

# CARTIER IRON CORPORATION

## NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and General Meeting (the "Meeting") of shareholders (the "Shareholders") of CARTIER IRON CORPORATION (the "Corporation" or the "Company") will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1404> on Friday, October 21, 2022, at 2:00 pm (Toronto time) for the following purposes:

1. to receive and consider the financial statements of the Corporation for the years ended December 31, 2021 and 2020, together with the auditors' report thereon;
2. to pass, with or without variation, a resolution reappointing RSM Canada LLP, Chartered Professional Accountants, as the auditors of the Corporation and authorizing the directors to fix the terms of engagement and remuneration for such auditors;
3. to elect as directors for the forthcoming year the nominees proposed by the management of the Corporation in the accompanying management information circular; and
4. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

The details of the matters proposed to be put before the Meeting are set forth in the management information circular ("Circular") accompanying this Notice, which is supplemental to and expressly made a part of this Notice. Shareholders of record as of the close of business on September 12, 2022 (the "Record Date") will be entitled to vote at the Meeting and at any adjournment or adjournments thereof.

**The Company will hold the Meeting as a virtual-only shareholders meeting with participation electronically.**

**Shareholders of the Company will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Company and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.**

This Notice is accompanied by a form of proxy (the "Proxy") and the Circular. The Company has also sent the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2021 and related management's discussion and analysis to those shareholders who have previously requested these been sent to them in connection with the Meeting.

**In order to ensure as many common shares of the Company as possible are represented at the Meeting, the Company strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Circular. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from the Company or their broker as soon as possible and to follow the instructions set out in the accompanying Circular.**

Please review the enclosed Circular and date, sign and return the enclosed Proxy to the Company's transfer agent, TSX Trust Company. **To be effective, the Proxy must be delivered by facsimile to (416) 595-9593 or mailed so as to reach or be deposited with the Secretary of the Company, c/o TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario), prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.**

**The persons named in the enclosed Proxy are directors or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to act for such Shareholder and on such Shareholders behalf at the Meeting. To exercise such right, the names of the**

**nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

**DATED** at the City of Toronto, in the Province of Ontario, as of the 22<sup>nd</sup> day of September, 2022.

By Order of the Board of Directors of  
**CARTIER IRON CORPORATION**

*"Thomas Larsen"*

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Thomas Larsen  
Chief Executive Officer and Director

# **CARTIER IRON CORPORATION**

20 Adelaide Street East, Suite 200  
Toronto, Ontario  
M5C 2T6

## **MANAGEMENT INFORMATION CIRCULAR for the ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS to be held on OCTOBER 21, 2022**

**THIS MANAGEMENT INFORMATION CIRCULAR (the “Circular”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF CARTIER IRON CORPORATION (the “Corporation” or the “Company”) FOR USE AT THE ANNUAL AND SPECIAL MEETING (the “Meeting”) OF SHAREHOLDERS OF THE CORPORATION (“Shareholders”) WHICH WILL BE HELD IN A VIRTUAL-ONLY FORMAT, AND WHICH WILL BE CONDUCTED VIA LIVE AUDIO WEBCAST AVAILABLE ONLINE USING <https://virtual-meetings.tsxtrust.com/1404> ON FRIDAY, OCTOBER 21, 2022, AT 2:00 PM (TORONTO TIME), FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF MEETING (the “Notice of Meeting”), AND AT ANY ADJOURNMENT THEREOF.**

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Corporation. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries to forward proxy solicitation material to the beneficial owners of the common shares of the Corporation (the “**Common Shares**”) pursuant to the requirements of National Instrument 54-101 *Communication with Beneficial owners of Securities of a Reporting Issuer*. The cost of any such solicitation will be borne by the Corporation.

### **IMPORTANT NOTICE REGARDING THE MEETING**

**The Company will hold the Meeting as a virtual-only shareholders meeting with participation electronically.**

**Shareholders of the Company will not be able to attend the Meeting in person. At the virtual Meeting, registered Shareholders of the Company and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered Shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.**

**In order to ensure as many Common Shares of the Company as possible are represented at the Meeting, the Company strongly encourages registered shareholders to complete the enclosed Proxy and return it as soon as possible in accordance with the instructions set out in the accompanying Circular. Shareholders who do not hold their Common Shares in their own name**

**are strongly encouraged to complete the voting instruction forms received from the Company or their broker as soon as possible and to follow the instructions set out in the Circular.**

This Circular describes the matters to be acted on at the Meeting and the procedures for attending or appointing proxies to vote at the Meeting. Unless otherwise stated, the information provided herein is given as of the 22<sup>nd</sup> day of September, 2022.

### APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy (the “**Proxy**” or “**Proxies**”, as the case may be) are the Chief Executive Officer and the Corporate Secretary, respectively, of the Company. **A Shareholder wishing to appoint some other person or company (who need not be a Shareholder of the Company) to attend and act for the Shareholder at the Meeting has the right to do so, by striking out the names of the two persons named in the accompanying form of Proxy and inserting the desired person’s name in the blank space provided on the form of Proxy or by completing another acceptable form of proxy.**

To be valid, a Proxy must be signed by the Shareholder or the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation or other legal entity, by a duly authorized officer or attorney. A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed Proxy with the Company’s transfer agent and registrar, TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, facsimile: (416) 595-9593, **not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.** If you are a beneficial Shareholder and receive these materials through a broker or through another intermediary, please complete and return the Proxy or voting instruction form provided by the broker or other intermediary in accordance with the instructions provided by your broker or other intermediary.

### NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or their duly appointed proxy holders are permitted to vote at the Meeting. If you are a registered shareholder, you can vote your shares at the Meeting or by proxy. Most Shareholders of the Company are non-registered shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. A person is not a registered shareholder (a “**Non-Registered Shareholder**”) in respect of Common Shares which are held either:

- (a) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Shareholder 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, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant.

In accordance with Canadian securities laws, the Company will have distributed copies of the Notice of Meeting, this Circular and the Proxy (collectively the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to a Non-Registered Shareholder unless a Non-Registered Shareholder has waived the right to receive them. Typically, Intermediaries will use a

service company such as Broadridge Financial Solutions Inc. (“**Broadridge**”) to forward the Meeting Materials to Non-Registered Shareholders.

Non-Registered Shareholders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a Proxy. If you are a Non-Registered Shareholder, and the Company or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Non-Registered Shareholders should follow the procedures set out below, depending on which type of form they receive.

#### *Voting Instruction Form*

In most cases, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a voting instruction form. If the Non-Registered Shareholder does not wish to attend and vote at the Meeting, (or have another person attend and vote on the Shareholder’s behalf), the voting instruction form should be completed, signed and returned in accordance with the directions on the form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone, fax, or through the Internet at [www.proxyvote.com](http://www.proxyvote.com). If a Non-Registered Shareholder, who receives a voting instruction form, wishes to attend the vote at the Meeting (or have another person attend and vote on the Shareholder’s behalf), the Non-Registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided and a Legal Proxy giving the right to attend and vote at the Meeting will be forwarded to the Non-Registered Shareholder.

#### *Form of Proxy*

Less frequently, a Non-Registered Shareholder will receive, as part of the Meeting Materials, a Proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. If a Non-Registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder’s behalf) the Non-Registered Shareholder must complete the Proxy and deposit it with TSX Trust Company as described above. If a Non-Registered Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholders behalf), the Non-Registered Shareholder must strike out the names of the persons named in the Proxy and insert the Non-Registered Shareholder’s (or such other person’s) name in the blank space provided.

***Non-Registered Shareholders should carefully follow the instructions set out on the forms they receive, including those regarding when and where to return the forms received and contact their Intermediary promptly if they need assistance.***

### **REVOCATION OF PROXIES**

In addition to any other manner permitted by law, a registered shareholder who has given the Company a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with the Company in care of TSX Trust Company, as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing (i) at the registered office of the Company at any time up to the last

business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting at which the Proxy is to be used or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting; or

(c) in any other manner permitted by law.

Non-Registered Shareholders should contact the intermediary through which he or she holds shares of the Company in order to obtain instructions regarding the procedures for revocation of any voting instructions that he, she or it has provided to his or her intermediary.

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

### VOTING OF PROXIES

**Common Shares represented by properly executed Proxies in favour of the persons designated in the enclosed form of Proxy will, where a choice with respect to any matter to be acted upon has been specified in the form of Proxy, be voted in accordance with the specification made. Such Common Shares will be voted in favour of each matter set out in the Circular for which no choice has been specified by the Shareholder in such Shareholder's Proxy.**

The enclosed form of Proxy, when properly completed and delivered, but not revoked, confers discretionary authority upon the persons appointed as a proxyholder thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters that may properly come before the Meeting.

In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of Proxy to vote in accordance with their best judgement on such matters of business. At the time of printing this Circular, management of the Company knew of no such amendment, variation or other matter which might be presented to the Meeting.

### VOTING AT THE VIRTUAL MEETING

**Registered Shareholders of the Company may vote online by attending the virtual Meeting.**

A registered Shareholder of the Company may vote at the Meeting, or may appoint another person to represent such registered Shareholder as proxyholder and to vote the Common Shares of such registered Shareholder at the Meeting.

**A registered Shareholder may access and vote at the virtual Meeting during the live audio webcast as follows:**

- a. Log into <https://virtual-meetings.tsxtrust.com/1404> at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the virtual Meeting and to complete the related procedures.
- b. Click on "**I have a control number**" and enter your 12-digit control number on your form of Proxy.
- c. Enter the password (case sensitive): **cartieriron2022**

- d. When the ballot is opened, click on the “**Voting**” icon. To vote, simply select your voting direction from the options shown on screen and click “**Submit**”. A confirmation message will appear to show your vote has been received.

**Beneficial or Non-Registered Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:**

- a. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or VIF.
- b. Sign and send it to your intermediary, prior to the voting deadline following submission instructions on the VIF.
- c. Obtain a control number by contacting TSX Trust Company by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.
- d. Log into <https://virtual-meetings.tsxtrust.com/1404> on your browser at least 15 minutes before the Meeting starts.
- e. Click on “**I have a control number**”.
- f. Enter the control number and password provided by [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com).
- g. When the ballot is opened, click on the “**Voting**” icon. To vote, simply select your voting direction from the options shown on screen and click “**Submit**”. A confirmation message will appear to show your vote has been received.

