “**Shareholder**”) in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the “**Management Proxyholders**”).

A Shareholder has the right to appoint a person other than a Management Proxyholder, to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.

VOTING BY PROXY

Only registered Shareholders (“**Registered Shareholders**”) or duly appointed proxyholders are permitted to vote at the Meeting. Shares (as hereinafter defined) represented by a properly executed proxy will be voted for or against or be withheld from voting on each matter referred to in the notice of meeting (“**Notice of Meeting**”) in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Investor Services Inc. ("Computershare"), Proxy Department, 100 University Avenue, P.O. Box 4572, Toronto, Ontario, M5J 2Y1**, not later than **forty-eight (48) hours**, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only Registered Shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered Shareholders are holders whose names appear on the share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased shares. **Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy.**

Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

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

Issuers can request and obtain a list of their NOBOs from Intermediaries via their transfer agents, pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and issuers can use this NOBO list for distribution of proxy-related materials directly to NOBOs. The Company has decided to take advantage of those provisions of NI 54-101 that allow it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**") from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs they receive. Alternatively, NOBOs may vote following the instructions on the VIF, via the internet or by phone.

With respect to OBOs, in accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Meeting, this Circular, the form of proxy or VIF and the supplemental mailing list request card (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a VIF **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions which the Intermediary must follow; or

- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and **deposit it with the Company, c/o Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1.**

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of their shares they beneficially own. In addition, under New York Stock Exchange rules, an Intermediary subject to the New York Stock Exchange rules and who has not received specific voting instructions from the Non-Registered Shareholder may not vote the Shares in its discretion on behalf of such beneficial owner on “non-routine” proposals. “Routine” proposals typically include the ratification of the appointment of the Company’s chartered accountant. The approval of the number of Directors and the election of Directors, on the other hand, are each “non-routine” proposals. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. Shares held by an Intermediary can only be voted by the Intermediary (for, withheld or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, Intermediaries are prohibited from voting Shares. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

If a Non-Registered Shareholder does not specify a choice and the Non-Registered Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

NOTICE-AND-ACCESS

The Company is not sending the Meeting Materials to Shareholders using “notice-and-access”, as defined under NI 54-101.

REVOCABILITY OF PROXY

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a Registered Shareholder, their attorney authorized in writing or, if the Registered Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only Registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their Intermediary to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the “**Shares**”), of which **236,985,195** Shares are issued and outstanding as of **December 4, 2023**. Persons who are Registered Shareholders at the close of business on **December 4, 2023** will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the Directors and Executive Officers of the Company, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Fruchtexpress Grabher GmbH & Co KG	28,600,000 ¹	12.00%

1. Fruchtexpress Grabher GmbH & Co KG., is an arms-length holder of the Shares.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objectives of the Company’s compensation program are to attract, hold and inspire performance by members of senior management of a quality and nature that will enhance the growth of the Company.

The Board of Directors of the Company (the “**Board**”) has the responsibility for determining compensation for Named Executive Officers (“**Named Executive Officers**” or “**NEOs**”) and other senior executives of the Company. To determine future compensation payable, the Board will review compensation paid to NEOs and other senior executives of companies of a similar size and stage of development in the Company’s industry sector and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the NEOs while taking into account the financial and other resources of the Company.

During the financial year ended May 31, 2023, the Company paid and/or accrued an aggregate of \$447,544 (2022: \$368,147) in compensation (including share-based payments) to NEOs and/or Directors. Other than option-based awards pursuant to the Company’s 10% rolling stock option plan (the “**Stock Option Plan**”), the Company does not have any long-term incentive plans, including any supplemental executive retirement plans.

Stock Option Plan

The Stock Option Plan is designed to advance the interests of the Company by encouraging eligible participants, being Directors, employees, management company employees, officers and consultants, to have equity participation in the Company through the acquisition of Shares.

The Stock Option Plan has been used and will be used to provide incentive share purchase options (“**Options**”) which are awarded based on the recommendations of the Board, taking into account the level of responsibility of the executive as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of the Company. In determining the number of Options to be granted to the Company’s executive officers, the Board takes into account the number of Options, if any, previously granted to each executive officer, and the exercise price of any outstanding Options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange (“**TSXV**”) and to closely align the interests of executive officers with the interests of Shareholders. The Board determines the vesting provisions of all Option grants. A copy of the Stock Option Plan is available under the Company’s profile on SEDAR at www.sedarplus.ca. Please refer to “**PARTICULARS OF MATTERS TO BE ACTED UPON – Annual Approval of Rolling Stock Option Plan**” in this Circular for more complete details regarding the Stock Option Plan.

Compensation Risk Assessment and Governance

In light of the Company’s size and limited elements of executive compensation, the Board does not have a Compensation Committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company’s compensation policies and practices. Also, there are no risks which have been identified in the Company’s practices to date which would reasonably be likely to have a material adverse effect on the Company.

As previously mentioned, Options are granted to retain executive officers and motivate the executive officers by rewarding sustained, long-term development and growth that will result in increases in Share value. There is no formal process for assessing when Options are to be granted, rather they are granted at a time determined necessary by the Board, in its discretion, and are priced at market-value at the time of grant.

The Company does not permit its executive officers or Directors to hedge any of the equity compensation granted to them.

Director and Named Executive Officer Compensation

Named Executive Officers

For purposes of this Information Circular, Named Executive Officer of the Company means an individual who, at any time during the year, was:

- (a) the Company’s chief executive officer (“**CEO**”); the Company’s chief financial officer (“**CFO**”);
- (b) in respect of the Company and any of its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (c) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the most recently completed financial year.

The following individuals have been determined to be the Named Executive Officers or NEOs:

- Eric Roth, President and Chief Executive Officer
- Sharon Cooper, Chief Financial Officer

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth the total compensation paid to or earned by the Named Executive Officers and Directors, excluding compensation securities, for the Company’s fiscal years ended May 31, 2023 and May 31, 2022.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
<i>Name and Position</i>	<i>Year Ended</i>	<i>Salary, Consulting Fee, Retainer or Commission (\$)</i>	<i>Bonus (\$)</i>	<i>Committee or Meeting Fees (\$)</i>	<i>Value of Perquisites (\$)</i>	<i>Value of all other Compensation (\$)</i>	<i>Total Compensation</i>
Eric Roth ¹ President & CEO Director	2023	215,500	Nil	Nil	Nil	Nil	\$215,500
	2022	120,000	Nil	Nil	Nil	Nil	\$120,000
Sharon Cooper ² CFO	2023	86,654	Nil	Nil	Nil	Nil	\$86,654
	2022	71,680	Nil	Nil	Nil	Nil	\$71,680
Glen Parsons ⁴ Director	2023	Nil	Nil	24,930	Nil	Nil	\$24,930
	2022	Nil	Nil	25,189	Nil	Nil	\$25,189
Mary Little ⁵ Director	2023	Nil	Nil	24,930	Nil	Nil	\$24,930
	2022	Nil	Nil	25,189	Nil	Nil	\$25,189

