



**CLASS 1 NICKEL AND TECHNOLOGIES LIMITED**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**WITH RESPECT TO**

**THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON**

**TUESDAY, JUNE 21, 2022 AT 4:30 P.M. (TORONTO TIME)**

**AT**

**82 RICHMOND STREET EAST,**

**TORONTO, ONTARIO M5C 1P1**

**DATED: MAY 17, 2022**



NICKEL AND  
TECHNOLOGIES

## CLASS 1 NICKEL AND TECHNOLOGIES LIMITED

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (the “**Shares**”) of Class 1 Nickel and Technologies Limited (the “**Corporation**”) will be held on June 21, 2022 at 4:30 p.m. (Toronto time) at the offices of DSA Corporate Services Inc., The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario M5C 1P1 for the following purposes:

- (1) to receive the audited consolidated financial statements of the Corporation as at and for the years ended December 31, 2021, together with the report of the auditors thereon;
- (2) to elect directors of the Corporation who will serve until the next annual meeting of shareholders;
- (3) to re-appoint Wasserman Ramsay, Chartered Professional Accountants, as the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditor;
- (4) to consider, and, if deemed appropriate, to pass with or without variation a resolution to confirm a new By-Law No. 3 of the Corporation, as more particularly described in the accompanying management information circular; and
- (5) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Additional information relating to the business to be submitted to the Meeting is contained in the management information circular and forms part of this Notice.

The board of directors of the Corporation (the “**Board**” or “**Board of Directors**”) has fixed the close of business on May 17, 2022 as the record date for the purpose of determining Shareholders entitled to receive notice of, and vote at, the Meeting. Only Shareholders of record at the close of business on May 17, 2022 are entitled to vote at the Meeting. The failure of any Shareholder to receive notice of the Meeting does not deprive such Shareholder of the right to vote at the Meeting.

Registered Shareholders, being those Shareholders whose names appear on the books and records of the Corporation as a registered holder of Shares, who are unable to attend the Meeting should complete, sign, date and return the enclosed form of proxy to Computershare Trust Company of Canada in accordance with the instructions set out in the form of proxy accompanying the circular no later than 4:30 p.m. (EST) on June 17, 2022.

Non-registered Shareholders, being Shareholders who beneficially own and hold Shares through a broker or other intermediary and who do not hold Shares in their own names, who have received these materials through their broker or another intermediary should refer to the accompanying information circular for further instructions.

Dated at Toronto, Ontario this 17<sup>th</sup> day of May, 2022.

**BY ORDER OF THE BOARD OF  
DIRECTORS**

*(Signed) "David Fitch"*

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**DAVID FITCH**

President, Chief Executive Officer and Director



NICKEL AND  
TECHNOLOGIES

## **CLASS 1 NICKEL AND TECHNOLOGIES LIMITED**

82 Richmond Street East, Toronto, Ontario M5C 1P1

### **MANAGEMENT INFORMATION CIRCULAR FOR ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

(Containing information as at May 17, 2022, unless otherwise stated)

#### **SOLICITATION OF PROXIES**

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Class 1 Nickel and Technologies Limited (the “Corporation”), for use at the annual and special meeting (the “Meeting”), of the holders (“Shareholders”) of common shares without par value in the capital of the Corporation (the “Shares”), to be held on Tuesday, the 21<sup>st</sup> day of June, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. It is expected that the solicitation of proxies on behalf of management will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers, employees or agents of the Corporation. The cost of soliciting proxies on behalf of management will be borne by the Corporation. The Corporation may also reimburse brokers and other persons holding Shares in their names or in the name of nominees, for their costs incurred in sending proxy materials to beneficial owners and obtaining their proxies or voting instructions.