If you are a registered Shareholder and you want to appoint someone else (other than the management nominees) to vote online at the Meeting, you must first submit your proxy indicating who you are appointing. You or your appointee must then register with TSX Trust in advance of the Meeting by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

If you are a Non-Registered Shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by emailing [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com) the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

Guests can also listen to the Meeting by following the steps below:

- a. Log into <https://virtual-meetings.tsxtrust.com/1404> on your browser at least 15 minutes before the Meeting starts. Please do not do a Google Search. Do not use Internet Explorer.
- b. Click on “**I am a Guest**”.

If you have any questions or require further information with regard to voting your Common Shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at [tmxinvestorservices@tmx.com](mailto:tmxinvestorservices@tmx.com).

## RECORD DATE

The holders of Common Shares of record at the close of business on the Record Date, set by the directors of the Corporation to be September 12, 2022 (the “**Record Date**”), are entitled to receive notice of the Meeting and to vote such Common Shares at the Meeting and any adjournment thereof.

## VOTING SHARES AND QUORUM

The Corporation is authorized to issue an unlimited number of Common Shares, of which, as of the Record Date, 140,081,138 Common Shares were issued and outstanding and entitled to vote at the Meeting on the basis of one vote for each Common Share held. At last year’s annual and special shareholders meeting of the Corporation held on June 30, 2021, shareholders approved, and authorized the board of directors of the Corporation (the “**Board**” or “**Board of Directors**”) to implement at a time of its choosing, (i) a name change and (ii) a consolidation of the Common Shares of the Corporation by changing each one of the issued and outstanding Common Shares of the Corporation into such a fraction of a new common share of the Corporation as is determined by the Board of Directors, provided, however, that such fraction shall not be smaller than one-fifth (0.20) of a new common share. Although the Board of Directors was given the mandate to decide not proceed with these actions if it so chooses, the Board of Directors is currently intending to proceed with the name change and the consolidation and continues to consider the appropriate name, consolidation fraction and timing to implement either or both of these previously authorized actions.

The by-laws of the Corporation provide that any two (2) Shareholders present in person and entitled to vote thereat, or a duly appointed proxyholder or a representative for a Shareholder so entitled, constitute a quorum for the Meeting.

## PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owns, directly or indirectly, controls or directs Common Shares carrying 10% or more of the voting rights attached to the outstanding Common Shares of the Corporation except for:

- (a) Champion Iron Mines Limited (“**Champion**”) which owns 14,644,971 Common Shares representing approximately 10.5% of the outstanding Common Shares of the Corporation. Pursuant to a standstill agreement, Champion may not sell or transfer more than 2,000,000 common shares during any 30-day period.

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Corporation’s directors, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting and more fully described below.

### I. RECEIPT OF FINANCIAL STATEMENTS

The directors will place before the Meeting the audited financial statements for the years ended December 31, 2021 and 2020 together with the auditors’ report thereon. These audited financial statements have been approved by the Board and have been sent to the Shareholders who have requested that the Corporation provide them with copies of the financial statements. The financial statements are also available on the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).



## II. APPOINTMENT OF AUDITORS

The Corporation is proposing to reappoint RSM Canada LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix the auditors' terms of engagement and remuneration. RSM Canada LLP, Chartered Professional Accountants, were first appointed as auditors of the Corporation on January 16, 2008.

**The management designees, if named as proxyholders, intend to vote the shares represented by any such proxy for the reappointment of RSM Canada LLP, Chartered Professional Accountants, as auditors of the Corporation, on such terms of engagement and at a remuneration to be fixed by the Board, unless a Shareholder has specified on his or her proxy that his or her shares are to be withheld from voting on the appointment of such auditors.**

## III. ELECTION OF DIRECTORS

It is proposed that five (5) directors be elected for the ensuing year and that the persons named below will be nominated at the Meeting to be directors for the ensuing year. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario) or the Corporation's by-laws.

**It is the intention of the management designees, if named as proxyholders, to vote for the election of said persons to the Board. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, proxies in favour of management designees will be voted in their discretion for another nominee unless a Shareholder has specified in his or her proxy that his or her shares are to be withheld from voting in the election of directors.**

The following information relating to the nominees as directors is based on information received by the Corporation from proposed nominees:

