



69 Yonge Street, Suite 200, Toronto, Ontario M5E 1K3

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of shareholders of **C3 Metals Inc.** (the "**Company**") will be held on **Friday, March 1, 2024**, at the hour of **3:00 p.m.** (Eastern time), at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the year ended August 31, 2023, and the report of the auditors thereon;
2. to elect the directors of the Company;
3. to confirm the appointment by the board of directors of, and to appoint, the auditors of the Company and to authorize the directors to fix their remuneration;
4. to consider and, if deemed advisable, pass, with or without variation a resolution to confirm and approve the stock option plan of the Company;
5. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The board of directors of the Company (the "**Board**") has by resolution fixed the close of business on January 24, 2024, as the record date (the "**Record Date**") for determining the shareholders of the Company who are entitled to receive notice of and to vote at the Meeting and any adjournment thereof. Only holders of common shares of the Company ("**Common Shares**") whose names appear on the records maintained by the Company's registrar and transfer agent as a registered holder of Company Shares (each a "**Registered Shareholder**") as of the close of business on the Record Date, or their duly appointed proxyholders, will be entitled to receive notice of and to vote at the Meeting.

Registered Shareholders who will not attend the Meeting in person are requested to complete and sign the accompanying form of proxy and return it by mail in the enclosed return envelope or by facsimile or by Internet. To be effective, proxies must be received by the Company's transfer agent, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Attention: Proxy Department, or by facsimile at 1-416-595-9593 or by Internet prior to 3:00 p.m. (Eastern time) on Wednesday, February 28, 2024 or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to when any adjournment thereof is to be held, or may be deposited with the Chair of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof.

Non-Registered Holders (as defined in the accompanying management information circular) should refer to the section entitled "*Advice to Non-Registered Holders*" in the accompanying management information circular for information on how to vote their Common Shares. Non-Registered Holders who do not complete and return the materials in accordance with such instructions may lose the right to vote at the Meeting.

The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of this notice of annual and special meeting. Additional information about the Company and its financial statements are also available on the Company's profile at www.sedarplus.ca.

DATED at Toronto, Ontario this 31st day of January, 2024.

BY ORDER OF THE BOARD

"Antony Manini" (signed)
Chairman of the Board



69 Yonge Street, Suite 200, Toronto, Ontario M5E 1K3

MANAGEMENT INFORMATION CIRCULAR

As at January 31, 2024

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF C3 METALS INC. (the "**Company**") of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Friday, March 1, 2024 at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 at 3:00 p.m. (Eastern time), and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the accompanying notice of meeting (the "**Notice of Meeting**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting, this management information circular ("**Circular**"), the annual consolidated financial statements of the Company for the financial year ended August 31, 2023 and related management's discussion and analysis and other meeting materials, if applicable (collectively the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

Meeting participants are encouraged to vote on the matters before the Meeting by proxy.

APPOINTMENT AND REVOCATION OF PROXIES

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Transfer Agent not later than 3:00 p.m. (Eastern time) on Wednesday, February 28, 2024 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

By Mail or Hand Delivery:	TSX Trust Company Suite 301 100 Adelaide Street West Toronto, Ontario M5H 4H1
By Fax:	416-595-9593
By Internet:	www.voteproxyonline.com You will need to provide your 12 digit control number (located on the form of proxy accompanying this Circular)

Shareholders with questions or requiring additional information can contact TSX Trust Company by email at tsxtis@tmx.com or toll-free by phone at 1-866-600-5869.

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, subject to the provisions of the *Business Corporations Act* (Ontario), to (i) the registered office of the Company, located at 69 Yonge Street, Suite 200, Toronto, Ontario M5E 1K3, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing of this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

ADVICE TO NON-REGISTERED HOLDERS

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name. Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.)

(each a "Clearing Agency") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

Distribution of Meeting Materials to Non-Registered Holders

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

Voting by Non-Registered Holders

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

Voting Instruction Form. In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

Form of Proxy. Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

Voting by Non-Registered Holders at the Meeting

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of January 24, 2024 (the "**Record Date**"), there were an aggregate of 61,884,802 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Other than as otherwise already disclosed in this Circular, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the "**Board**"), the matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended August 31, 2023 and the report of the auditors thereon will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The consolidated financial statements and additional information concerning the Company are available under the Company's profile at www.sedarplus.ca.

2. ELECTION OF DIRECTORS

The articles of amalgamation of the Company (the "**Articles**") provide for a minimum of one and a maximum of 10 directors. By special resolution of the shareholders of the Company approved on May 24, 2018, the shareholders authorized the Board to determine the number of directors within the minimum and maximum number of directors. The Board currently consists of seven directors.

The persons named below will be presented for election at the Meeting as management's nominees. Each director elected at the Meeting will hold office until the next annual meeting of the shareholders of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles, the by-laws of the Company or the provisions of the *Business Corporations Act* (Ontario).

The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by them as of the date hereof.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾	Percentage of Voting Shares Owned or Controlled
Antony Manini ⁽²⁾⁽⁸⁾ Chairman Victoria, Australia	Executive Director, EMR Capital; Executive Chairman of Asiamet Resources Limited	June 16, 2017	1,644,153	2.66% ⁽³⁾
Kimberly Ann Arntson ⁽⁴⁾ Director California, USA	President, Chief Executive Officer and Director, Lahontan Gold Corp.; President, Chief Executive Officer and Director, Latin America Resource Group Limited (from May 2017 to February 2020).	February 28, 2020	824,862	1.33% ⁽⁵⁾
Stephen Hughes Vice President Exploration and Director Ontario, Canada	Vice President Exploration of the Company; President and Chief Executive Officer of the Company (from August 2018 to January 2021); Vice President Exploration, Asiamet Resources, Indonesia (from March 2015 to May 2018).	May 24, 2018	247,923	0.40%
Zimi Meka ⁽²⁾⁽⁶⁾⁽⁸⁾ Director Queensland, Australia	Chief Executive Officer/Managing Director, Ausenco Limited.	May 24, 2018	1,529,016	2.47% ⁽⁷⁾
Fernando Pickmann ⁽⁴⁾⁽⁶⁾ Director Lima, Peru	Partner, Gallo Barrios Pickmann Abogados (law firm) from 2010 to 2017 when it merged with Dentons to become Dentons Gallo Barrios Pickmann Abogados of which he is Partner; President and COO, Regulus Resources Inc. since September 30, 2014.	December 1, 2020	90,400	0.15%
Yale Simpson ⁽²⁾⁽⁴⁾⁽⁸⁾ Director British Columbia, Canada	Chairman, Adamera Minerals Corp; Chairman, Rugby Resources Limited; Co-Chairman, Exeter Resource Corp. (from February 2013 to June 2017); President, Canaust Resource Consultants Ltd.	June 16, 2017	31,923	0.05%
Daniel Symons ⁽⁶⁾ President and Chief Executive Officer and Director Ontario, Canada	President and Chief Executive Officer of the Company; former Vice President, Corporate Development and Investor Relations, Argonaut Gold Inc. (from April 2016 to August 2022).	September 6, 2022	250,000	0.40%