- (1) Mr. Roth was appointed President, CEO & Director on March 29, 2018. Mr. Roth received no compensation in his capacity as a director.
- (2) Sharon Cooper, was appointed CFO of the Company on October 19, 2018. Ms. Cooper, through her management company Genco Professional Services Pty Ltd., received \$86,654 in compensation for consulting fees during the fiscal year ended May 31, 2023 (2022-\$71,680).
- (3) Glen Parsons was appointed a director of the Company on March 29, 2018.
- (4) Mary Little was appointed a director of the Company on September 25, 2018

Stock Options and Other Compensation Securities

The only compensation plan available to the Company for its NEOs and directors during the financial year ended May 31, 2023 was the incentive stock option plan. The Company granted no incentive stock options during the financial year ended 2023 (2022: 4,400,000), so during 2023 no incentive stock options (2022: 1,650,000) were granted to its directors and NEO's.

The Company had no other arrangements, standard or otherwise, pursuant to which NEOs or Directors were compensated by the Company for their services in their capacity as NEOs or Directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular, to be settled with non-cash compensation.

The following table provides information regarding the stock options, other compensation securities, and incentive plan awards for each NEO and Director outstanding as of May 31, 2023. All \$ amounts are in CDN funds.

Compensation Securities							
Name & Position	Type of Compensation Security	Number of compensation securities, number of underlying securities and percentage of class ¹	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Eric Roth, CEO & Director	Stock Option	600,000	June 4, 2018	\$0.25	\$0.21	\$0.03	June 4, 2023 ³
	Stock Option	2,300,000	November 6, 2020	\$0.12	\$0.075		November 4, 2023 ³
	Stock Option	650,000 31% ²	February 18, 2022	\$0.10	\$0.09		February 18, 2025
Sharon Cooper, CFO	Stock Option	200,000	June 4, 2018	\$0.25	\$0.21	\$0.03	June 4, 2023 ³
	Stock Option	25,000	Oct 18, 2018	\$0.15	\$0.095		Oct 19, 2023 ³
	Stock Option	450,000	November 6, 2020	\$0.12	\$0.075		November 4, 2023 ³
	Stock Option	400,000 9.39% ²	February 18, 2022	\$0.10	\$0.09		February 18, 2025
Glen Parsons, Director	Stock Option	225,000	January 16, 2018	\$0.25	\$0.21	\$0.03	June 4, 2023 ³
	Stock Option	700,000	November 6, 2020	\$0.12	\$0.075		November 4, 2023 ³
	Stock Option	300,000 10.7% ²	February 18, 2022	\$0.10	\$0.09		February 18, 2025
Mary Little, Director	Stock Option	225,000	Oct 18, 2018	\$0.15	\$0.095	\$0.03	Oct 19, 2023 ³
	Stock Option	830,000	November 6, 2020	\$0.12	\$0.075		November 4, 2023 ³
	Stock Option	300,000 11.84% ²	February 18, 2022	\$0.10	\$0.09		February 18, 2025

- All stock options are fully vested except for the February 18, 2022 grant. These vest as to 1/3 upon date of grant; 1/3 on February 18, 2023 and the balance on February 18, 2024.
- Percentage of stock options issued.
- On June 4, 2023 an aggregate 1,815,000 options expired unexercised; on October 19, 2023 an aggregate 250,000 options expired unexercised; and on November 4, 2023 an aggregate 4,980,000 incentive stock options expired unexercised.

Exercise of Compensation Securities by Directors and NEOs

No stock options were exercised by Directors or NEOs during the financial years ended May 31, 2023 nor 2022, nor have any stock options been exercised as at the date of this Circular.

Stock Option Plans and Other Incentive Plans

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

The stock option plan (the "**Stock Option Plan**") approved by the TSX Venture Exchange and approved by the shareholders of the Company most recently on January 6, 2023.

The maximum aggregate number of common shares issuable pursuant to options awarded under the Stock Option Plan and outstanding from time to time may not exceed 10% of the issued and outstanding common shares from time to time.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. Pursuant to the Stock Option Plan, the Board of Directors may from time to time authorize the grant of stock options to Named Executive Officers, Directors, other officers, employees and consultants of the Company and its subsidiaries, or employees of companies providing management or consulting services to the Company or its subsidiaries.
2. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan must not exceed 10% of the issued and outstanding common shares of the Company at the time of grant. The exercise price of stock options, as determined by the Board in its sole discretion, must not be less than the closing price of the Company’s common shares traded through the facilities of the TSX Venture Exchange on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the TSX Venture Exchange or, if the shares are no longer listed for trading on the TSX Venture Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
3. The Board must not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company unless the Company has obtained the requisite disinterested shareholder approval to the grant, or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
4. The Directors have the discretion to impose vesting of options and, unless otherwise specified by the Directors, vesting will occur generally as to 25% on the grant date and 25% every six months thereafter and, for investors relations persons, on an equal 12 month vesting schedule under which no more than 25% vests in any quarter.
5. If any stock option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares underlying the stock option will again be available for the purposes of the Stock Option Plan. Options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the Board of Directors grant the option.
6. If the option holder holds his or her stock options as a Director of the Company and such option holder ceases to be a Director of the Company other than by reason of death, then the option granted will expire on the 90th day (or, in the case of a Director who continues to be an employee or consultant, the 180th day) following the date the option holder ceases to be a Director of the Company.
7. If the option holder holds his or her stock options as an employee or consultant of the Company and such option holder ceases to be an employee or consultant of the Company other than by reason of death, then the option granted will expire on the 90th day (or, in the case of an employee or consultant who continues to be in a different position with the Company, the 180th day) following the date the option holder ceases to be an employee or

consultant of the Company.

8. The Stock Option Plan provides that if a change of control (as such term is defined) occurs, all shares subject to option will immediately become vested and may be exercised in whole or in part by the option holder.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year May 31, 2023.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾</i> <i>(a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights</i> <i>(b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) ⁽²⁾</i> <i>(c)</i>
Equity compensation plans approved by securityholders	11,045,000	\$0.13	8,476,019
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	11,045,000	\$0.13	8,476,019

(1) The Stock Option Plan was last approved by the Company's shareholders on January 6, 2023. On May 31, 2023 being the last day of its most recently completed financial year, the Company had 195,210,195 issued and outstanding Shares, meaning that the maximum number of Options which could be granted by the Company was 19,521,019, of which the Company had an aggregate 11,045,000 Options issued.