Name of Proposed Nominees, Place of Residence and Positions with the Corporation	Principal Occupation for Past Five Years and Positions with other Reporting Issuers	Director Since	Common Shares Beneficially Owned or Controlled
Thomas Larsen Ontario, Canada Chief Executive Officer and Director	Chief Executive Officer of the Corporation since September 2014. Chairman and Chief Executive Officer of Eoro Resources Ltd. since 1997.	2014 (Former Director 1992-2012)	2,843,115 (Direct) 4,285,500 (Indirect)
Francis Sauve <sup>(1)</sup> Ontario, Canada Director	Entrepreneur. Director of the Corporation from 1999 to 2012 and since 2014. Director of Eoro Resources Ltd. since 2002.	2014 (Former Director 1999-2012)	1,374,675
Harry Burgess <sup>(1)</sup> Ontario, Canada Director	Professional Engineer. Founder of Micon International Ltd., retired in 2018. Director of the Corporation since 2015. Director of ACME Resources Corp. from 2009 to 2018, GPM Metals Inc. since 2012 and Goldgroup Mining Inc. from December 2017 to October 2019.	2015	197,500
Alexander Horvath Ontario, Canada Director	Professional Engineer. President of A.S. Horvath Engineering Inc. (a geological engineering services company). Director of the Corporation since 2017	2017	150,000 (Direct) 300,000 (Indirect)

Name of Proposed Nominees, Place of Residence and Positions with the Corporation	Principal Occupation for Past Five Years and Positions with other Reporting Issuers	Director Since	Common Shares Beneficially Owned or Controlled
	and from 2013 to 2014; and Eloro Resources Ltd. since 2010.		
Donald A. Sheldon <sup>(1)</sup> Ontario, Canada Director	Donald A. Sheldon B.A.Sc. (1970 University of Toronto), M.A.Sc. (1972, University of Toronto), LL.B. (1974, Osgoode Hall Law School at York University), P.Eng. (1973, Association of Professional Engineers of Ontario), is a securities and corporate lawyer practising at the firm of Dickinson Wright LLP in Toronto. He is also a professional engineer. Mr. Sheldon has been practising corporate and commercial law for over 40 years with an emphasis on corporate finance and securities regulation. He is licensed to practise law in both Ontario and Alberta. He is and has been for more than 25 years a lecturer in the Faculty of Engineering at the University of Toronto. He is a member of the Canadian Institute of Corporate Directors. He has been a director and officer of numerous public corporations listed on Canadian stock exchanges.	2021	125,000 (Direct) 314,684 (Indirect)

Notes: (1) Currently a member of the Audit Committee of the Corporation.

The current directors, officers and promoters of the Corporation, as a group, own, control or direct 17,695,459 Common Shares, representing approximately 12.63% of the outstanding Common Shares.

To the knowledge of the Corporation, no proposed director is, at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, or (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days.

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been with 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, no proposed director has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Corporation, no proposed director (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by a securities regulatory authority; or

(b) since December 31, 2000, has entered into a settlement agreement with a securities regulatory authority or, before January 1, 2001, entered into a settlement agreement with a securities regulatory authority which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director; or (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

**Directors will be elected by the affirmative vote of a majority of the votes cast on the resolution and will hold office until the next annual meeting of Shareholders or until the directors' respective successors are duly elected or appointed.**

## STATEMENT OF EXECUTIVE COMPENSATION (FORM 51-102F6)

In accordance with the requirements of applicable securities legislation in Canada, the section below entitled “*Compensation Discussion and Analysis*” sets out the “*Summary Compensation Table*” and related tables and narrative disclosures, all as required under Form 51-102F6. The stated objective of Form 51-102F6 is to provide insight into executive compensation as a key aspect of the overall stewardship and governance of a corporation and to help investors understand how decisions about executive compensation are made.

### Summary Compensation Table

The “*Summary Compensation Table*” below details all of the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly for the fiscal year ended December 31, 2021, to the Chief Executive Officer, the Chief Financial Officer and the other individuals (to a maximum of three) who were the most highly compensated executive officers of the Corporation and its subsidiaries and whose total compensation from the Corporation and its subsidiaries exceeded \$150,000 in 2021 (collectively, with the Chief Executive Officer and the Chief Financial Officer, the “**named executive officers**” or the “**NEOs**” of the Corporation). During the financial years ended December 31, 2021, 2020 and 2019, the Corporation had two (2) Named Executive Officers: Thomas Larsen and Miles Nagamatsu.

The following table sets forth particulars concerning the compensation paid or accrued for services rendered to the Corporation by its NEOs in all capacities during the three most recently completed financial years ended December 31, 2021, 2020 and 2019:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Thomas Larsen Chief Executive Officer	2021	120,000 <sup>(1)</sup>	Nil	146,977 <sup>(3)</sup>	Nil	Nil	Nil	Nil	266,977
	2020	139,425 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	139,425 <sup>(1)</sup>
	2019	120,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	120,000 <sup>(1)</sup>
Miles Nagamatsu CFO	2021	90,000 <sup>(2)</sup>	Nil	73,488 <sup>(3)</sup>	Nil	Nil	Nil	Nil	163,488
	2020	99,713 <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	99,713 <sup>(2)</sup>
	2019	90,000 <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	90,000 <sup>(2)</sup>

Notes:

- (1) Paid or payable to a corporation controlled by Thomas Larsen.
- (2) Paid or payable to a corporation controlled by Miles Nagamatsu.
- (3) The amount shown in the column represents the grant date fair value of options and may not represent the amount the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using the Black-Sholes option pricing model.