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Member of the Compensation and Nominating Committee.
- (3) Mr. Manini holds such Common Shares personally and through two companies controlled by Mr. Manini.

- (4) Member of the Audit and Risk Committee.
- (5) Ms. Arntson holds 193,571 Common Shares personally and holds a 50% beneficial interest in 1,262,582 Common Shares held by a corporation in which Ms. Arntson has joint control.
- (6) Member of the Health, Safety, Environment and Community Committee.
- (7) Mr. Meka holds such Common Shares personally and through a company controlled by Mr. Meka.
- (8) Member of the Technical Committee.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. MANAGEMENT HAS NO REASON TO BELIEVE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF A NOMINEE IS, FOR ANY REASON, UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.

Corporate Cease Trade Orders or Bankruptcies

No proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

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

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Personal Bankruptcies

None of the directors of the Company have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors of the Company have 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 investor in making an investment decision.

3. APPOINTMENT OF AUDITORS

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE

WITHHELD FROM VOTING IN RESPECT THEREOF. PricewaterhouseCoopers LLP were first appointed as the auditors of the Company on June 18, 2015.

4. APPROVAL OF STOCK OPTION PLAN

The Company has adopted a "rolling" stock option plan (the "**Stock Option Plan**") for officers, directors, employees and consultants of the Company. The Stock Option Plan was last approved by the shareholders at the annual and special meeting of the shareholders of the Company held on March 3, 2023. The purpose of the Stock Option Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company by offering them an opportunity to participate in the Company's future performance through the award of stock options to purchase Common Shares ("**Options**"). Currently there are 3,927,666 Options outstanding under the Stock Option Plan.

The Stock Option Plan provides for the issue of Options to acquire up to 10% of the Company's issued and outstanding Common Shares as at the date of grant, subject to standard anti-dilution adjustment. This is a "rolling" stock option plan as the number of Common Shares reserved for issue pursuant to the grant of Options will increase as the Company's issued and outstanding share capital increases. At no time will more than 10% of the outstanding Common Shares be subject to grant under the Stock Option Plan. If an Option expires, is exercised or otherwise terminates for any reason, the number of Common Shares in respect of that expired, exercised or terminated Option will again be available for the purpose of the number of Options available for issue under the Stock Option Plan. The principal features of the Stock Option Plan are described in more detail below under "*Statement of Executive Compensation - Stock Option Plan and other Incentive Plans*".

Although there are no changes to the Stock Option Plan, because the Stock Option Plan is a "rolling" 10% plan under the policies of the TSX Venture Exchange (the "**TSXV**"), the Company's shareholders must approve the Stock Option Plan at each annual meeting of the shareholders. Accordingly, shareholders will be asked to approve the following resolution:

"BE IT RESOLVED THAT:

1. the stock option plan of the Company (the "**Stock Option Plan**") as described in the management information circular dated January 31, 2024, be and it is hereby confirmed and approved; and
2. any director or officer of the Company be, and such director or officer of the Company hereby is, authorized and empowered, acting for, in the name of and on behalf of the Company, to execute or to cause to be executed, under seal of the Company or otherwise, and to deliver or cause to be delivered, all such other documents and instruments, and to do or to cause to be done all such other acts and things, as in the opinion of such director or officer of the Company may be necessary or desirable in order to fulfill the intent of the foregoing resolution."

In accordance with the policies of the TSXV, the Stock Option Plan must be approved by a majority of votes cast at the Meeting on the resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STOCK OPTION PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at August 31, 2023 whose total compensation was more than \$150,000 for the financial year of the Company ended August 31, 2023 (collectively the "**Named Executive Officers**") and for the directors of the Company.

Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years of the Company to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION <u>EXCLUDING</u> COMPENSATION SECURITIES ⁽¹⁾							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Daniel Symons ⁽²⁾ <i>President and Chief Executive Officer and Director</i>	2023	295,833	Nil	Nil	Nil	Nil	295,833
	2022	Nil	Nil	Nil	Nil	Nil	Nil
John McNeice <i>Chief Financial Officer</i>	2023	101,993	Nil	Nil	Nil	Nil	101,993
	2022	105,570	Nil	Nil	Nil	Nil	105,570
Antony Manini <i>Chairman</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Kimberly Ann Arntson <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Stephen Hughes <i>Vice President Exploration and Director</i>	2023	280,000	Nil	Nil	Nil	Nil	280,000
	2022	280,000	Nil	Nil	Nil	Nil	280,000
Zimi Meka <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Fernando Pickmann <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Yale Simpson <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Tomlinson ⁽³⁾ <i>Former President and Chief Executive Officer and Director</i>	2022	275,000	Nil	Nil	Nil	237,440	512,440