(2) As of the date of this Circular, December 7, 2023, the Company has 236,985,195 Shares issued, meaning that the maximum number of Options which can be granted by the Company is 23,698,519, of which the Company has granted 4,000,000 Options, leaving 19,698,519 available for issue. Please refer to "Annual Approval of Rolling Stock Option Plan" below for further details concerning the Company's Stock Option Plan.

Employment, Consulting and Management Agreements

The Company has no formal written agreements with the Company's Directors to compensate them in their capacity as directors. However, the Company determined, to pay its non-executive directors \$US20,000 per annum. A portion of these fees were being accrued at the financial year ended May 31, 2023. All accrued fees totaling \$40,810 as at May 31, 2023 (2022: \$12,712) remain outstanding as of the date of this circular.

The Company is in the process of formalizing written agreements with its Named Executive Officers; Roth and Cooper; the terms of which are expected to provide for a payment equal to one year's salary in connection with a change of control of the Company, as well as other industry standard remuneration and termination-related arrangements.

Oversight and Description of Director and Named Executive Officer Compensation

The Company relies on its Board of Directors, through discussion without any formal objectives, targets, criteria or analysis, in determining the compensation of its Named Executive Officers. The Board of Directors is responsible for determining all forms of compensation, including the provision of long-term incentives through the granting of stock options to the Named Executive Officers, Directors of the Company, and other persons eligible to receive stock options.

The Board of Directors incorporates the following goals when it makes its compensation decisions with respect to the Company's Named Executive Officers: (i) the recruiting and retaining of executives who are critical both to the success of the Company and to the enhancement of shareholder value; (ii) the provision of fair and competitive

compensation; (iii) the balancing of the interests of management with the interests of the Company's shareholders; (iv) the rewarding of performance, both on an individual basis and with respect to the operations of the Company as a whole; and (v) the preservation of available financial resources.

The Company is an exploration company focused on the acquisition and exploration of mineral properties. The Company has no revenues from operations and often operates with limited financial resources. As a result, to ensure that funds are available to complete scheduled programs, the Board of Directors considers not only the financial situation of the Company at the time of the determination of executive compensation, but also the estimated financial condition of the Company in the future.

Since the preservation of cash is an important goal of the Company, an important element of the compensation awarded to the Named Executive Officers and Directors is the granting of stock options, which do not require cash disbursement by the Company. The other element of the compensation the Company awards to its Named Executive Officers is cash compensation in the form of salary or consulting fees. The determination of the amount of cash compensation for each Named Executive Officer is based on the position held, the related responsibilities and functions performed by the Named Executive Officer, and salary ranges for similar positions in comparable companies. The compensation of the Named Executive Officers does not depend on the fulfillment of any specific performance goals or similar criteria. The Company does not provide its Named Executive Officers or Directors with perquisites or personal benefits.

There were no significant changes to the Company's compensation policies during or after the most recently completed financing year that could or would have affected the Named Executive Officers compensation.

The Board of Directors determines whether the Company should compensate its Directors. The compensation of Directors is recommended by management of the Company to the Board of Directors and then provided to the full Board for approval. During the Company's fiscal year ended May 31, 2019 the Board of Directors determined that it would compensate in cash, its non-executive directors in their capacity as directors US\$20,000 per annum. Directors or their companies may receive consulting fees for other services not related to their services or roles as directors of the Company.

The granting of options to the Named Executive Officers and Directors under the Company's Stock Option Plan helps to align the interests of the Named Executive Officers and Directors with the interests of the Company and provides an appropriate long-term incentive to management to create shareholder value.

The number of options the Company grants to each Named Executive Officer reasonably reflects the Named Executive Officer's specific contribution to the Company in the execution of such person's responsibilities. The number of options the Company grants to each of these Directors reasonably reflects each Director's contributions to the Company in his capacity as a director and as a member of one or more committees of the Board (if applicable), including without limitation the Audit Committee. Previous grants of options to Named Executive Officers and Directors are taken into consideration by the Board of Directors in developing its recommendations with respect to the granting of new options.

Pension Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this information circular December 7, 2023 and as at the most recently completed financial year, May 31, 2023, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

(i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or

(ii) 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 its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person, proposed nominee for election as a Director of the Company, and no associate or affiliate of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction, which in either such case has materially affected or could materially affect the Company or any of the Company's subsidiaries.

An "informed person" means:

(a) a Director or executive officer of the Company;

(b) a Director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

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

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out under "Approval and Ratification of Stock Option Plan" in the section below "PARTICULARS OF MATTERS TO BE ACTED UPON", no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

MANAGEMENT CONTRACTS

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines and, as prescribed by National Instrument 58-101, discloses its corporate governance practices.

Independence of Members of Board

The Company's present Board consists of three directors, two of whom are independent based upon the tests for independence set forth in NI 52-110.

Of the three directors standing for election at the Meeting, two Directors are independent – Ms Little and Mr. Parsons. Eric Roth is not independent as he is the President and CEO of the Company.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are involved in reviewing and supervising the operations of the Company and have full access to management. Further supervision is performed through the audit committee which has a majority of independent directors who meet with the Company's auditors without management being in attendance.

Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

Orientation and Continuing Education

The Board of Directors ensures that all new Directors receive orientation regarding the role of the Board, its committees and Directors, and the nature and operations of the Company through a series of meetings, telephone calls and other correspondence. Technical presentations are conducted at most Board meetings to ensure that the Directors maintain the skills and knowledge necessary for them to meet their obligations as Directors of the Company.

All Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations.

Board members have full access to the Company's records.

Ethical Business Conduct

The Board of Directors of the Company has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems. To facilitate meeting this responsibility the Board of Directors seeks to foster a culture of ethical conduct by striving to ensure the Company carries out its business out in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- encourages management to consult with legal and financial advisors to ensure the Company is meeting those requirements.
- is cognizant of the Company's timely disclosure obligations and reviews material disclosure documents such as financial statements and Management's Discussion and Analysis prior to their distribution.
- relies on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Company's external auditor.
- monitors the Company's compliance with the Board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.
- has established a 'whistleblower' policy which details complaint procedures for financial and other concerns.

In addition, the Board must comply with the conflict of interest provisions of the *Business Corporations Act (British Columbia)*, as well as the relevant securities regulatory instruments and stock exchange policies, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

At the Company's present stage of development, the Board of Directors of the Company does not consider it is necessary to establish a Nominating Committee at this time. The Board as a whole has responsibility for identifying potential candidates.

Members of the Board and persons in the mining industry are consulted for possible candidates. Any new appointees or nominees to the Board must have a favourable track record in general business management, special expertise in areas of strategic interest to the Company, the ability to devote the time required and a willingness to serve as a director.

Other Board Committees

As the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

Assessments

The Board of Directors of the Company has not established any formal procedures for assessing the performance of the Board or its committees and members. Generally, those responsibilities have been carried out on an informal basis by the Board of Directors itself. Furthermore, it is the view of the Board that, in light of its small size and the close and open relationship among its members, the formality of a committee would not be as effective as the current arrangement and is unnecessary.