### **Compensation Discussion and Analysis**

All matters relating specifically to senior executive compensation are reviewed and approved by the full Board. The Board has elected not to appoint a Compensation Committee. The Chief Executive Officer makes recommendations to the Board with respect to compensation of the Corporation's executive officers, including base salaries, annual bonuses and long-term equity participation levels. The Chief Executive Officer also plays a major role in setting performance objectives and outlining progress in meeting corporate objectives. The Board gives final approval on compensation matters.

The Corporation's overall policy regarding compensation of the Corporation's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Corporation, attract and retain suitable and qualified executive management and establish a compensation framework which is industry competitive. The Corporation's policy is to recognize and reward individual performance as well as to place executive compensation within the range of compensation levels in the industry.

### **Compensation Policy and Key Compensation Components**

The Corporation does not have a compensation program other than paying base salaries, incentive bonuses, and incentive stock options to the NEOs. The Corporation recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length service providers.

#### ***Base Salary***

The objectives of base salary are to recognize market pay and to acknowledge the competencies and skills of individuals. The base salary paid to the NEOs shall be reviewed annually by the Board as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board.

#### ***Incentive Bonuses***

The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No incentive bonuses were paid to NEOs, other executive officers or employees during the most recently completed fiscal year.

#### ***Stock Option Plan***

The objectives of the stock option plan are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the

Corporation. No stock options are currently outstanding and no stock options were granted to NEOs, other executive officers or employees during the most recently completed fiscal year.

**Incentive Plan Awards**

***Outstanding share-based awards and option-based awards***

NEO's were granted 1,500,000 stock options to purchase or acquire securities of the Corporation during the most recently completed financial year ended December 31, 2021. The following table set forth the options granted to the NEOs to purchase or acquire securities of the Corporation which were outstanding on December 31, 2021:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option Exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed
Thomas Larsen CEO	1,000,000	0.17	Feb, 3, 2026	Nil	Nil	Nil	Nil
Miles Nagamatsu CFO	500,000	0.17	Feb. 3, 2026	Nil	Nil	Nil	Nil

Notes:

1. This amount is based on the difference between the closing market price of the Common Shares on the CSE of \$0.11 per share on December 31, 2021, and the exercise price of the option.

***Incentive plan awards - value vested or earned during the year***

The following table sets forth the value vested or earned during the year in respect of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended December 31, 2021:

Name	Option-based awards - Value vested during the year (1) (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Thomas Larsen CEO	Nil	Nil	Nil
Miles Nagamatsu CFO	Nil	Nil	Nil

Notes:

1. This amount is based on the difference between the closing market price of the Common Shares on the CSE of \$0.11 per share on December 31, 2021, and the exercise of all "in-the-money" options granted during the recently completed financial year ended December 31, 2021.

***Pension Plan Benefits***

No pension plan or retirement benefit plans have been instituted by the Corporation and none are proposed at this time.

***NEO Employment Contracts, Termination and Change of Control Benefits***

The Corporation has written consulting services contracts with its NEOs. Each contract provides for the payment and provision of other benefits triggered by a termination without cause or as a result of a change of control.

The Corporation has a consulting services contract with a corporation controlled and wholly-owned by the Chief Executive Officer, Thomas G. Larsen. Mr. Larsen's contract was for a two-year period which expires on December 31, 2022, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Larsen is entitled to receive annual consulting fees of up to \$240,000 payable to a corporation controlled and wholly-owned by Mr. Larsen. Notwithstanding the foregoing, for the year ended December 31, 2021, Mr. Larsen elected to receive consulting fees of \$120,000 with no additional amounts accrued or payable for that period. Pursuant to the services contract, if there is a change in control of the Corporation which results in the termination of office for Mr. Larsen, he would be entitled to receive an amount equal to three times his then current maximum annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Larsen loses his office with the Corporation, Mr. Larsen's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the stock option plan.

The Corporation also has a consulting services contract with a corporation controlled and wholly-owned by its Chief Financial Officer, Miles Nagamatsu. Mr. Nagamatsu's contract was for a two-year period which expires on December 31, 2022, and thereafter automatically extends on an annual basis for an additional term of one year. Under the terms of the consulting services contract, Mr. Nagamatsu is entitled to receive annual consulting fees of up to \$180,000 payable to a corporation controlled and wholly-owned by Mr. Nagamatsu. Notwithstanding the foregoing, for the year ended December 31, 2021, Mr. Nagamatsu elected to receive consulting fees of \$90,000 with no additional amounts accrued for that period. If there is a change in control of the Corporation which results in the termination of office for Mr. Nagamatsu, he would be entitled to receive an amount equal to three times his then current maximum annual consulting services fee as described in the table below. As well, in the event of a corporate reorganization, plan of arrangement, spin-out or change of control in respect of which Mr. Nagamatsu loses his office with the Corporation, Mr. Nagamatsu's stock options will retain their original expiry date which will not be subject to accelerated expiry under the general terms of the stock option plan.

The following table details the estimated payments, payables and benefits triggered by a termination without cause or as a result of a change of control for each of the NEOs, assuming the triggering event took place on December 31, 2021. This table assumes that all compensation currently owed to the NEOs as at December 31, 2021 has been paid.