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Daniel Symons was appointed President and Chief Executive Officer and as a director on September 6, 2022.
- (3) Kevin Tomlinson, a former director and former President and Chief Executive Officer, was appointed on January 5, 2021 and ceased to be a director and officer effective June 30, 2022. Included in Mr. Tomlinson's compensation in 2022 is \$237,440 in severance fees and accrued vacation.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Company during the most recently completed financial year of the Company for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and % of class ⁽¹⁾⁽²⁾	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 or vesting date
Daniel Symons ⁽³⁾ <i>President and Chief Executive Officer and Director</i>	Stock Options	338,461 stock options exercisable for 338,461 Common Shares representing 0.64% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
John McNeice ⁽⁴⁾ <i>Chief Financial Officer</i>	Stock Options	23,076 stock options exercisable for 23,076 Common Shares representing 0.04% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Antony Manini ⁽⁵⁾ <i>Chairman</i>	Stock Options	153,846 stock options exercisable for 153,846 Common Shares representing 0.29% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Kimberly Ann Arntson ⁽⁶⁾ <i>Director</i>	Stock Options	96,153 stock options exercisable for 96,153 Common Shares representing 0.18% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Stephen Hughes ⁽⁷⁾ <i>Vice President Exploration and Director</i>	Stock Options	192,307 stock options exercisable for 192,307 Common Shares representing 0.36% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Zimi Meka ⁽⁸⁾ <i>Director</i>	Stock Options	76,923 stock options exercisable for 76,923 Common Shares representing 0.14% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Fernando Pickmann ⁽⁹⁾ <i>Director</i>	Stock Options	76,923 stock options exercisable for 76,923 Common Shares representing 0.14% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028
Yale Simpson ⁽¹⁰⁾ <i>Director</i>	Stock Options	76,923 stock options exercisable for 76,923 Common Shares representing 0.14% of the outstanding number of Common Shares	August 8, 2023	0.65	0.52	0.52	August 8, 2028

Notes:

- (1) The number of Common Shares, stock options and per share amounts disclosed have been retroactively adjusted for the Company's 13:1 share consolidation effected on December 19, 2023.
- (2) Calculated on a partially diluted basis as at August 31, 2023.
- (3) As at August 31, 2023, Dan Symons held an aggregate of 723,076 stock options.
- (4) As at August 31, 2023, John McNeice held an aggregate of 153,843 stock options.
- (5) As at August 31, 2023, Antony Manini held an aggregate of 519,229 stock options and 8,226 DSUs.
- (6) As at August 31, 2023, Kimberly Ann Arntson held an aggregate of 526,921 stock options.
- (7) As at August 31, 2023, Steve Hughes held an aggregate of 569,229 stock options and 156,643 RSUs.
- (8) As at August 31, 2023, Zimi Meka held an aggregate of 273,076 stock options.
- (9) As at August 31, 2023, Fernando Pickmann held an aggregate of 378,461 stock options.
- (10) As at August 31, 2023, Yale Simpson held an aggregate of 273,076 stock options and 6,891 DSUs.

A total of 1,034,612 stock options were granted to officers and directors of the Company during the most recently completed financial year of the Company ended August 31, 2023.

Stock Option Plan and other Incentive Plans

The Company has adopted (i) the Stock Option Plan and (ii) a restricted share unit ("**RSU**") and deferred share unit ("**DSU**") compensation plan (the "**RSU/DSU Plan**") pursuant to which Options, and RSUs and DSUs, respectively, may be granted to directors, officers, employees and consultants of the Company. The Stock Option Plan and the RSU/DSU Plan are designed to provide a long-term incentive and to reward key individuals of the Company. The Stock Option Plan and the RSU/DSU Plan are integral components of the Company's total compensation program in terms of attracting and retaining key employees and enhancing shareholder value by aligning the interests of executives, directors and employees with the growth and profitability of the Company. The longer-term focus of each of the Stock Option Plan and the RSU/DSU Plan complements and balances the short-term elements of the compensation policies of the Company.

Pursuant to the Stock Option Plan and the RSU/DSU Plan, the Board may, on the recommendation of the Compensation and Nominating Committee (as hereinafter defined), grant from time to time to directors, officers, employees and consultants of the Company Options, RSUs and DSUs that entitle holders to receive Common Shares upon vesting conditions being satisfied. In determining the number of Options, RSUs and DSUs to be granted to eligible persons, the Compensation and Nominating Committee does not use any formal objectives, criteria or analyses in reaching such determinations, however, consideration is given to the amount, terms and vesting levels of Options, RSUs and DSUs held by the eligible persons and also the number remaining available for grant by the Company in the future under the Stock Option Plan and the RSU/DSU Plan to attract and retain qualified key individuals. As a junior exploration company, qualitative measures of the Company's performance have been favoured over quantitative measures. The Compensation and Nominating Committee has considered qualitative measures such as work effort, exploration activities, project advancement, property acquisitions and achievement of certain target goals and milestones in evaluating performance and considers the compensation which comparable companies make available to their directors, officers, employees and consultants.

Stock Option Plan

The Stock Option Plan was last approved by the shareholders at the last annual and special meeting of the shareholders of the Company held on March 3, 2023. The purpose of the Stock Option Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company by offering them an opportunity to participate in the Company's future performance through the award of Options. The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all Options thereunder.

The Stock Option Plan provides that the aggregate number of securities reserved for issue under the Stock Option Plan, combined with any other compensation securities of the Company, will not exceed 10% of the number of Common Shares issued and outstanding from time to time. As at the date hereof, 6,188,480 Options may be reserved for issue pursuant to the Stock Option Plan, 3,927,666 Options have been issued and 2,260,814 Options are still available for issue.

Options may be granted under the Stock Option Plan to service providers of the Company and its affiliates, as the Board may from time to time designate. The exercise price of each Option will be determined by the Board in its sole discretion, at the time such Option is allocated under the Stock Option Plan, and cannot be less than the Discounted Market Price (as defined in the policies of the TSXV).

The Stock Option Plan provides for the following restrictions:

- (a) the total number of Common Shares reserved and available for issue pursuant to the Stock Option Plan may not: (i) exceed 10% of the issued and outstanding Common Shares on the date of Option grant, and (ii) exceed 20% of the issued and outstanding Common Shares on the date of relevant shareholder approval when such Common Shares are combined with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company;
- (b) the number of Common Shares reserved for issue pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to any one person within a one-year period may not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time;
- (c) the number of Common Shares which may be reserved for issue pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to all insiders may not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time;
- (d) the number of Common Shares which may be issued pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to all insiders within a one-year period may not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time;
- (e) the number of Common Shares which may be issued pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to any one insider and such insider's affiliates or associates within a one-year period may not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time;
- (f) the number of Common Shares which may be issued pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to any one consultant in any 12 month period may not exceed 2% of the Common Shares outstanding on a non-diluted basis from time to time; and
- (g) the number of Common Shares which may be issued pursuant to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other employee-related plan of the Company or options for services granted by the Company) to all employees conducting investor relations activities in any 12 month period may not exceed the aggregate of 2% of the Common Shares outstanding on a non-diluted basis from time to time.