AUDIT COMMITTEE RESPONSIBILITIES AND ACTIVITIES

The Audit Committee's Charter

Mandate

The Audit Committee (the "**Committee**") shall provide assistance to the Board of Directors of the Company in fulfilling its oversight responsibilities with respect to the Company's financial statements and reports and the financial reporting process. In so doing, it is the responsibility of the Committee to ensure free and open communication between the directors of the Company, the independent auditors and the financial management of the Company and monitor their performance.

Management is responsible for the preparation, presentation and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's annual financial statements and for reviewing the Company's interim financial statements.

Composition and Meetings

The Committee is to be composed of a majority of Directors who are independent of the management of the Company and are free of any relationship that, in the opinion of the Board of Directors, would interfere with their exercise of independent judgment as committee members. The Committee's members should be financially literate and possess public company experience. The Committee will meet at least annually, with the authority to convene additional meetings as circumstances require. The Board of Directors shall appoint the members of the Committee and the Committee Chairperson.

A majority of the members of the Committee shall constitute a quorum and all actions of the Committee shall be taken by a majority of the members present at the relevant meetings. Meetings of the Committee shall take place in person or by telephone or shall be called by the Chairperson of the Committee. Meetings may also be called by any member of the Committee or the Chair of the Board, the CEO or the CFO of the Company or by the Auditors. Unless otherwise specified by the Chairperson of the Committee, the Corporate Secretary shall act as the Secretary of the Committee and shall provide the Chair of the Board and each member of the Committee with notice of meetings of the Committee and shall be entitled to attend such meetings. The Chair of the Committee or

the Committee may require any officer or employee of the Company to attend a Committee meeting and further, may invite any such other individual to attend a Committee meeting as deemed appropriate or advisable.

Responsibilities

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and to ensure that the accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality. In carrying out these responsibilities, the Committee will:

- Review and recommend for approval to the Board the annual and quarterly financial statements of the Company. Included in this review is assessing the use of management estimates in the preparation of the financial statements. The Committee is responsible for reviewing the Company's systems so as to limit the potential for material misstatement in the financial statements and so that the financial statements are complete and consistent with information known to the Committee;
- Review the appointment and retention (subject to Board and Shareholder approval) of the independent auditors, their compensation, and the oversight of their work, including resolution of disagreements between management and the independent auditors. The independent auditors will report directly to the Committee;
- Establish and implement policies and procedures for the pre-approval of allowable services provided by the independent auditors that are intended to safeguard the independence of the external auditors;
- Meet with the independent auditors and financial management of the Company to review the scope of the proposed audit for the current year and the audit procedures to be utilized, and at the conclusion thereof review such audit, including any comments or recommendations of the independent auditors;
- Review with the independent auditors, the Company's financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls and systems of the Company, and elicit any recommendations for the improvement of such internal controls procedures and systems or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis should be given to the adequacy of such internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper. Further, the Committee periodically should review the Company's policy statements to determine their appropriateness;
- Review the Company's hedging systems and policies, as they may exist from time to time;
- Review the financial statements contained in the annual report to shareholders with management and the independent auditors to determine that the independent auditors are satisfied with the disclosure and content of the financial statements to be presented to the shareholders. Any changes in accounting policy should be reviewed by the Committee;
- Review the interim and annual financial statements and disclosures under management's discussion and analysis ("MD&A") of financial condition and results of operations with both management and external auditors prior to the release of all such reports;
- Provide sufficient opportunity for the independent auditors to meet with the members of the Committee without members of management present. Among the items to be discussed in these meetings are the independent auditors' evaluation of the Company's financial, accounting personnel, and the cooperation that the independent auditors received during the course of the audit;
- Review accounting and financial human resources succession planning within the Company. As a part of this review, the Committee will review the Company's policy regarding partners, employees, and former partners and employees of the present and former external auditors;
- Submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the Board of Directors;

- Establish procedures for dealing with the receipt, retention, and treatment of complaints received by the Company regarding accounting activities, internal accounting controls or audit matters. Also, part of these procedures will ensure that such complaints will be handled in a confidential manner with no recourse to the party or parties that have lodged such complaints;
- Investigate any matter brought to its attention within the scope of its duties, with the power to retain outside advisors, including legal counsel for this purpose if, in its judgment, that is appropriate;
- Review its own performance on a continual basis and make recommendations to the Board for changes to this Audit Committee Mandate and the composition of the Committee;
- Have the right for the purpose of performing its duties to inspect all the books and records and any matters relating to the financial position of the Company with the officers, employees or external parties, including the external auditor, all of whom are expected to cooperate.

Policies and Procedures

Subject to the requirements above, the policies and procedures of the Committee should remain flexible in order to enable it to react to changes and circumstances and conditions so as to ensure that the corporate accounting reporting practices of the Company are in accordance with all applicable legal and regulatory requirements and current best practices. The policies and procedure outlined below are meant to serve as guidelines rather than inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill these responsibilities.

For the purposes of performing their duties, the members of the Committee shall have the right to inspect all books, records and accounts of the Company and to discuss books, records, accounts and any other matters relating to the financial position of the Company directly with the internal financial management of the Company, the external auditors and/or the Company's counsel.

While the Committee has the responsibility and powers set forth in this mandate, the Committee's mandate and function is one of oversight. It is not the duty of the Committee to plan or conduct internal or external audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Such functions are the responsibility of the financial management of the Company and/or the external auditors. Nor is it the duty of the Committee to conduct investigations to resolve disagreements, if any, amongst the financial management of the Company and/or the external auditors or to ensure compliance with applicable laws and regulations. Nothing in these policies is intended to expand applicable standards of liability under statutory or regulatory requirements for the Directors of the Company or members of the Committee. Each member of the Committee is entitled to rely on (1) the integrity of those persons or organizations within and outside the Company from which it receives information, (2) the accuracy of financial and other information provided by such persons or organizations, except where the Committee member has actual knowledge to the contrary, which shall be reported to the Board promptly, and (3) representations made by management as to all audit and non-audit relationships with and/or services provided by the external auditors.

Composition of the Audit Committee

The following directors are the current members of the Committee:

Eric Roth	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾
Glen Parsons	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Mary Little	Independent ⁽¹⁾	Financially literate ⁽¹⁾

⁽¹⁾ As defined by National Instrument 52-110 ("NI 52-110").

Relevant Education and Experience

Collectively, the members of the Committee have considerable skill and professional experience in business, finance and accounting. The specific experience and education of each current member that is relevant to the performance of his responsibilities of a member of the Committee is set out below.