Name and principal position	Estimated Cash Payout on Termination		Estimated Value Vested Option-Based Awards on Termination without Cause <sup>(1)</sup>
	Without Cause (\$)	Change of Control and Termination (\$)	
Thomas Larsen CEO	120,000	720,000	Nil
Miles Nagamatsu CFO	90,000	540,000	Nil

Notes:

- <sup>(1)</sup> This amount is based on the difference between the closing market price of the Corporation's common shares on the CSE of \$0.11 per share on December 31, 2021, and the exercise price of all "in the money" options.

### Director's Compensation

The following table sets forth the value of all compensation paid to the directors of the Corporation who are not NEOs during the most recently completed financial year ended December 31, 2021:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Francis Sauve	Nil	Nil	22,047	Nil	Nil	Nil	22,047
Harry Burgess	Nil	Nil	22,047	Nil	Nil	Nil	22,047
Alexander Horvath <sup>(1)</sup>	12,000	Nil	22,047	Nil	Nil	Nil	34,047
Donald A. Sheldon <sup>(2)</sup>	96,767	Nil	Nil	Nil	Nil	Nil	96,767

- (1) Paid or payable to a corporation controlled by Mr. Horvath, for consulting services rendered of the Corporation.  
(2) Paid or payable to Dickinson Wright LLP, a law firm of which Donald A. Sheldon is a Partner, for fees for legal services provided by various members of that law firm.  
(3) The amount shown in the column represents the grant date fair value of options and may not represent the amount the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using the Black-Scholes option pricing model.

### Share-based awards and option-based awards

The following table sets forth the options granted to the directors of the Corporation who are not NEOs to purchase or acquire securities of the Corporation outstanding at the end of the most recently completed financial year ended December 31, 2021:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Francis Sauve	150,000	0.17	Feb. 3, 2026	Nil	N/A	N/A
Harry Burgess	150,000	0.17	Feb. 3, 2026	Nil	N/A	N/A
Alexander Horvath	150,000	0.17	Feb. 3, 2026	Nil	N/A	N/A

Name	Option-based Awards			Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Donald A. Sheldon	Nil	N/A	N/A	Nil	N/A	N/A

### *Securities Authorized for Issuance Under Equity Compensation Plans*

The following table sets forth the Corporation's equity compensation plan, which is the Corporation's stock option plan.

Plan Category	(A) Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	(B) Weighted average option price of outstanding options, warrants and rights (\$)	(C) Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column a) (#)
Equity compensation plans approved by security holders	4,350,000	0.17	9,658,113 <sup>(1)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	Nil
Total	4,350,000	0.17	9,658,113 <sup>(1)</sup>

Note (1) Based on a maximum number available for issuance of 14,008,113 Common Shares, representing 10% of the issued and outstanding Common Shares as at September 22, 2022.

The Corporation's stock option plan was approved by the shareholders of the Corporation on June 29, 2007. The stock option plan provides that the Board of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation or any subsidiary of the Corporation, the option to purchase Common Shares. The stock option plan provides for a maximum limit of 10% of the number of Common Shares outstanding from time to time. On September 22, 2022, this represents 9,658,113 Common Shares available to be granted under the stock option plan.

The number of Common Shares reserved for any one person during any 12-month period may not exceed 5% of the outstanding Common Shares. The Board determines the price per Common Share and the number of Common Shares that may be allotted by option to each director, officer, employee and consultant and all other terms and conditions of the options, subject to applicable stock exchange rules including rules regarding minimum exercise price.

Options may be exercisable for up to five years from the date of grant, but the Board has the discretion to grant options that are exercisable for a shorter period. Options granted under the stock option plan do not require vesting provisions, although the Board may attach a vesting period or periods to individual grants as it deems appropriate. Options under the stock option plan are non-assignable and non-transferable. If, prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant, the stock options must be exercised within 30 days of termination of employment



or cessation of position with the Corporation, provided that if the cessation of office, directorship, consulting arrangement or employment was by reason of death or disability, the option must be exercised within six months, subject to an earlier expiry date.

### **Indebtedness of Directors and Officers**

No director or senior officer of the Corporation or associate of the foregoing persons, was indebted to the Corporation at any time during the most recently completed financial year ended December 31, 2021.

### **Interest Of Informed Persons In Material Transactions**

No informed person (within the meaning of National Instrument 51-102 “Continuous Disclosure Obligations”, which definition includes, among others, executive officers, directors and insiders) of the Corporation, no nominee for election as a director of the Corporation and no associate or affiliate of any informed person or nominee for election as a director of the Corporation has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **General**

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the “CSA”) have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), which prescribes certain disclosure by the Corporation of its corporate governance practices. The disclosure pursuant to NI 58-101 is presented below.

### **Board of Directors**

The Board exercises independent supervision over management, which includes among other duties and responsibilities: to approve and monitor the strategic, business and financial plans of the Corporation; to supervise performance and succession planning of senior officers; to assess the principal risk factors relating to the business of the Corporation; and to monitor and oversee the integrity of the financial reporting and disclosure. Every director is required to act honestly and in good faith with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Responsibilities not delegated to senior management or to a committee of the Board remain those of the full Board.