#### **APPOINTMENT OF PROXIES**

The persons named in the accompanying form of proxy (the “Proxy”) are representatives of management of the Corporation and are directors and/or officers of the Corporation. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM/HER ON HIS/HER BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER MAY STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS RETURNED TO COMPUTERSHARE TRUST COMPANY OF CANADA IN ACCORDANCE WITH THE INSTRUCTIONS SET**

**OUT IN THE FORM OF PROXY ACCOMPANYING THE MANAGEMENT INFORMATION CIRCULAR, NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ANY ADJOURNMENT THEREOF.**

The Proxy must be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

**NON-REGISTERED HOLDERS**

Only those Shareholders whose names appear on the books and records of the Corporation (“**Registered Shareholders**”), or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a “**Non-Registered Holder**”) are registered either:

- (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares, such as, 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 CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Meeting materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

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

- A. be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone); or
- B. be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder, but which is otherwise uncompleted. This Proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the form of Proxy and deposit it with Computershare Trust Company of Canada, as described above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. Should a Non-Registered Holder who receives either a Proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the Proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. ***In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.***

## **REVOCAATION**

A Registered Shareholder who has given a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with Computershare Trust Company of Canada 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 Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment 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 of the Meeting; or
- (c) in any other manner permitted by law.

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary may not be required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

## **VOTING OF PROXIES**

The management representatives designated in the enclosed Proxy will vote or withhold from voting the Shares in respect of which they are appointed by Proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed FOR the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting.**

The enclosed Proxy confers discretionary authority upon the management representatives designated in the Proxy with respect to amendments to or variations of matters identified in the notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Corporation know of no such amendments, variations or other matters.

## **FORWARD-LOOKING STATEMENTS**

Certain statements in this Circular that are not statements of historical fact, including statements relating to each as more particularly described herein, may constitute “forward-looking statements”. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Corporation’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Circular, such statements use such words as “may”, “will”, “expect”, “believe”, “plan”, “intend”, “should”, “anticipate” and other similar terminology. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this Circular. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Circular are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with such forward-looking statements. All forward-looking statements are made as of the date of this Circular, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances. Accordingly, readers should not place undue reliance on forward-looking statements.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Corporation consists of an unlimited number of Shares. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at May 17, 2022 (the “**Record Date**”). As at the Record Date, the Corporation has 128,705,029 Shares, each Share carrying the right to one vote.

Each Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. All such holders of record of Shares on the Record Date are entitled either to attend and vote thereat in person the Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation’s transfer agent, Computershare Trust Company of Canada, within the time specified in the Notice of Meeting, to attend and to vote thereat by proxy the Shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all outstanding Shares other than set forth below:

Name	Number of Shares <sup>(1)</sup>	Percent of Issued and Outstanding
Benjamin Cooper	32,925,908	25.6%
David Fitch	47,071,330	36.6%

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

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Corporation at any time since the beginning of the last financial year of the Corporation;
- (a) the proposed nominees for election as a director of the Corporation; or
- (b) any associate or affiliate of the foregoing persons,

have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting other than the election of directors.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **ELECTION OF DIRECTORS**

At the Meeting, shareholder approval will be sought to elect directors of the Corporation. The following five (5) persons named hereunder will be proposed for election as directors of the Corporation. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each director elected will hold office until the close of the next annual meeting of Shareholders of the Corporation, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause.

**The Board recommends that Shareholders vote FOR the election of each of the proposed nominees set forth below as directors of the Corporation.**

The following table sets forth the name of all persons proposed to be nominated for election as directors, their place of residence, position held, and periods of service with, the Corporation, or any of its affiliates, their principal occupations and the approximate number of Shares of the Corporation beneficially owned, controlled or directed, directly or indirectly, by them. The information as to Shares beneficially owned, directly or indirectly or over which control or direction is exercised, not being with the knowledge of the Corporation, has been furnished by the respective nominees individually.

Name and Municipality of Residence	Present Principal Occupation within the Past Five Years	Director Since <sup>(1)</sup>	Number of Shares Beneficially Held
David Fitch <sup>(1)(3)</sup>  <i>Southport, Queensland, Australia</i>	Executive Director of QEM Limited, an Australian shale oil and vanadium resource exploration company (July 2018 to March 2020, Non-Executive Director March 2020 to present); Executive Director of Vanicom Resources Limited, a mineral exploration company (June 2018 – September 24, 2019); sole Director of David Fitch Group of Companies, an Australian consortium of private and public companies (June 2013 – Present); Centre Licensee – Kozy Kids Maylands Pty Ltd South Australia, a Australian company operating child-care centres in South Australia (October 2017 – Present); a Director of BioCentral Laboratories Limited, an Australian company producing advanced products for the firefighting industry and dust suppressants for mining and road construction (2013 to present).	September 24, 2019	47,071,330
Mathew Gilbertson <sup>(1)(2)</sup>  <i>Stockleigh, Queensland, Australia</i>	Founder and Director of Tablet PC, an Australian reseller of tablet computers and accessories (from January 2013 – present).	September 24, 2019	1,748,252
David Crevier <sup>(1)(2)</sup>  <i>Montreal, Quebec, Canada</i>	Lawyer (Partner) at Colby Monet LLP, a full service law firm located in Montreal, Quebec; Director of Goldstar Minerals Inc., a mineral exploration company (September 2016 to present).	April 14, 2020	Nil