All Options granted under the Stock Option Plan will expire no later than the date that is 10 years from the date that such Options are granted. The Board also may provide for Options to vest at one time or from time to time, periodically or otherwise, in such number of Common Shares or percentage of Common Shares as the Board determines, provided that no Options issued to consultants performing investor relations activities may vest not earlier than in stages over 12 months with no more than $\frac{1}{4}$ of the Options vesting in any three-month period. If the application of vesting causes the Option to become exercisable with respect to a fractional Common Share, such Common Share will be rounded down to the nearest whole Common Share.

If a holder of Options (the "**Optionee**") ceases to be a director or officer of the Company, ceases to be employed by the Company or ceases to be a consultant of the Company, as the case may be:

- (a) other than by reason of death or disability, Options may be exercised after the Optionee has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, (but only to the extent that such Options would have been vested and exercisable upon the termination date), no later than 60 days after the termination date or such earlier period prescribed by law (but in any event, no later than 10 years after the date of grant of the Options); and
- (b) because of the Optionee's death or disability, then such Optionee's Options may be exercised, (but only to the extent that such Options would have been vested and exercisable by the Optionee on the termination date) by the Optionee (or the Optionee's legal representative or authorized assignee), no later than 12 months after the termination date or such earlier period as may be prescribed by law (but in any event, no later than 10 years after the date of grant of the Options).

Optionees may elect to exercise an Option, in whole or in part, on a "cashless exercise" ("**Cashless Exercise**") basis or a "net exercise" ("**Net Exercise**") basis. In connection with a Cashless Exercise of Options, a brokerage firm will loan money to an Optionee to purchase Common Shares underlying the Options, and will sell a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Optionee and the Optionee retains the balance of the Common Shares. In connection with a Net Exercise of Options, an Optionee would receive such number of Common Shares equal in value to the difference between the Option price and the fair market value of the Common Shares on the date of exercise, computed in accordance with the terms of the Stock Option Plan.

The Board may at any time terminate or amend the Stock Option Plan in any respect; provided however, that the Board will not, without the approval of the shareholders of the Company and any stock exchange or quotation system upon which the Common Shares are listed or quoted, amend the Stock Option Plan or any Option in any manner that requires shareholder approval under applicable law or the rules or policies of any stock exchange or quotation system upon which the Common Shares are listed or quoted. Notwithstanding the foregoing, no such termination or amendment may, without the consent of an Optionee, in any manner adversely affect such Optionee's rights under any Option previously granted under the Stock Option Plan.

RSU/DSU Plan

The Company has in place the RSU/DSU Plan which was approved by the shareholders at the annual and special meeting of the shareholders of the Company held on June 16, 2017. As at the date hereof, 156,643 RSUs and 15,117 DSUs are issued and outstanding.

Under the RSU/DSU Plan, awards may be granted to any non-employee director, officer, employee or consultant, or any of its designated affiliates. RSUs are performance based share units which will be granted to participants in the RSU/DSU Plan based on criteria as determined by the Board. The RSUs are paid out to the participant at no later than three years from the year in which the RSUs were granted. Non-vested RSUs are forfeited if the participant voluntarily leaves his or her employment with the Company. RSUs provide the Company with a more transparent and objective tool for rewarding performance, while providing the participant with a better-defined incentive award.

The RSU/DSU Plan also makes provision for the granting of DSUs for payment of directors' fees. A DSU is a notional share that has the same value as one Common Share as at the grant date. Under the RSU/DSU Plan, directors may choose, with the consent of the Company, to take all or part of their fees in DSUs. DSUs are paid out to directors as Common Shares when they retire from the Board. A retiring director can defer the payout of his or her DSUs to the year following his or her departure from the Company.

The use of DSUs has the advantage of encouraging higher levels of share ownership by the directors, thereby aligning their interests more closely with that of the Company while also preserving cash for the Company.

Employment, Consulting and Management Agreements

The Company has in place the following employment and consulting agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers and directors:

Daniel Symons – President and Chief Executive Officer

Effective September 6, 2022, the Company entered into an employment agreement with Daniel Symons for his services as President and Chief Executive Officer of the Company (the "**Symons Agreement**"). Pursuant to the Symons Agreement, Daniel Symons receives an annual salary of \$300,000 and is eligible for an annual short-term incentive ("**STI**") payment to be determined by the Board in accordance with key performance indicators ("**KPIs**") and the performance of the Company. Potential STI payments for calendar 2023 and thereafter are targeted at 50% of annual salary to be paid in cash and/or RSUs depending on the market capitalization of the Company. With respect to long-term incentives ("**LTI**"), Daniel Symons was granted 384,615 Options on August 15, 2022 with an exercise price of \$1.04 per Common Share and an expiry date of August 15, 2027. These Options had a one-year vesting period following the date of grant. LTI's will be reviewed on an annual basis and Mr. Symons will be eligible for the grant of Options or RSUs with reference to key performance indicators as approved by the Board. Subject to meeting performance targets at a minimum of 80% threshold on an annual basis, target cumulative equity over four years will be 2.5% of fully diluted Company equity. The Symons Agreement may be terminated by Daniel Symons with the provision of three month's written notice. The Company may terminate the Symons Agreement by giving written notice and providing the greater of one month's compensation per each year of service or six months' compensation plus any STI payments that reasonably may have become due during the notice period during the first two years of his employment. After two years of employment, the Company would provide the greater of one month's compensation per year of service or 12 months' compensation plus any STI payments that reasonably may have become due during the notice period. In the event of a change of control of the Company, if Mr. Symons is not offered a position with substantially similar compensation, conditions and responsibilities by the surviving entity, Mr. Symons would be entitled to a lump sum payment equal to one year's annual salary and payment of any STI payment earned on a prorated basis during the first two years of his employment. After two years of employment any change of control payment would be equal to two year's annual salary and any STI payment earned on a prorated basis.