### **Composition of the Board of Directors**

The Board is currently comprised of five (5) directors, Thomas Larsen, Francis Sauve, Donald A. Sheldon, Harry Burgess and Alexander Horvath. Harry Burgess and Francis Sauve are independent for the purposes of NI -58-101. Thomas Larsen is Chief Executive Officer and therefore not independent for the purposes of NI 58-101. Alexander Horvath provides consulting services to the Corporation and is therefore also not independent, while Donald A. Sheldon is a Partner at Dickinson Wright LLP, a law firm which provides legal services to the Corporation and is therefore also not independent for the purposes of NI -58-101.

## Directorships

Certain of the directors and a director nominee are also directors of other reporting issuers as follows:

Director	Other Reporting Issuer
Thomas Larsen	Eloro Resources Ltd.
Francis Sauve	Eloro Resources Ltd.
Harry Burgess	GPM Metals Inc.
Alexander Horvath	Eloro Resources Ltd.
Donald A. Sheldon	Metalcorp Limited, KWG Resources Inc.

## Orientation and Continuing Education of Board Members

New Board members receive an orientation package which includes reports on operations and results and public disclosure filings by the Corporation. Board meetings are sometimes held at the Corporation's facilities and are combined with tours and presentations by the Corporation's management to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all Board members. The directors are encouraged to participate in continuing education programs which promote awareness and an understanding of current corporate governance issues.

## Measures to Encourage Ethical Business Conduct

The Board promotes a culture of ethical business conduct with respect to the fiduciary duties placed on individual directors and officers by law, the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, and through independent oversight of management, to encourage each director and officer to act in the best interests of the Corporation.

## Nomination of Board Members

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

The Board does not have a nominating committee and those functions sometimes delegated to a nominating committee are currently performed by the Board as a whole. New candidates for nomination to be elected to the Board are identified by the Board as a whole following an informal invitation to the directors and officers to propose individuals to be considered by the Board.

## Other Board Committees

The Corporation does not presently have other committees apart from the audit committee.

## Assessment of Directors, the Board and Board Committees

The Board is responsible to periodically consider and assess the effectiveness and performance of the audit committee, the individual directors and the Board as a whole. The Board monitors the adequacy

of information given to directors by management and the effectiveness of communication between the Board and management with respect to corporate governance.

## **AUDIT COMMITTEE**

### **Audit Committee**

In accordance with the Multilateral Instrument 52-110 *Audit Committees* (“**MI 52-110**”), the Audit Committee reviews the annual and interim financial statements of the Corporation and makes recommendations to the Board with respect to such statements. The Audit Committee also reviews the nature and scope of the annual audit as proposed by the auditors and management, and the adequacy of the internal accounting control procedures and systems within the Corporation. The Audit Committee is responsible to ensure that management has implemented an effective system of internal control and has oversight responsibility for management reporting on internal control. The Audit Committee Charter is attached hereto as Schedule “A”.

### **Composition of the Audit Committee**

The Audit Committee is currently comprised of Francis Sauve, Donald A. Sheldon and Harry Burgess, all of whom are financially literate. Two of the three Audit Committee members, Messrs. Sauve and Burgess, are considered independent within the meaning of MI 52-110.

### **Relevant Education and Experience**

Francis Sauve owns his own business, and in such capacity, has experience in the preparation, analysis and/or evaluation of financial statements generally and an understanding of internal control and procedures for financial reporting. Over the past 27 years, Mr. Sauve has been, and is currently, a director of a number of publicly traded resource exploration companies and has participated as a member of various audit committees.

Harry Burgess is a mining engineer and former Vice President and co-founder of Micon International Limited, mineral industry consultants. Prior to his consulting career, he held senior management positions in the copper and gold mining industry in Zambia and South Africa. Mr. Burgess was a director of Vena Resources Inc. from 2005 to 2012, Aquiline Resources Inc. from 2008 to 2009, Mag Copper Limited from 2011 to 2012, Brigus Gold Corp. (formerly Apollo Gold Corporation) from 2010 to 2014, Tartisan Resources Corp. from 2010 to 2015 and Treasury Metals Inc. from 2011 to 2012 and ACME Resources Corp. from 2009 to 2018. Mr. Burgess has been a director of GPM Metals Inc. since 2012 and Goldgroup Mining Inc. from 2017 to 2019.

Donald A. Sheldon is a securities and corporate lawyer practising at the firm of Dickinson Wright LLP in Toronto. He is also a professional engineer. Mr. Sheldon has been practising corporate and commercial law for over 40 years with an emphasis on corporate finance and securities regulation. He is licensed to practise law in both Ontario and Alberta. He is and has been for more than 25 years a lecturer in the Faculty of Engineering at the University of Toronto and is a member of the Canadian Institute of Corporate Directors. He has been a director and officer of numerous public corporations listed on Canadian stock exchanges and has experience in the analysis and/or evaluation of financial statements generally and an understanding of internal control and procedures for financial reporting.