<p>David Riekie Perth, Western Australia</p>	<p>Executive director of Adavale Resources Limited, a mineral exploration company July 2021 to present).</p> <p>Director of Zenith Energy Limited, an energy company (April 2019 to August 2020).</p> <p>Director of Paladin Energy Limited, a uranium production company (February 2018 to December 2019).</p> <p>Interim Chief Executive Officer of Poseidon Nickel Limited, a mineral exploration company (September 2019 to August 2020).</p>	<p>January 5, 2022</p>	<p>Nil</p>
<p>Jonathan Fisher Sydney, New South Wales</p>	<p>Chief Financial Officer of TNG Ltd., a mineral resource company (February 2021 to present)</p> <p>Director of Pearl Gull Iron Limited, a mineral resource exploration company (February 2021 to present)</p> <p>Director of m8 Sustainable Limited, a waste management company (October 2021 to December 2021)</p> <p>Chief Financial Officer of Tellus Holdings Ltd, an environmental services company (September 2016 to November 2020)</p>	<p>Nominee</p>	<p>Nil</p>

**Notes:**

- (1) Each director's current term expires at the Meeting.
- (2) Member of the Audit Committee.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 48,819,582 Shares, representing approximately 37.9% of the issued and outstanding Shares as of the date hereof.

The members of the Audit Committee are Mathew Gilbertson Mathew Fitch and David Crevier. The Board is currently constituted with four independent directors, being Mathew Fitch, Mathew Gilbertson, David Crevier and David Riekie and one director who is not independent, being David Fitch. Mathew Fitch will not be standing for re-election at the Meeting.

Additional biographical information including the principal occupation of each proposed nominee to the Board for the past five years preceding the date hereof is described below:

**Mr. David Fitch** is President, Chief Executive Officer and a director of the Corporation, and is also currently Non-Executive Director of QEM Limited (March 2020 to present), a vanadium exploration company listed on the Australian Stock Exchange, sole Director of David Fitch Group of Companies (June 2013 to present), which invests in child care, medical and commercial assets, Centre Licensee – Kozy Kids Maylands Pty Ltd South Australia, and a director of BioCentral Laboratories Limited., a company producing advanced products for the firefighting industry and dust suppressants for mining and road construction. Mr. Fitch was previously director of Vanicom Resources Limited (June 2018 to September 2019), and Chief Operating Officer and joint major shareholder of the Fitch Group (2009 to 2014). Mr. Fitch has extensive experience in strategic planning, commercial negotiations, business operations and asset management, with a particular focus on green-field development sites for the commercial and retail sectors and residential development. Mr. Fitch graduated from Bond University with a Bachelor of Commerce (Accounting) in 1997 and a Bachelor of Jurisprudence in 1999. Mr. Fitch graduated from the Australian Institute of Company Directors in 2002.

**Mr. Mathew Gilbertson** is a director of the Corporation, and also currently serves as an independent board and executive management consultant, specializing in operational efficiency and economic optimization. Mr. Gilbertson is Founder and Director of Tablet PC, a consulting firm (January 2013 – present) that boasts customers such as Macquarie, HP, Microsoft as well as many State and Federal government agencies across Australia. Mr. Gilbertson has more than 25 years of management experience in both the public and private sectors, as an executive and as a board member. As a board member, Mr. Gilbertson has utilized his financial understanding and operational experience to help rescue distressed not-for-profit organisations. Practically, Mr. Gilbertson has worked on technology implementation and integration projects across Australia, US and Europe, and is an executive consultant helping senior leaders utilise technology efficiently. Mr. Gilbertson has extensive operational experience, gained through his extensive construction and mining background and his many years consulting across many different business verticals, which enables him to bridge operational, financial, technical and governance requirements.