John McNeice – Chief Financial Officer

On July 1, 2015, the Company entered into a services agreement with Mr. McNeice and 6905498 Canada Inc., a corporation controlled by Mr. McNeice, for Mr. McNeice's services as the Chief Financial Officer of the Company, as amended effective September 1, 2018 (the "**McNeice Agreement**"). Pursuant to the McNeice Agreement, Mr. McNeice, receives remuneration in the amount of \$135 per hour. Mr. McNeice is potentially eligible for an annual bonus equivalent to 25% of his annual compensation based on key performance indicators determined by the Company. Any bonus determined may be payable in cash, RSUs or with the grant of Options as determined by the Company. The McNeice Agreement may be terminated by the Company with the provision of three month's written notice or the immediate provision of three months compensation. In the event of a change of control of the Company, Mr. McNeice may immediately terminate the McNeice Agreement and would be entitled to receive a payment equal to six months compensation.

Stephen Hughes – Vice President Exploration

Effective January 1, 2021, Stephen Hughes stepped down as President and Chief Executive Officer and was appointed Vice President, Exploration of the Company. On November 1, 2021, under the terms of an employment agreement (the "**Hughes Agreement**"), Stephen Hughes annual salary as Vice President, Exploration is \$280,000. Stephen Hughes is potentially eligible for an annual bonus of up to 50% of his annual salary based on key performance indicators determined by the Board, the performance of the Company and the ability of the Company to pay such bonus. Any bonus determined may be payable in cash, RSUs or with the grant of Options as determined by the Board. The Hughes Agreement may be terminated by Stephen Hughes with the provision of three month's written notice. The Company may terminate the Hughes Agreement by providing six month's written notice or by providing an amount in lieu of notice equivalent to six months base compensation plus any bonus which may have reasonably come due at the date of termination. In the case of a change of control of the Company, Stephen Hughes is entitled to receive a payment equal to one year compensation.

There are no other compensation arrangements in place with any Named Executive Officer or director of the Company.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Board, at the recommendation of the Compensation and Nominating Committee, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. In addition, the directors of the Company are reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings. For their role as directors of the Company, each director of the Company may, from time to time, be awarded Options under the provisions of the Stock Option Plan and are eligible to participate in the RSU/DSU Plan. It is intended that any fees payable to directors and Chairs of the committees of the Board will be settled in the form of share-based compensation through the issue of DSUs under the Company's RSU/DSU Plan.

Compensation of Named Executive Officers

Principles of Executive Compensation

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary, a potential bonus and stock option or share-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long-term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

Management has direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Company. The Chief Executive Officer makes recommendations to the Board regarding the amount and type of compensation awards for other members of executive management. The Chief Executive Officer does not engage in discussions with the Board regarding his own compensation.

The Board approves, or recommends for approval, all compensation to be awarded to the Named Executive Officers. The Board may direct the Compensation and Nominating Committee and management to gather information on its behalf and provide initial analysis and commentary. The Board reviews this material along with other information received from any external advisors which may be retained in its deliberations before considering or making decisions. The Board has full discretion to adopt or alter management recommendations.

Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. No specific weightings are assigned to each factor, but rather, a subjective determination is made based on a general assessment of the performance of the individual relative to such factors. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants.

Annual Incentives

The Named Executive Officers have an opportunity to earn annual incentive compensation payable as a cash bonus, however the Company is not currently awarding any such annual incentives. The annual incentive compensation is intended to link pay to annual performance that will drive shareholder value so the Company may, in its discretion, award such incentives in the future in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her position and contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. Annual incentive compensation is tied to corporate and individual performance with consideration to KPIs, including, but not limited to, the performance of the Company, share price performance, market capitalization, capital raising, health, safety, environmental and community performance. KPIs are agreed between the Board and the CEO on an annual basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Long Term Compensation

The Company currently has no long-term incentive plans, other than Options granted from time to time by the Board under the provisions of the Stock Option Plan and awards under the RSU/DSU Plan.

Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

Termination and Change of Control Benefits

Except as otherwise disclosed in this Circular, the Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates.

SECURITIES AUTHORIZED FOR ISSUE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of August 31, 2023:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#) ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights (\$) ⁽¹⁾	Number of securities remaining available for future issue under equity compensation plans (#)
Equity compensation plans approved by securityholders (Stock Option Plan ⁽²⁾)	3,927,666	\$0.96	2,260,814
Equity compensation plans approved by securityholders (RSU/DSU Plan ⁽³⁾)	171,760	N/A	530,274
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	4,099,426	\$0.96	2,791,088

Notes:

- (1) The number of Common Shares, Options, RSUs/DSUs and per share amounts disclosed have been retroactively adjusted for the Company's 13:1 share consolidation effected on December 19, 2023.
- (2) The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 10% of the outstanding Common Shares at the time of the Option grant. As at the date of this Circular, 6,188,480 Options may be issued under the Stock Option Plan, 3,927,666 Options are outstanding and an additional 2,260,814 Common Shares are reserved for issue and remain available for future issue under the Stock Option Plan.
- (3) Based on the terms of the RSU/DSU Plan as approved by shareholders on June 16, 2017, the Company is authorized to issue RSUs and DSUs of up to a total of 702,034.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no informed person or proposed director of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the most recently completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires that certain information regarding the Audit Committee of a "venture issuer" (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer's annual meeting. The Company is a "venture issuer" for the purposes of NI 52-110.

Audit and Risk Committee Charter

The full text of the charter of the Audit and Risk Committee of the Company is attached hereto as Schedule A.

Composition of the Audit and Risk Committee

The Audit and Risk Committee members are currently Kimberly Ann Arntson (Chair), Fernando Pickmann and Yale Simpson, each of whom is financially literate and independent in accordance with NI 52-110.