Eric Roth: Mr. Roth has a PhD in Economic Geology from the University of Western Australia and over 30 years experience in global mineral exploration and project development. Mr. Roth is currently the CEO and Director of the Company and was previously COO of Mariana Resources Ltd., prior to it being purchased by Sandstorm Gold Ltd. He has been a successful senior executive and/or director of several public and private companies. Mr. Roth is also a principal of the consulting firm, ER Global Consulting SA.

Glen Parsons: Mr. Parsons is a qualified Chartered Accountant. He has over 20 years international experience in company building, corporate finance, treasury, operational and general management. Most recently Mr. Parsons was the CEO of Awalé Resources Ltd. until May 24, 2023 and prior to that he was the CEO of Mariana Resources Ltd., running a diversified global exploration and development company, which was acquired in July 2017 by Sandstorm. He is also Non-Executive Chairman of Andrada Mining Limited (AIM: ATM), an African tin focused exploration and development company. Glen was also an executive director of RFC Corporate Finance Ltd, a specialist minerals resources investment bank and fund manager. His specific experience in the junior mining and exploration sector is extensive with appropriate LSE-AIM, TSX and TSXV exchange knowledge and has been involved with a number of successful global equity and debt raisings for junior and developing mining companies on these exchanges.

Mary Little: Ms. Little has been an independent geological consultant since 2014. Formerly, she was a director, CEO and founder of Mirasol Resources Ltd. Ms. Little became a director of Pure Energy Minerals Limited in March 2015; a director of Sandstorm Gold in June 2014; and a director of Tinka Resources Limited in April 2016. She has held management positions including Business Development Manager and Country Manager during her 15 years in Latin America with major mining companies Newmont Chile, Cyprus Amax and WMC Ltd. Ms. Little has also served as trustee for the Society of Economic Geologists Foundation from 2010 to 2014. She holds a M.Sc. degree in Earth Sciences from the University of California and an MBA from the University of Colorado. Additionally, she is a qualified person under National Instrument 43-101.

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 of Directors.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services as described above under the heading “External Auditors”.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are as follows:

<i>Financial Year</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
May 31, 2023	\$25,000 ¹	-	\$9,500	-
May 31, 2022	\$43,018	-	\$10,250	-

- Final billing not received at date of circular

Exemption

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. The shareholders will be asked to pass an ordinary resolution to set the number of Directors of the Company at three for the next year, subject to any increases permitted by the Company's By-laws. In the absence of instructions to the contrary, the enclosed proxy will be voted for the election of the nominees listed below. The Company is required to have an Audit Committee, the members of which are set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, and each other person whose term of office as a Director will continue after the Meeting, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽¹⁾</i>
Eric Roth, Director ⁽²⁾ <i>Santiago, Chile</i>	Geologist; Director of Awalé Resources Limited; formerly Chief Operating Officer of Mariana Resources Limited f3,121,223 from January 2015 until July 2017 and President & CEO of Aegean Metals Group Inc. from November 2012 to	Since March 29, 2018	7,599,250 ⁽³⁾
Mary Lois Little ⁽²⁾ Director <i>Colorado, USA</i>	Geological Consultant; Director of Sandstorm Gold Ltd.; Director of Pure Energy Minerals Limited; and Director of Tinka Resources Ltd.	Since September 25, 2018	3,121,223 ⁽⁴⁾
Glen Parsons ⁽²⁾ Director <i>New South Wales, Australia</i>	Former CEO of Awalé Resources Limited from July 2017 to May 2023; formerly Chief Executive Officer and Chief Financial Officer of Mariana Resources Limited from March 2010	Since March 29, 2018	2,966,667 ⁽⁵⁾

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at December 4, 2023 based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

(2) Member of Audit Committee.

(3) Mr. Roth holds 6,956,202 shares directly and 643,048 shares are held indirectly. Mr. Roth also holds options to acquire an additional 650,000 shares and no warrants.

(4) Ms. Little holds options and warrants to acquire an additional 300,000 shares and 500,000 shares respectively.

(5) Mr. Parsons holds 800,000 shares directly and 2,166,667 indirectly. Mr. Parsons also holds 300,000 options and no warrants.

Corporate Cease Trade Orders or Bankruptcies

No proposed director of the Company (including any personal holding company of a director) is, or within the ten years prior to the date of this Information Circular has been:

- (a) a director, chief executive officer, or, chief financial officer of any company, including the Company, that while that person was acting in that capacity, was the subject of a cease trade order or similar order, including a management cease trade order whether or not that person was named in such order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) a director, chief executive officer, or, chief financial officer of any company, including the Company, that was the subject of a cease trade order or similar order or an order that denied the company

access to any exemption under securities legislation for a period of more than 30 consecutive days that was issued after that person ceased to be a director, chief executive officer or chief financial officer of the company and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer of the company; or

- (c) 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.

Individual Bankruptcies

No proposed director of the Company has, within the ten years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties and Sanctions

No proposed director of the Company has, within the past 10 years 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 or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a directors of the Company.

Other Directorships

The following proposed directors of the Company hold directorships in other reporting issuers as set out below:

<i>Name of Director</i>	<i>Name of Other Reporting Issuer</i>	<i>Exchange</i>
Mary Little	Sandstorm Gold Ltd.; Pure Energy Minerals Limited Tinka Resources Ltd.	TSX TSXV TSXV
Glen Parsons	Andrada Mining Limited	AIM-LSE

Appointment of Auditor

The Company will move to re-appoint Davidson & Company LLP, Chartered Accountants, of Vancouver, British Columbia as the auditor of the Company, at a remuneration to be negotiated between the auditor and the Directors.

Approval and Ratification of Stock Option Plan

See “*Statement of Executive Compensation – Stock Option Plans and other Incentive Plans*” for a summary of the material terms of the Company's Stock Option Plan.

Under the TSX Venture Exchange's policy, all rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis. Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"RESOLVED that the Company approve and ratify the Stock Option Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person within a one year period."

The full text of the Stock Option Plan will be available for review at the Meeting.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Stock Option Plan.

5. Disposition of Assets - Central Norway Copper Projects

The Company seeks shareholders' approval to the Company's disposition of all of its interests in the Central Norway Copper Projects ("Assets" *see below: Information concerning the Assets for Disposition*), to NickelX AS ("NickelX"). Pursuant to a binding asset sale agreement, the Company will transfer to NickelX, free and clear of all liens, the Assets in exchange for which NickelX will (i) pay CAD \$5,000,000 ("Cash Consideration"); (ii) issue to the Company, the equivalent of CAD \$2,000,000 fully-paid and non-assessable NickelX Shares as valued at the completion of an intended initial public offering ("IPO") by NickelX ("Share Consideration"); (following which the Company proposes it will then distribute the NickelX Shares to the Company's shareholders on a pro-rata basis, as a return of capital.(collectively the "Disposition").