**Mr. David Crevier** is a director of the Corporation, and is a partner of the law firm Colby Monet LLP, located in Montreal, Quebec, since 1984. Mr. Crevier is a member of the Barreau du Quebec and has practiced as a lawyer since 1975, primarily in the area of commercial law, assisting public and private companies in the natural resource and technology sectors. Mr. Crevier has acted as a director for Goldstar Minerals Inc., a TSX Venture-listed issuer, since September 2016. Mr. Crevier has acted as a director for several publicly traded companies focusing on corporate governance and public disclosure. Mr. Crevier has previously served as a director or officer of Yorbeau Resources Inc., Cancor Mines Inc., Sierra Metals Inc., and Keywest Energy Corporation, among others.

**Mr. David Riekie** is a director of the Corporation, and also serves as a non-executive director of Adavale Resources Limited (ASX:ADD). Mr. Riekie also previously served on the boards of Zenith Energy Limited (ASX:ZEN) and Paladin Energy Limited (ASX:PDN), and as interim Chief Executive Officer of Poseidon Nickel Limited (ASX:POS). He has overseen capital raisings and ASX listings, exploration and resource development, scoping and feasibility studies, production

optimization, stakeholder engagement, acquisition programs and expansion initiatives. He has been involved with projects throughout Australia/Oceania, Asia, North America and Europe for minerals and commodities including precious (gold) and base metals (copper, cobalt), energy (oil & gas) and energy metals (uranium, nickel) and industrial minerals (graphite, mineral sands). David holds a Bachelor of Economics and a Graduate Diploma of Accounting from Flinders University and has been a member of the Australian Institute of Chartered Accountants since 1986.

**Mr. Jonathan Fisher** is a nominee to the board of directors of the Corporation. Mr. Fisher is a highly-regarded senior mining and corporate finance executive with extensive experience spanning all aspects of accounting and reporting, corporate finance including debt and equity capital raising, stock exchange listings, financial analysis, government approvals, business strategy and commercial development. Mr. Fisher is currently CFO of ASX listed TNG Ltd and a non-executive director of ASX listed Pearl Gull Iron Limited (an iron ore explorer). In the last 12 months he has also previously served as a non-executive director of ASX listed M8 Sustainable Ltd. Previously, he was the CFO and Company Secretary of public unlisted environmental services company Tellus Holdings Ltd, which has developed the Sandy Ridge geological repository in WA. Prior to that, he was the GM, Corporate Strategy for the former ASX-listed Atlas Iron Ltd, a Pilbara focused iron ore producer., and responsible for Project Finance and Corporate Development at Atlantic Ltd (developer of the Windimurra Vanadium Project). Earlier in his career, Mr. Fisher was a Director at PwC Strategy in Perth and a member of the Rothschild Natural Resources, Utilities & Infrastructure Team in London. He holds a Bachelor of Laws and a Bachelor of Commerce from the University of Western Australia and a Master of Applied Finance from the Macquarie University. Mr. Fisher is a Graduate of the Australian Institute of Company Directors (AICD) and a Fellow of FINSIA.

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

To the best of management's knowledge, no individual set forth in the above table is, as 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:

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

With the exception of David Crevier, a director of the Corporation, who was a director of GeoVenCap Inc. when this company filed a notice of intention to make a proposal under the Bankruptcy and Insolvency Act (Canada) on November 20, 2013, to the best of management's knowledge, no individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Circular, or has been within ten (10) years before the date

of this Circular, a director or executive officer of any company (including the Corporation) that, while such individual was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management's knowledge, no individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (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 individual.

To the best of management's knowledge, no individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

- (a) 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
- (b) 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.

#### **APPOINTMENT AND REMUNERATION OF AUDITORS**

At the Meeting, the Board proposes to re-appoint Wasserman Ramsay ("**Wasserman Ramsay**"), Chartered Professional Accountants, of 3601 Highway 7 East, Suite 1008, Markham, Ontario L3R 0M3, as auditor of the Corporation and to authorize remuneration to be fixed by the Board. Wasserman Ramsay will hold office until the next annual general meeting of the Shareholders or until its successor is appointed.