Relevant Education and Experience

The following is a description of the education and experience of each member of the Audit and Risk Committee that is relevant to the performance of his responsibilities as an Audit and Risk Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

Members of the Audit and Risk Committee

Kimberly Ann Arntson – Kimberly Ann Arntson is a corporate development and finance specialist with over twenty years marketing experience in branding, investor relations and finance. She is currently President, CEO and Director of Lahontan Gold Corp. and has served as CFO, Vice President and board member for multiple TSX-listed junior mining companies. In the past eight years, Ms. Arntson has raised over \$130M in project financing and directed three major junior mining rebranding projects. While at Prodigy Gold, Ms. Arntson was responsible for all aspects of that company's corporate communication program, facilitating equity financings, generating analyst coverage, participating in key aspects of corporate M&A leading to the \$340M buyout by Argonaut Gold. Ms. Arntson was a founder and President, Chief Executive Officer and Director of Latin America Resources Group Limited, a private company focused on copper exploration and development in Peru which was acquired by the Company in February 2020. Ms. Arntson attended the University of Washington, majoring in Business and Marketing.

Fernando Pickmann – Mr. Pickmann has a law degree and an LLM in corporate law and over 20 years of corporate, securities and mining law experience. His legal practice has been focused on advising significant mining companies in Peru. He has acted as internal legal advisor for the Peruvian Government on the Mining Privatization Committee of Centromin Peru. Mr. Pickmann has been a board member of several public and private junior mining companies and a board member of Petroperu (Peruvian Agency for oil and gas) and is currently partner of Dentons law firm in the Lima office, negotiating multiple transfer, assignment and mining option contracts. Mr. Pickmann has also been a Professor of Mining Law and Strategic Alliances at Lima University. Mr. Pickmann is currently President, Chief Operating Officer and director of Regulus Resources Inc. and is a director of Aldebaran Resources Inc.

Yale Simpson – Yale Simpson was previously the Co-Chairman of Exeter Resource Corporation which was acquired in 2017 by Goldcorp in a transaction valued at approximately \$247 million. He is a professional geologist with a Bachelor of Applied Science (Geological Engineering) from the University of British Columbia. Mr. Simpson has more than 30 years' experience as a senior geologist, exploration manager and CEO of companies involved in precious metals projects in Australia, Africa, Eastern Europe and South America. Those companies include Pennzoil Company, Chevron Exploration, Australmin Holdings, Argosy Gold Mines and Black Swan Gold Mines Ltd. He was Co-chairman of Ex Torre Gold Mines Ltd., a successful spinout from Exeter, which was bought by Yamana Gold Ltd. in 2012. His particular expertise is in strategic resource planning, financing and corporate communications. Yale is currently Chairman of Rugby Resources Limited and Adamera Minerals Corp.

Audit and Risk Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit and Risk Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Exemptions in NI 52-110 regarding

***De Minimis* Non-audit Services or on a Regulatory Order Generally**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit and Risk Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit and Risk Committee prior to the completion of that year's audit);
2. the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110 (an exemption from the requirement that a majority of the members of the Audit and Risk Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if a circumstance arises that affects the business or operations of the Company and a reasonable person would conclude that the circumstance can be best addressed by a member of the Audit and Risk Committee becoming an executive officer or employee of the Company);
3. the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) (an exemption from the requirement that a majority of the members of the Audit and Risk Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if an Audit and Risk Committee member becomes a control person of the Company or of an affiliate of the Company for reasons outside the member's reasonable control);
4. the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) (an exemption from the requirement that a majority of the members of the Audit and Risk Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company if a vacancy on the Audit and Risk Committee arises as a result of the death, incapacity or resignation of an Audit and Risk Committee member and the Board was required to fill the vacancy); or
5. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

The Company is a "venture issuer" for the purposes of NI 52-110. Accordingly, the Company is relying upon the exemption in section 6.1 of NI 52-110 providing that the Company is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit and Risk Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

Audit Fees

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended August 31, 2023 and August 31, 2022:

	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
Year ended August 31, 2023	52,000	Nil	Nil	Nil
Year ended August 31, 2022	49,500	Nil	Nil	Nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice.

REPORT ON CORPORATE GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company's approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

Board of Directors

The Board is currently composed of seven directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, all of the proposed director nominees are considered by the Board to be "independent" within the meaning of NI 52-110 except for Daniel Symons and Stephen Hughes, by virtue of their roles as President and Chief Executive Officer and Vice President Exploration, respectively of the Company. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuers
Antony Manini	Asiamet Resources Limited
Kimberly Ann Arntson	Lahontan Gold Corp.
Zimi Meka	Ausenco Limited and Mineral Resources Ltd.
Fernando Pickmann	Aldebaran Resources Inc. and Regulus Resources Inc.
Yale Simpson	Adamera Minerals Corp. and Rugby Resources Limited

Board Committees

The Board has constituted four committees. The following directors are the current members of the following committees:

- *Audit and Risk Committee*: Kimberly Ann Arntson (Chair), Fernando Pickmann and Yale Simpson.
- *Compensation and Nominating Committee*: Antony Manini (Chair), Zimi Meka and Yale Simpson.
- *Health, Safety, Environment and Community Committee*: Zimi Meka (Chair), Fernando Pickmann and Daniel Symons.
- *Technical Committee*: Yale Simpson (Chair), Antony Manini and Zimi Meka.

Members of these committees are appointed annually to hold office until the next annual meeting of the shareholders of the Company or until their successors are appointed.

Audit and Risk Committee

The Audit and Risk Committee is composed of three directors as named above, each of whom is "independent". The operation of the Audit and Risk Committee is described in the section titled "*Audit Committee Information Required in The Information Circular of a Venture Issuer*" in this Circular.