As a result of the Disposition, (i) all interests in and to the Assets will be held by NickelX, and (ii) it is intended that the Company's Shareholders will become shareholders of NickelX (pro-rata as to their current shareholdings in the Company). The Company believes this will be beneficial to the Shareholders of the Company, as it is intended that NickelX will continue to develop the Assets along with their other holdings and seek a listing on Oslo's Euronext Growth Exchange; and it will allow the Company to focus on its other exploration assets and for the Company to investigate additional business opportunities.

Fairness of Disposition

The Disposition was determined to be fair to the Shareholders by the Board of Directors, based upon, but not limited to, the following factors:

1. The estimated value of the Disposition to the Company is C\$7,000,000 for 4 of the Company's current property holdings. The Company has an estimated approximate market value of C\$7,109,000 and will retain ownership of its other properties and the Disposition does not in itself directly affect or prejudice Shareholders, in that they will continue to indirectly participate in the development of the Assets.
2. The Disposition is a means of continuing the development of the Assets while also enabling the Company to further develop its other assets and seek other business opportunities.
3. The Disposition must be approved by at least two-thirds of the votes cast at the Meeting by Shareholders.
4. The availability of rights of dissent to registered Shareholders with respect to the Disposition.

Recommendations of Board of Directors

As set out above the Board of Directors has reviewed the terms and conditions of the Disposition and concluded that the terms thereof are fair and reasonable to, and in the best interests of, the Shareholders. The Board of Directors has therefore authorized the submission of the Disposition to the Shareholders for approval.

Assuming the Shareholders approve the Disposition, the Board of Directors will still have discretion as to whether to complete the Disposition. At the present time, the Board of Directors do not anticipate that this discretion will be exercised, and intend to complete the Disposition.

Conditions to the Disposition Becoming Effective

Pursuant to the Sale Agreement, the respective obligations of the Company and NickelX to complete the Disposition are subject to the satisfaction of the following conditions, among other things:

1. The Disposition must receive the approval of the Company's Shareholders;
2. The successful Initial Public Offering of NickelX on Euronext Growth Exchange in Oslo; The Company receipt of the written consent of each counterparty to some existing royalty agreements;
3. The Company and NickelX have received all necessary orders and rulings from various securities commissions and regulatory authorities in the relevant provinces of Canada and Oslo where required; and

4. The Sale Agreement has not been terminated as provided for therein.

Management of the Company believes that all consents, orders, regulations, approvals or assurances required for the completion of the Disposition will be obtained prior to the Effective Date in the ordinary course and upon application therefor.

Upon fulfillment of the foregoing conditions, the Board of Directors intends to take such steps and make such filings as may be necessary for the Disposition to be implemented. The Effective Date will be the date set out in such filings, but is expected to occur on or before April 7, 2024 assuming the Sale Resolution is approved.

Required Approvals

Before the Disposition can be implemented, the Sale Resolution, in the form set forth in Schedule A hereto, with or without variation, must be passed by at least two-thirds of the votes cast with respect thereto by Shareholders present at the Meeting either in person or by proxy. Each Common Share carries the right to one vote.

The Board of Directors has unanimously approved the Disposition and recommends that Shareholders vote in favour of the Sale Resolution, and the persons named in the enclosed form of proxy intend to vote FOR such approval at the Meeting unless otherwise directed by the Shareholders appointing them.

Amendment and Termination of the Sale Agreement

The Sale Agreement provides that it may be amended in a manner not materially prejudicial to the Shareholders by written agreement of the Company and NickelX prior to the Effective Date, without further notice to the Shareholders.

The Sale Agreement may, at any time before or after the holding of the Meeting but no later than the Effective Date, be terminated by the Board of Directors without further notice to, or action on the part of, Shareholders.

Failure to Complete Disposition

In the event the Disposition is not approved by Shareholders, or the Disposition does not proceed for some other reason, the Company and NickelX will carry on business as they currently carry on and the Assets will remain the Company's assets.

Information Concerning the Assets for Disposition

On October 17, 2023, Capella Minerals Ltd entered in to a binding asset sale agreement with NickelX, a private Norwegian mining company, through which it will divest its 100% interests in the Hessjøgruva, Kjøli and Løkken copper-cobalt-zinc assets in Trøndelag Province, central Norway. NickelX currently holds 100% interests in 4 nickel exploration projects in northern Norway (namely Hamn, Palfjellet, Birgivi, and Envold) and is in the process of undertaking an Initial Public Offering ("IPO") with the combined assets on Oslo's Euronext Growth Exchange with the objective of becoming Norway's leading independent battery metals company.

An overview of the Capella assets that form part of this transaction is provided below; further information is also available under Capella's profile on SEDAR+ (<https://www.sedarplus.ca/landingpage/>) and the Company's website (<https://capellaminerals.com/>). National Instrument 43-101 ("NI 43-101")-compliant technical reports are available for both the Hessjøgruva and Løkken projects on SEDAR+ and the Company's website. Additionally, a copy of the asset sale agreement will be made available at the Meeting and/or at shareholders request.

Hessjøgruva and Kjøli Projects (Northern Røros Mining District)

The Hessjøgruva and Kjøli copper-cobalt-zinc projects are located in the northern part of the former Røros Mining District of central Norway. The Company's mineral licences at Hessjøgruva (including the adjacent Kongensgruve mining area) includes 49 square km of mixed mining and exploration claims, with a further 77 square km of exploration claims being held at Kjøli.

The Hessjøgruva project was acquired from local private company Hessjøgruva AS in April, 2022, with the adjacent mineral claims at Kongensgruve being staked directly by the Company in mid-2022. The nearby Kjøli project, which is located about 20km NE of Hessjøgruva, was acquired from EMX Royalty in 2020.

Mineralization at both Hessjøgruva and Kjøli is copper-rich massive sulfide (“VMS”) style. No previous mining operations exist within the Hessjøgruva claims (although mining and mineral processing was undertaken in the adjacent Kongensgruve mineral concessions), whereas two former mining operations – Kjøli and Killingdal – were previously active within the Kjøli concessions.

The Hessjøgruva project was extensively explored during the 1970’s, and included 12,035m of diamond drilling in 67 holes. The Hessjøgruva copper-cobalt-zinc mineralization occurs primarily in three lenses (A-C, with Lens A hosting most of the high-grade mineralization), all of which extend from surface to >400m vertically below surface and all remain open down-dip. Mineralization is dominated by chalcopyrite, pyrite/pyrrhotite, and sphalerite, with Cu content observed to increase with depth in the deposit. The average thickness of the highest-grade Lens A is approximately 10m, with the thickest and highest-grade intercept reported from the historical drilling being 14.5m @ 4.35% Cu + 1.3% Zn (or 4.8% Cu equivalent) (approximate true thickness) from 455.5m to 470m downhole in DDH-312.