**The Board recommends that Shareholders vote FOR the re-appointment of Wasserman Ramsay as auditor of the Corporation.**

### CONFIRMATION OF BY-LAW NO. 3

At the Meeting, shareholders will be asked to pass resolutions, substantially in the form of the resolutions appended as Schedule “C” hereto (collectively, the “**By-Law Resolutions**”), confirming a new By-Law No. 3 of the Corporation that will amend the by-laws of the Corporation currently in force. Specifically, the new By-Law No. 3 is an addition to the Corporation’s current by-laws to (i) incorporate advance notice provisions, the purpose of which is to require that advance notice be provided to the Corporation in circumstances in which nominations of persons for election to the board of directors of the Corporation are made by shareholders other than pursuant to the requisition of a meeting or a shareholder proposal, in each case in accordance with the Ontario Business Corporations Act (“**OBCA**”); (ii) include provisions required by the Australian Stock Exchange (the “**ASX**”) in connection with the Corporation’s proposed listing of the Common Shares on the ASX; and (iii) remove the Canadian residency requirements for director meetings in the existing by-laws of the Corporation. Specifically, among other things, By-Law No. 3 provides as follows:

- (a) a holder of restricted securities of the Corporation must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the applicable regulations of the ASX, and the Corporation will refuse to acknowledge any such disposal except as permitted by the regulations of the ASX;
- (b) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the regulations of the ASX;
- (c) if a holder of restricted securities breaches a restriction deed or a provision of By-Law No. 3 restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues;
- (d) if the applicable regulations of the ASX require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (e) if the applicable regulations of the ASX require By-Law No. 3 to contain a provision and it does not contain such a provision, By-Law No. 3 is deemed to contain that provision;
- (f) if the applicable regulations of the ASX require By-Law No. 3 not to contain a provision and it contains such a provision, By-Law No. 3 is deemed not to contain that provision;
- (g) if any provision of By-Law No. 3 is or becomes inconsistent with the applicable regulations of the ASX, By-Law No. 3 is deemed not to contain that provision to the extent of the inconsistency;
- (h) a deadline shall be fixed by which shareholders must notify the Corporation of nominations of persons for election to the board and provide that the same information

about the proposed nominee as one would have to include in a dissident proxy circular under applicable securities laws must be provided to the Corporation by such deadline; and

- (i) the existing requirement contained in By-Law No. 1 of the Corporation stipulating that, subject to certain specified exceptions, the directors of the Corporation shall not transact business at a meeting of the board unless a majority of the directors present are resident Canadians, shall be repealed.

The Corporation believes that these provisions are in the best interests of the Corporation as (i) the advance notice provisions will ensure that an orderly nomination process is observed and that shareholders are well-informed about director nominees in advance of shareholder meetings; (ii) the ASX-related provisions will help facilitate the listing of the Common Shares on the ASX, which is expected to provide enhanced public trading and financing opportunities for the Corporation on a going-forward basis; and (iii) the removal of Canadian residency requirements for board meetings is consistent with recent amendments to the OBCA to eliminate Canadian residency requirements for directors. A copy of By-Law No. 3 is attached as Appendix “I” to Schedule “C” hereto.

In order to be effective, the By-Law Resolutions must be approved by a majority of the Common Shares represented by the shareholders present at the Meeting in person or by proxy. The management representatives named in the attached form of proxy intend to vote in favour of the By-Law Resolutions, unless a shareholder specifies in the proxy that his or her Common Shares are to be voted against the By-Law Resolutions.

## **OTHER MATTERS**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## **EXECUTIVE COMPENSATION**

### **Introduction**

Pursuant to the requirements of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), all direct and indirect compensation provided to certain executive officers and directors for, or in connection with, services they have provided to the Corporation or a subsidiary of the Corporation must be disclosed in this form. Based on applicable legislation, the Corporation is required to disclose annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the two most recently completed financial years in respect of the individuals comprised of the Chief Executive Officer (“**CEO**”), the Chief Financial Officer (“**CFO**”) and the most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeds \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an officer at the end of the most recently completed financial year (the “**Named Executive Officers**” or “**NEOs**”).

Directors and named executive officer compensations have been disclosed based on requirements of Form 51-102F6V under below tables as follows:

- (1) Table of compensation excluding compensation securities;
- (2) Stock options and other compensation securities; and
- (3) Exercise of Compensation Securities by directors and NEO's.

### **Named Executive Officers of the Corporation for the Years Ended December 31, 2021 and 2020**

During the fiscal years ended December 31, 2021 and 2020, the Corporation had three NEOs: (i) Benjamin Cooper, former President and Chief Executive Officer of the Corporation; (ii) David Fitch, President and Chief Executive Officer of the Corporation; and (iii) Omar Gonzalez, Chief Financial Officer of the Corporation.