Compensation and Nominating Committee

The Compensation and Nominating Committee is composed of three directors, each of whom are "independent". The Compensation and Nominating Committee is responsible for: (i) reviewing and approving corporate goals and objectives relevant to the compensation of the chief executive officer of the Company, evaluating the performance of the chief executive officer of the Company in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to the compensation level of the chief executive officer of the Company based on this evaluation); (ii) making recommendations to the Board with respect to other officers and directors compensation and incentive-compensation plans; (iii) reviewing the executive compensation disclosure before the Company publicly discloses this information; (iv) establishing the qualifications for members of the Board, determining the skills, expertise and experience required of directors and developing an appropriate succession plan for directors; (v) assisting the Chairman of the Board in establishing criteria for the selection of directors and procedures for identifying possible nominees who meet these criteria; retaining any search firm engaged to assist in identifying director candidates, and retaining outside counsel and any other advisors as deemed appropriate; approving related fees and retention terms; (vi) assisting the Chairman of the Board in reviewing and assessing the qualifications of persons proposed for appointment or election to the Board; and, (vii) submitting to the Board for consideration and decision, the names of persons to be nominated for election as directors at the annual meeting of shareholders, or to be appointed to fill vacancies between annual meetings.

In connection with the Compensation and Nominating Committee's responsibility for proposing new nominees to the Board it also provides an orientation and education program for new Board recruits and continuing education for Board members. New recruits to the Board receive a full program of orientation and education on: (i) the background of the business operations of the Company; (ii) copies of the articles and by-laws of the Company; (iii) information relative to recent Board and shareholder matters; (iv) details of policy and corporate practice guidelines; and, (v) information detailing corporate and regulatory requirements and procedures. It is the personal responsibility and duty of directors to become familiar with the above noted matters and to monitor same as they

may change over time.

Health, Safety, Environment and Community Committee

The Health, Safety, Environment and Community Committee is composed of three directors, two of whom are "independent". The purpose of the Health, Safety, Environment and Community Committee is to assist the Board with oversight of the Company's: (i) health, safety, environment and community risks; (ii) compliance with applicable legal and regulatory requirements associated with health, safety, environmental and community matters; (iii) performance in relation to health, safety, environmental and community matters; (iv) performance and leadership of the health, safety, environment and community function; and (v) external reporting in relation to health, safety, environmental and community matters.

Technical Committee

The Technical Committee is composed of three directors, each of whom are "independent". The purpose of the Technical Committee is to assist the Board with oversight of the Company's mineral projects including evaluation of planned and ongoing exploration programs, permitting, and various other technical matters.

Orientation and Continuing Education

The Compensation and Nominating Committee has the responsibility to provide an orientation and education program for new Board recruits and continuing education for Board members. For a more detailed description see "*Compensation and Nominating Committee*" above.

Ethical Business Conduct

The Company has developed a formal code of ethical business conduct (the "**Code**"), which is designed to assist the Company's directors, officers and employees to better understand their expectations and responsibilities in the discharge of their duties. The Code provides a general framework of how to approach, resolve and report ethical and legal issues encountered by the Company's directors, officers and employees in carrying out their business functions. As articulated in the Code, directors, officers and employees of the Company are expected to act with the utmost integrity in all of their duties.

The Company also has in place a Whistleblower Policy, which contains procedures that allow employees of the Company to confidentially and anonymously submit their concerns to the Chair of the Audit and Risk Committee (or such other applicable officer of the Company) regarding questionable, accounting, internal accounting controls, auditing matters or other business conduct in general. The Whistleblower Policy is designed and intended to encourage reporting of wrongdoing by the Company's employees. The Whistleblower Policy is expressly referenced in the Code.

The Code and the Whistleblower Policy together with the disclosure policy of the Company are reproduced and discussed in the Company's Employee Handbook which is, together with the Company's Safety Health Environmental and Community Relations Manual, provided to each employee upon joining the Company.

Other Board Committees

The Board currently does not have any standing committees other than as set out under "*Board Committees*" above.

Assessments

The Board monitors but does not formally assess the effectiveness and contribution of the Board, its committees and individual Board members. To date, the Board has satisfied itself, through informal discussions that the Board, its committees and individual Board members are performing effectively.

OTHER MATTERS

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at its registered office at 69 Yonge Street, Suite 200, Toronto, Ontario M5E 1K3 to request copies of: (i) this Circular; and (ii) the Company's consolidated financial statements and the related management's discussion and analysis (the "**MD&A**") for the financial year ended August 31, 2023 which will be sent to the shareholder without charge upon request.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Toronto, Ontario, on the 31st day of January, 2024.

BY ORDER OF THE BOARD

"Antony Manini" (signed)
Chairman of the Board

SCHEDULE A

C3 METALS INC.

CHARTER OF THE AUDIT AND RISK COMMITTEE OF THE BOARD OF DIRECTORS

GENERAL

1. Purpose and Responsibilities of the Committee

1.1 Purpose

The primary purpose of the Committee is to assist Board oversight of:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements; and
- (c) the External Auditor's qualifications and independence.

2. Definitions and Interpretation

2.1 Definitions

In this Charter:

- (a) "Board" means the board of directors of the Company;
- (b) "Chair" means the chair of the Committee;
- (c) "Committee" means the audit and risk committee of the Board;
- (d) "Company" means C3 Metals Inc.;
- (e) "Director" means a member of the Board; and
- (f) "External Auditor" means the Company's independent auditor.

2.2 Interpretation

The provisions of this Charter are subject to the articles and by-laws of the Company and to the applicable provisions of the *Business Corporations Act* (Ontario), and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. Establishment and Composition of the Committee

3.1 Establishment of the Audit and Risk Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.2 Appointment and Removal of Members of the Committee

- (a) *Board Appoints Members.* The members of the Committee shall be appointed by the Board.
- (b) *Annual Appointments.* The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.
- (c) *Vacancies.* The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office.

- (d) *Removal of Member.* Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3 Number of Members

The Committee shall consist of three or more Directors.

3.4 Independence of Members

All of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.5 Financial Literacy

- (a) *Financial Literacy Requirement.* Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.
- (b) *Definition of Financial Literacy.* "Financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

4. **Committee Chair**

4.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee who are unrelated directors (or, if it fails to do so, the members of the Committee shall appoint the Chair from among its members).

4.2 Chair to be Appointed Annually

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. **Committee Meetings**

5.1 Quorum

A quorum of the Committee shall be two members.

5.2 Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least four times per year on a quarterly basis.