The Company filed a NI 43-101-compliant technical report for the Hessjøgruva project on September 8, 2022. This technical report was prepared by GeoVista Aktiebolag and provided a summary of all exploration activities completed at Hessjøgruva to that date.

During 2023, drill permits were granted for a 4,000m / 8 hole diamond drill program at the Hessjøgruva project. The Company’s intention was to drill a mixture of both infill and step-out holes on the Hessjøgruva Lens A deposit with the goal of subsequently reporting a maiden NI 43-101-compliant Mineral Resource Estimate (“MRE”) for the project. This MRE was then expected to form the basis for initial mine development and mineral processing (“scoping-level mining studies”) studies on the project. However, a combination of permitting delays and financial constraints led to the delay of this drill program until summer, 2024.

At Kjøli, the Company has been actively exploring the mineral concessions since 2020 utilizing a combination of detailed geological mapping, geochemical surveys (particularly soil/Ionic Leach sampling), and geophysical surveys (particularly gravity techniques). On January 23, 2023, the Company initiated a scout diamond drill program at the Kjøli project and a total of 1,412m of drilling was completed – this allowed for initial drill testing of the Kjøli Deeps, Kjøli Mine Extension, and Guldalsgruva areas. Initial assay results were reported on May 23, 2023, and confirmed the existence of limited thicknesses of high-grade Cu-Co-Zn mineralization. The drilling was accompanied by downhole electromagnetic (DHEM) and surface-loop electromagnetic (SLEM) surveys designed to identify potential buried massive sulfide bodies in the vicinity of drill holes.

Løkken Project (Løkken Verk Mining District)

The Løkken copper-cobalt-zinc project is located approximately 50km SW of the regional center of Trondheim and 90km W of the Hessjøgruva-Kjøli district, with the Company’s exploration licences currently covering an area of approximately 114 square km. The Løkken project was acquired from EMX Royalty in 2020.

The Løkken exploration licences surround the former underground Løkken copper mine (which closed in 1987 in response to low metal process) and covers associated historical mineral processing facilities and multiple satellite bodies of mineralization with varying degrees of development. Løkken is considered to be the largest ophiolite-hosted Cyprus-type VMS deposit by tonnage ever discovered, having produced an estimated 24Mt @ 2.3% Cu and 1.8% Zn (plus silver and gold credits; NGU Geological Survey of Norway).

Capella has been actively exploring in the Løkken area since 2020 utilizing a combination of detailed geological mapping, geochemical surveys (particularly soil/Ionic Leach sampling), and geophysical surveys (particularly ground magnetic techniques). As a result of this work, five priority satellite exploration targets to the main Løkken deposit have been identified – Åmot, Hoydal, Fjellslett, Halsetasen, and Grefstofjellet. The Company also filed a NI 43-101-compliant technical report for the Løkken project in April, 2021. This technical report was prepared by independent QP Amanda Scott and provided a summary of all exploration activities completed at Løkken up to that date.

Preliminary permitting has been completed for a scout diamond drill program at Åmot, which is located 5km due E of the former Løkken mining operations. The primary target at Åmot is an undrilled, 1.5km-long geophysical (electromagnetic and ground magnetic) anomaly situated approximately 150m below surface and associated with coincident surface soil geochemical anomalies. A scout program of 1,250m / 4-6 holes is currently proposed to test Åmot. The original plan for Åmot had contemplated a summer 2023 drill program, however, this drill program has now being postponed to summer 2024.

Further field work is required on the remaining 4 priority target areas around the former Løkken mine in order to bring them to drill-ready status.

The following table summarizes the project exploration expenditures and acquisition costs of the Assets as at May 31,

2023 and 2022.

-	Løkken, Norway	Kjøli, Norway	Hessjogruva¹, Norway	Total
	\$	\$	\$	\$
Balance May 31, 2021	804,593	758,033	-	1,562,626
Acquisition and tenure	90,531	70,555	429	161,515
Camp, travel, administration and other costs	71,865	62,972	4,287	139,124
Geologists and data collection	277,784	339,281	807	617,872
Drilling and assay costs	12,447	-	-	12,447
Write down of exploration and evaluation assets and other	-	-	-	-
Foreign exchange movement	(24,572)	(22,446)	(270)	(47,288)
Balance May 31, 2022	1,232,648	1,208,395	5,253	2,446,296
Acquisition and tenure	134,537	138,706	37,760	311,003
Camp, travel, administration and other costs	108,099	71,906	3,652	183,657
Geologists and data collection	302,734	969,166	23,680	1,295,580
Drilling and assay costs	27,265	-	-	27,265
Write down of exploration and evaluation assets and other	-	-	-	-
Foreign exchange movement	(49,436)	(139,803)	(3,455)	(192,694)
Balance May 31, 2023	1,755,847	2,248,370	66,890	4,071,107

1. Includes Kongensgruve which is an extension of Hessjogruva

Other Material Information

The Company has aggregate liabilities of \$1,388,704 as of May 31, 2023. The Company intends that the majority of the remaining debt owed by the Company will be retired upon receipt of the cash portion of the Disposition. The Company is also contemplating a share consolidation, so as to better enable it attract new business opportunities.

RIGHTS OF DISSENT

The following description of the rights of registered Shareholders to dissent and be paid fair value for their Common Shares is not a comprehensive statement of the procedures to be followed by a registered Shareholder and is qualified in its entirety by Sections 237 to 247 of the BCBCA, a copy of which is attached to this Circular as Schedules B. **A registered Shareholder who intends to exercise a right of dissent should carefully consider and comply with the provisions of Section 237 to 247 of the BCBCA, and should seek independent legal advice.** Failure to comply with the provisions of those sections, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

A Shareholder who intends to exercise its right of dissent must deliver a written objection to the Sale Resolution (a "Dissent Notice") to the registered office of the Company at 8681 Clay Street, Mission, British Columbia V4S1E7, to be received by no later than 10:00 a.m. (Vancouver time) on the Meeting Date, and must not vote any Common Shares it holds in favour of the Sale Resolution. A Beneficial Shareholder who wishes to exercise its rights of dissent must arrange for the registered Shareholder holding its Common Shares to deliver the Dissent Notice.

If the Sale Resolution is passed at the Meeting, the Company must send by registered mail to every Dissenting Shareholder, a notice (a "Notice of Intention") stating that, subject to satisfaction of the other conditions set out in the Sale Agreement, the Company intends to complete the Disposition, and advising the Dissenting Shareholder that if the Dissenting Shareholder intends to proceed with its exercise of its rights of dissent it must deliver to the Company, within 14 days of the mailing of the Notice of Intention, a written statement containing the information specified by the BCBCA, together with the certificates representing the Common Shares it holds.