### **Director and Named Executive Officer Compensation**

The following table (and notes thereto) states the names of each NEO and director, his annual compensation, consisting of salary, consulting fee, bonus and other annual compensation, excluding compensation securities, for each of the Corporation's two most recently completed financial years.

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or Meeting Fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of other compensations (\$)</b>	<b>Total compensation (\$)</b>
Benjamin Cooper, Former President and Chief Executive Officer, Director <sup>(1)</sup>	2020	\$137,545	Nil	Nil	Nil	Nil	\$137,545
	2021	\$350,000	Nil	Nil	Nil	Nil	\$350,000
David Fitch, President and Chief Executive Officer, Director <sup>(3)</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	\$100,000	Nil	Nil	Nil	Nil	\$100,000
Mathew Gilbertson, Director <sup>(4)</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
David Crevier, Director <sup>(5)</sup>	2020	\$12,000	Nil	Nil	Nil	Nil	\$12,000
	2021	\$18,000	Nil	Nil	Nil	Nil	\$18,000
Mathew Fitch, Director <sup>(7)</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

<b>Table of compensation excluding compensation securities</b>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of perquisites (\$)	Value of other compensations (\$)	Total compensation (\$)
Omar Gonzalez, Chief Financial Officer <sup>(6)</sup>	2020	\$4,012	Nil	Nil	Nil	Nil	\$4,012
	2021	\$9,000	Nil	Nil	Nil	Nil	\$9,000
Aamer Siddiqui Former Chief Financial Officer <sup>(2)</sup>	2020	\$12,919	Nil	Nil	Nil	Nil	\$12,919
	2021	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Benjamin Cooper was appointed as President and CEO and director effective September 24, 2019. In his capacity as CEO and director, Mr. Cooper received his compensation through Paradise Capital Pty Ltd (“PCPL”), company owned by Mr. Cooper. On March 22, 2021, Benjamin Cooper resigned from his position as President, Chief Executive Officer and director of the Corporation.
- (2) These amounts, plus applicable HST, were paid to Marrelli Support Services Inc. for Chief Financial Officer provided to the Corporation. Mr. Siddiqui is an employee of Marrelli Support Services Inc. Mr. Siddiqui resigned as CFO on November 3, 2020.
- (3) David Fitch was appointed as a director on September 24, 2019 and was appointed President and Chief Executive Officer of the Corporation on March 22, 2021.
- (4) Mathew Gilbertson was appointed as a director on September 24, 2019.
- (5) David Crevier was appointed as a director on April 24, 2020.
- (6) Omar Gonzalez was appointed CFO November 3, 2020. These amounts, plus applicable HST were paid to Marrelli Support Services Inc. for Chief Financial Officer provided to the Corporation. Mr. Gonzalez is an employee of Marrelli Support Services Inc.
- (7) Mathew Fitch was appointed as a director on March 24, 2021.

### **Stock Option Plans and Other Compensation Securities**

The Corporation created a stock option plan that was approved by the Board of Directors on December 21, 2020 (the “**Stock Option Plan**”). The purpose of the Stock Option Plan is to assist the Corporation in attracting, retaining and motivating service providers of the Corporation and of its affiliates and to closely align the personal interests of such service providers with the interests of the Corporation and its shareholders.

The Stock Option Plan provides that the aggregate number of Common Shares reserved for issuance pursuant to options granted under the Stock Option Plan, when taken together with all other securities compensation plans of the Corporation, will not exceed 10% of the number of Common Shares of the Corporation issued and outstanding from time to time.

The Stock Option Plan is administered by the Board of Directors, which has full and final authority with respect to the granting of all options thereunder subject to the express provisions of the Stock Option Plan.

Options may be granted under the Stock Option Plan to such directors, officers, employees or consultants of the Corporation and its affiliates, if any, as the Board of Directors may from time to time designate. Option exercise prices will be determined by the Board of Directors, but will, in

no event, be lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options, and (b) the date of grant of the stock options.