5.4 In Camera Meetings

On at least an annual basis, the Committee shall meet separately with each of:

- (a) management; and
- (b) the External Auditor

5.5 Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.6 Voting

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

5.7 Invitees

The Committee may invite Directors, officers, employees and consultants of the Company or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

5.8 Regular Reporting

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

6. **Authority of Committee**

6.1 Retaining and Compensating Advisors

The Committee shall have the sole authority to engage independent counsel and any other advisors as the Committee may deem appropriate in its sole discretion and to set the compensation for any advisors employed by the Committee. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

6.2 Funding

The Committee shall have the authority to authorize the payment of:

- (a) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (National Instrument 52-110 – *Audit Committees* requires disclosure of fees by category paid to the External Auditor).
- (b) compensation for any advisors employed by the Committee under Section 6.1 hereof; and
- (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.3 Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

6.4 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

6.5 Compensation

The Committee has the authority to communicate directly with External Auditors.

7. **Remuneration of Committee Members**

7.1 Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

7.2 Directors' Fees

No member of the Committee may earn fees from the Company or any of its subsidiaries other than directors' fees (which fees may include cash and/or shares or options or other in-kind consideration ordinarily

available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company.

SPECIFIC DUTIES AND RESPONSIBILITIES

8. Integrity of Financial Statements

8.1 Review and Approval of Financial Information

- (a) *Annual Financial Statements.* The Committee shall review and discuss with management and the External Auditor the Company's audited annual financial statements and related management's discussion and analysis ("MD&A") together with the report of the External Auditor thereon and, if appropriate, recommend to the Board that it approve the audited annual financial statements.
- (b) *Interim Financial Statements.* The Committee shall review and discuss with management and, if appropriate, approve the Company's interim unaudited financial statements and related MD&A.
- (c) *Material Public Financial Disclosure.* The Committee shall discuss with management and the External Auditor:
 - (i) the types of information to be disclosed and the type of presentation to be made in connection with profit or loss or earnings press releases; and
 - (ii) financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (d) *Procedures for Review.* The Committee shall be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements (other than financial statements, MD&A and profit or loss or earnings press releases, which are dealt with elsewhere in this Charter) and shall periodically assess the adequacy of those procedures.
- (e) *General.* To the extent the Committee deems it necessary or appropriate, the Committee may review and discuss with management and the External Auditor:
 - (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
 - (ii) major issues as to the adequacy of the Company's internal controls over financial reporting and any special audit steps adopted in light of material control deficiencies;
 - (iii) analyses prepared by management and/or the External Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative accounting methods on the financial statements;
 - (iv) the effect on the financial statements of the Company of regulatory and accounting initiatives, as well as off-balance sheet transaction structures, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons that have a material current or future effect on the financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses of the Company;
 - (v) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;
 - (vi) any financial information or financial statements in prospectuses and other offering documents;

- (vii) the management certifications of the financial statements as required under applicable securities laws in Canada or otherwise; and
- (viii) any other relevant reports or financial information submitted by the Company to any governmental body or the public.

9. External Auditor

9.1 External Auditor

- (a) *Authority with Respect to External Auditor.* As a representative of the Company's shareholders, the Committee shall be directly responsible for the appointment, compensation and oversight of the work of the External Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. In the discharge of this responsibility, the Committee shall:
 - (i) have sole responsibility for recommending to the Board the person to be proposed to the Company's shareholders for appointment as External Auditor for the above-described purposes and recommending such External Auditor's compensation;
 - (ii) determine at any time whether the Board should recommend to the Company's shareholders that the incumbent External Auditor should be removed from office;
 - (iii) review the terms of the External Auditor's engagement, discuss the audit fees with the External Auditor and be solely responsible for approving such audit fees; and
 - (iv) require the External Auditor to confirm in its engagement letter each year that the External Auditor is accountable to the Board and the Committee as representatives of shareholders.
- (b) *Independence.* The Committee shall satisfy itself as to the independence of the External Auditor. As part of this process the Committee shall:
 - (i) require the External Auditor to submit on a periodic basis to the Committee a formal written statement delineating all relationships between the External Auditor and the Company and engage in a dialogue with the External Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the External Auditor and recommend that the Board take appropriate action in response to the External Auditor's report to satisfy itself of the External Auditor's independence;
 - (ii) unless the Committee adopts pre-approval policies and procedures, approve any non-audit services provided by the External Auditor, provided the Committee may delegate such approval authority to one or more of its independent members who shall report promptly to the Committee concerning their exercise of such delegated authority; and
 - (iii) review and approve the policy setting out the restrictions on the Company partners, employees and former partners and employees of the Company's current or former External Auditor.
- (c) *Issues Between External Auditor and Management.* The Committee shall:
 - (i) review any problems experienced by the External Auditor in conducting the audit, including any restrictions on the scope of the External Auditor's activities or access to requested information; and
 - (ii) review any significant disagreements with management and, to the extent possible, resolve any disagreements between management and the External Auditor.
- (d) *Non-Audit Services.*
 - (i) The Committee shall either:

- (A) approve any non-audit services provided by the External Auditor or the external auditor of any subsidiary of the Company to the Company (including its subsidiaries); or
- (B) adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approval policies and procedures are detailed as to the particular service, the Committee is informed of each non-audit service and the procedures do not include delegation of the Committee's responsibilities to management.

The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services so approved to the full Committee at its first scheduled meeting following such pre-approval.

The Committee shall instruct management to promptly bring to its attention any services performed by the External Auditor which were not recognized by the Company at the time of the engagement as being non-audit services.

10. **Other**

10.1 Related Party Transactions

The Committee shall review and approve all related party transactions in which the Company is involved or which the Company proposes to enter into.

10.2 Expense Accounts

The Committee shall review and make recommendations with respect to:

- (a) the expense account summaries submitted by the President and Chief Executive Officer on an annual basis;
- (b) the Company's expense account policy, and rules relating to the standardization of the reporting on expense accounts.

10.3 Whistle Blowing

The Committee shall put in place procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

11. **Performance Evaluation**

On a regular basis, the Committee shall follow the process established by the Board for assessing the performance and effectiveness of the Committee.

12. **Charter Review**

The Committee shall review and assess the adequacy of this Charter on an annual basis and recommend to the Board any changes it deems appropriate.

Approved and adopted by the Board of Directors on July 29, 2021.