A Dissenting Shareholder delivering such a written statement may not withdraw from its dissent and, at the Effective Date, will be deemed to have transferred to the Company all of the Common Shares it holds. The Company will pay to each Dissenting Shareholder the amount agreed between the Company and the Dissenting Shareholder for its Common Shares. Either the Company or a Dissenting Shareholder may apply to the Court if no agreement on the terms of the sale

of the Common Shares held by the Dissenting Shareholder has been reached and the Court may:

- determine the fair value that the Common Shares had immediately before the passing of the Sale Resolution, excluding any appreciation or depreciation in anticipation of the Disposition unless exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the Registrar, or a referee of the court;
- join in the application each other Dissenting Shareholder which has not reached an agreement for the sale of its Common Shares to the Company; and
- make consequential orders and give directions it considers appropriate.

If a Dissenting Shareholder fails to strictly comply with the requirements of its rights of dissent set out in the BCBCA, it will lose such rights, the Company will return to the Dissenting Shareholder the certificates representing the Common Shares that were delivered to the Company, if any, and, if the Disposition is completed, that Dissenting Shareholder will be deemed to have participated in the Disposition on the same terms as other Shareholders who did not exercise their rights of dissent.

If a Dissenting Shareholder strictly complies with the foregoing requirements but the Disposition is not completed, then the Company will return to the Dissenting Shareholder the certificates delivered to the Company, if any, pursuant to its rights of dissent.

INFORMATION CONCERNING THE COMPANY AND NICKELX

Current information concerning the Company is available on SEDAR+ at www.sedarplus.ca; and the Company hereby expressly incorporates by reference herein (i) its financial statements for the fiscal years ended May 31, 2023 and 2022; (ii) its management discussion and analysis of such financial statements (MD&A); and (iii) all news releases and material change reports filed in the 12 months prior to the date of this Circular.

NickelX is a private Norwegian company. NickelX was incorporated to acquire and hold certain mineral property interests in and around the Asset being sold by the Company and to seek to list its shares by way of Initial Public Offering on the Oslo Euronext Exchange.

The Company is, and after completion of the Disposition will continue to be, a reporting issuer and will continue to be listed on the TSX Venture Exchange. After completion of the Disposition the Company will continue to develop its other property holdings and continue to seek new opportunities in mining exploration and development.

Other Business

Approval of such other business as may properly come before the meeting or any adjournment thereof.

Save for the matters referred to herein, management knows of no other matters intended to be brought before the Meeting. However, if any matters which are not now known to management shall properly come before the Meeting, the Proxy given pursuant to this solicitation by Management will be voted on such matters in accordance with the best judgement of the person voting the Proxy, in the event such discretionary authority is provided in the Proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on the Company's profile page on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at (604) 410-2277 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, which are filed on SEDAR+.

BOARD APPROVAL

The contents of this Information Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, BC, this 8th day of December, 2023.

ON BEHALF OF THE BOARD

“Eric Roth”

President and Chief Executive Officer

SCHEDULE A

CAPELLA MINERALS LIMITED.

SALE RESOLUTION

BE IT RESOLVED THAT, AS A SPECIAL RESOLUTION:

1. The sale and disposition by Capella Minerals Limited. (“ the Company” or “Capella”) to NickelX AS, (“NickelX”) of all of the Company’s 100% interest in the Sale Agreement in exchange for C\$5,000,000 and C\$2,000,000 worth of NickelX’s initial public offering common shares of (the “Sale”), all as more particularly described and set forth in the Management Information Circular (the “Circular”) of Capella dated December 7, 2023 (as the Sale may be modified, supplemented or amended), is hereby authorized, approved and adopted.
2. The agreement of purchase and sale (the “Sale Agreement”) between Capella and NickelX, dated October 7, 2023, the actions of the directors of the Company in approving the Sale, and the actions of the officers of the Company in executing and delivering the Sale Agreement and any amendments thereto, are hereby ratified and approved.
3. Notwithstanding that this resolution has been passed (and the Sale adopted) by the Shareholders of the Company, the directors of Capella are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Capella:
 - (a) to amend the Sale Agreement to the extent permitted thereby; or
 - (b) subject to the terms of the Sale Agreement, not to proceed with the Sale.
6. Any director or officer of Capella is hereby authorized and directed for and on behalf of Capella to execute, whether under corporate seal of Capella or otherwise, and to deliver such documents as are necessary or desirable to give effect to the Sale.
7. Any director or officer of Capella is hereby authorized, for and on behalf and in the name of Capella, to execute and deliver, whether under corporate seal of Capella or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions, the Sale Agreement and the completion of the Sale in accordance with the terms of the Sale Agreement, including:
 - (a) all actions required to be taken by or on behalf of Capella, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (b) the signing of the certificates, consents and other documents or declarations required under the Sale Agreement or otherwise to be entered into by Capella,

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE B

DISSENT PROVISIONS OF THE *BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)*

DEFINITIONS AND APPLICATION

237 (1) In this Division:

“**dissenter**” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“**notice shares**” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

“**payout value**” means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

- (2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that
 - (a) the court orders otherwise, or
 - (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

RIGHT TO DISSENT

238 (1) A shareholder of a company, whether or not the shareholder’s shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
 - (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
 - (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
 - (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
 - (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company’s undertaking;
 - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
 - (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder’s own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder’s name and on whose behalf the shareholder is dissenting,

- (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

WAIVER OF RIGHT TO DISSENT

- 239 (1)** A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.
- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

NOTICE OF RESOLUTION

- 240 (1)** If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors'

resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

- (a) a copy of the resolution,
 - (b) a statement advising of the right to send a notice of dissent, and
 - (c) if the resolution has passed, notification of that fact and the date on which it was passed.
- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

NOTICE OF COURT ORDERS

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent,

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

NOTICE OF DISSSENT

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least one (1) day before the date on which the resolution is to be passed or can be passed, as the case may be,
- (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
- (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must

- (a) send written notice of dissent to the company on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
- (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
- (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
- (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,

- (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

NOTICE OF INTENTION TO PROCEED

- 243 (1)** A company that receives a notice of dissent under section 242 from a dissenter must,
- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
 - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
- (2) A notice sent under subsection (1) (a) or (b) of this section must
- (a) be dated not earlier than the date on which the notice is sent,
 - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
 - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

COMPLETION OF DISSENT

- 244 (1)** A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,
- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
 - (b) the certificates, if any, representing the notice shares, and
 - (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.
- (2) The written statement referred to in subsection (1) (c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
 - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation

to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

PAYMENT FOR NOTICE SHARES

- 245 (1)** A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must
- (a) promptly pay that amount to the dissenter, or
 - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
 - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
 - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must
- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
 - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
 - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
 - (b) the payment would render the company insolvent.

LOSS OF RIGHT TO DISSENT

- 246** The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

SHAREHOLDERS ENTITLED TO RETURN OF SHARES AND RIGHTS

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.