The number of Common Shares reserved for issuance to any one person in any 12 month period under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 10% of the issued and outstanding Common Shares at the time of the grant, unless the Corporation obtains disinterested shareholder approval in accordance with the terms of the Stock Option Plan. The number of Common Shares reserved for issuance to any one Consultant (as defined in the Stock Option Plan) in any 12 month period under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 2% of the issued and outstanding Common Shares at the time of the grant. The number of Common Shares reserved for issuance to any one person performing Investor Relations Activities (as defined in the Stock Option Plan) in any 12 month period under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 2% of the issued and outstanding Common Shares at the time of the grant.

Unless the Corporation obtains disinterested shareholder approval in accordance with the terms of the Stock Option Plan, (i) the aggregate number of Common Shares reserved for issuance to Insiders (as defined in the Stock Option Plan) under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 10% of the issued and outstanding Common Shares at the time of the grant; (ii) the aggregate number of Common Shares reserved for issuance to Insiders (as defined in the Stock Option Plan) in any 12 month period under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 10% of the issued and outstanding Common Shares at the time of the grant; and (iii) the number of Common Shares issued to any optionee within a 12 month period pursuant to the exercise of options granted under the Stock Option Plan and all other securities compensation plans of the Corporation cannot exceed 10% of the issued and outstanding Common Shares at the time of exercise.

The Stock Option Plan is the Corporation's only equity compensation plan. As of the date of this Circular, the Corporation has an aggregate of 11,215,502 options outstanding to purchase Common Shares. The following table is a summary setting out the options which have been granted to directors and NEOs as at the date of this Circular:

Name and position	Compensation Securities						Expiry date
	Type of compensation Security	Number of Compensation securities, number of underlying securities, and percentage of class	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 (\$)	
David Fitch President, Chief Executive Officer and Director	Stock Options	5,582,751	June 11, 2021	\$0.60	\$0.50	\$0.38	June 11, 2024

Compensation Securities							
Name and position	Type of compensation Security	Number of Compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue conversion or exercise Price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Omar Gonzalez Chief Financial Officer	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mathew Gilbertson, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Crevier, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mathew Fitch, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Riekie, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Benjamin Cooper, Consultant, Former Chief Executive Officer and Director	Stock Options	5,582,751	June 11, 2021	\$0.60	\$0.50	\$0.38	June 11, 2024

The following table sets out each exercise of stock options by for each director and NEO during the most recently completed fiscal year of the Corporation.

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of Compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date exercise (\$)	Total value on exercise date (\$)
Benjamin Cooper, former President, Chief Executive Officer, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Omar Gonzalez,	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<b>Exercise of Compensation Securities by Directors and NEOs</b>							
Name and Position	Type of Compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date exercise (\$)	Total value on exercise date (\$)
Chief Financial Officer							
David Fitch, President, Chief Executive Officer and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mathew Gilbertson, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Crevier, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mathew Fitch, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Riekie, Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### **External Management Companies**

Except as otherwise disclosed herein, to the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

The former and incumbent Chief Financial Officer of the Corporation are employees of Marrelli Support Services Inc (“MSSI”). During the year ended December 31, 2021, the Corporation paid or accrued \$9,000 in fees to MSSI for the professional services.

Corporate secretarial services to the Corporation are provided by DSA Corporate Services Inc. for a monthly fee of \$1,500 plus HST.

### **Employment, Consulting and Management Agreements**

Other than outlined above under External Management Companies, the Corporation was previously party to an employment agreement with Benjamin Cooper, President and Chief Executive Officer of the Corporation effective April 20, 2020 for an initial term of one year and renewable yearly thereafter to which Mr. Cooper is paid \$120,000 per year. On March 22, 2021, Mr. Cooper resigned as President and Chief Executive Officer of the Corporation, and his employment agreement was terminated.

Mr. Cooper was succeeded in the roles of President and Chief Executive Officer of the Corporation by Mr. David Fitch. The Corporation entered into an employment agreement (the “**President Agreement**”) with Mr. Fitch effective March 22, 2021 for an initial term of one year, renewable yearly thereafter, pursuant to which Mr. Fitch is paid \$100,000 per year. The President Agreement may be terminated by the Corporation either (i) for cause at any time without compensation; or (ii) without cause at any time by providing notice or payment in lieu of notice in accordance with applicable employment law. The President Agreement contains standard confidentiality, non-competition and non-solicitation clauses.