### **External Auditor Service Fees (By Category)**

The following table provides information about the fees billed to the Corporation for professional services rendered by RSM Canada LLP for professional services rendered for the fiscal 2021 and 2020 audits:

<b>Fees</b>	<b>2021</b>	<b>2020</b>
Audit Fees <sup>(1)</sup>	34,000	30,500
Audit-Related Fees	Nil	Nil
Tax Fees	\$5,500	\$5,500
All other Fees	Nil	Nil
<b>Total:</b>	<b>\$39,500</b>	<b>\$36,000</b>

Notes:

- (1) Audit fees were for professional services rendered by RSM Canada LLP for the audit of the Corporation's 2021 and 2020 annual financial statements.

### **Exemption**

The Corporation is a venture issuer as defined in NI 52-110 and is relying on the exemptions provided by section 6.1 of NI 52-110 relating to Part 5 "Reporting Obligations".

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than as set forth within this Circular, the management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or officer of the Corporation at any time since the beginning of the last completed financial year, proposed management nominee for election as a director of the Corporation, or any associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting other than the election of directors.

### **INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS**

Other than as set forth within this Circular, the management of the Corporation is not aware of any material interest, direct or indirect, of any director, proposed management nominee for election as a director of the Corporation, or senior officer or insider of the Corporation, or any associate or affiliate of any such person, in any transaction (other than participation in private placements and shares-for-debt transactions, the details of which have been placed on public files with securities regulatory authorities) since the beginning of the last completed financial year of the Corporation, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its affiliates.

### **ADDITIONAL INFORMATION**

Financial information is provided in the Corporation's audited financial statements and accompanying management's discussion and analysis ("MD&A") for the year ended December 31, 2021.

Under National Instrument 54-102 *Interim Financial Statements and Report Exemption*, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation's agent, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Additional information relating to the Corporation is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

**GENERAL**

All matters referred to herein for approval by the shareholders require a simple majority of the shareholders voting, in person or by proxy, at the Meeting, unless otherwise indicated herein.

The contents and sending of this Circular have been approved by the Board of the Corporation.

Dated the 22<sup>nd</sup> day of September, 2022.

*“Thomas Larsen”*

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Thomas Larsen  
Chief Executive Officer and Director

## **SCHEDULE “A”**

### **CARTIER IRON CORPORATION** (the “Corporation”)

#### **AUDIT COMMITTEE CHARTER**

Adopted by the Board of Directors May 29<sup>th</sup>, 2007

The Audit Committee is a committee of the Board of Directors (the “Board”) of the Corporation to which the Board delegates certain of its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

#### **OVERALL ROLE AND RESPONSIBILITY**

The Audit Committee’s overall purpose is to assist the Board in its oversight role with respect to:

- (i) the quality and integrity of financial information;
- (ii) the external auditor’s performance, qualifications and independence;
- (iii) the performance of the Corporation’s internal audit function, if applicable; and
- (iv) the Corporation’s compliance with legal and regulatory requirements.

#### **MEMBERSHIP AND MEETINGS**

The Audit Committee shall consist of three or more directors appointed by the Board, the majority of whom shall meet the requirement of independence as defined in MI 52-110 and shall not be officers or employees of the Corporation or any of the Corporation’s affiliates.

The Board shall designate one member of the Audit Committee as the Committee Chair. Each member of the Audit Committee at the time of appointment shall be financially literate as such qualification is defined by Multilateral Instrument 52-110 *Audit Committees* (“MI 52-110”), or become financially literate within a three month period from the date of appointment to the Audit Committee.

#### **STRUCTURE AND OPERATIONS**

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall report to the Board on its activities after each of its meetings at which time minutes of the prior Audit Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the external auditor and shall periodically meet separately with each of them.

## **SPECIFIC DUTIES**

### **1) Oversight of the External Auditor**

The Audit Committee shall:

- Make recommendations to the Board for the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the issuer and the compensation of the external auditor;
- Directly oversee of the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditor regarding financial reporting. The external auditor shall report directly to the Audit Committee;
- The Audit Committee must pre-approve all non-audit services (including the fees, terms and conditions for the performance of such services) to be provided by the external auditor; and
- The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.

### **2) Financial Reporting**

The Audit Committee shall:

- Review the financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information;
- Satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and shall periodically assess the adequacy of those procedures;
- Review and discuss with management and the external auditor:
  - prior to the annual audit the scope, planning and staffing of the annual audit,
  - the annual audited financial statements,
  - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
  - any significant changes in the Corporation's selection or application of accounting principles,
  - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
  - other material written communications between the external auditor and management, such as any management letter or schedule of unadjusted differences.
- Monitor, evaluate and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established;
- Monitor management of the principal risks that could impact the financial reporting of the

Corporation; and

- With respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109.

### **3) Other Duties**

The Audit Committee shall:

- Establish procedures for the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls or auditing matters, and confidential anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters;
- Pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the external auditors in accordance with MI 52-110; and
- Review and approve the disclosure required under MI 52-110F2 regarding the Audit Committee as included within the annual management information circular of the Corporation.

#### **Authority of the Audit Committee**

The Audit Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, and to set and pay the compensation for any advisors employed by the Audit Committee. The Audit Committee may communicate directly with the internal and external auditors of the Corporation.