### **Oversight and Description of Director and Named Executive Officer Compensation**

Given the Corporation’s size and stage of operations, it has not appointed a compensation Committee or formalized any guidelines with respect to compensation at this time. The amounts paid to the NEOs are determined by the independent Board members. The Board determines the appropriate level of compensation reflecting the need to provide incentives and compensation for the time and effort expended by the Corporation’s executives, while taking into account the financial and other resources of the Corporation.

### **Pension Plan Benefits for NEOs**

During the years ended December 31, 2020 and December 31, 2021, the Corporation did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION**

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

For information regarding securities authorized for issuance under equity compensation, please see “*Executive Compensation - Stock Option Plans and Other Incentive Plans.*”

### **Equity Compensation Plan Information**

The following table provides details of the equity securities of the Corporation authorized for issuance as of the Circular pursuant to the Stock Option Plan currently in place:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	11,215,502	\$0.6012	1,655,000 <sup>(1)</sup>
Total	11,215,502	\$0.6012	1,655,000 <sup>(1)</sup>

Note:

(1) Calculated based upon 10% of an aggregate of 128,705,029 Common Shares issued and outstanding as of December 31, 2021, less the aggregate number of stock options outstanding as of such date.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

Since the beginning of the last fiscal year of the Corporation, none of the executive officers, directors or employees or any former executive officers, directors or employees of the Corporation or any proposed nominee for election as a director of the Corporation or any of their respective associates is or has been indebted to the Corporation or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For purposes of the following discussion, “**Informed Person**” means: (a) a director or Executive Officer of the Corporation; (b) a director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Corporation’s financial statements for the financial years ended December 31, 2020 and December 31, 2021, none of:

- a) the Informed Persons of the Corporation;
- b) the proposed nominees for election as a director of the Corporation; or

- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in a proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

In August, 2021, the Corporation entered into an agreement with Platinum Group Elements Limited (“**PGEL**”) providing for the acquisition (the “**Acquisition**”) by the Corporation of a strategic project portfolio of adjacent and adjoining claims to the Corporation’s Alexo Dundonald project in Timmins, Ontario, as well as adjacent and adjoining claims to the Corporation’s Somanike project in Quebec, and a complimentary primary PGE project in Sudbury Ontario (collectively, the “**Properties**”). The consideration for the Acquisition consisted of a cash payment of Cdn\$550,000 and the issuance of an aggregate of 10,000,000 common shares of the Corporation. Pursuant to the Acquisition, the Corporation acquired a 100% legal and beneficial interest in the Properties, subject to a 2% net smelter returns royalty on certain claims known as the Timmins claims, River Valley claims and Metals Creek claims, and a 2% gross metal royalty on certain claims known as the Bilson Cubric claims. PGEL is a private company controlled by a significant shareholder of the Corporation.

#### **CORPORATE GOVERNANCE AND AUDIT COMMITTEES**

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance* and National Instrument 52-110 *Audit Committees* is attached to this Circular as Schedules “A” and “B”, respectively.

#### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

Other than the above, management of the Corporation knows of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

#### **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent for the Corporation is Computershare Trust Company of Canada through its office located in Toronto, Ontario.

#### **ADDITIONAL INFORMATION**

Copies of this Circular, the comparative audited annual financial statements of the Corporation for the year ended December 31, 2021, and management discussion and analysis for the year ended December 31, 2021 may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) or free of charge from the Corporation upon request from the President and Chief Executive Officer of the Corporation, at 82 Richmond Street East, Toronto, Ontario M5C 1P1, and such documents will be sent by mail or electronically by email as may be specified at the time of the request. Financial information on the Corporation is provided in the Corporation’s comparative audited annual financial statements and accompanying management discussion and analysis for the year ended December 31, 2021.

**BOARD APPROVAL**

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

**DATED** at Toronto, Ontario, this 17<sup>th</sup> day of May, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) "*David Fitch*"

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**DAVID FITCH**

President, Chief Executive Officer and Director

**Class 1 Nickel and Technologies Inc.**  
**(the “Corporation”)**

**SCHEDULE “A”**  
**CORPORATE GOVERNANCE**

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

General

The board of directors (the “**Board**”) of the Corporation believes that effective corporate governance contributes to improved corporate performance and enhanced Shareholder value. The Corporation’s governance practices are subject to at least an annual review and evaluation through the Board’s Nominating and Corporate Governance Committee to ensure that, as the Corporation’s business develops and grows, changes in structure and process necessary to ensure continued good governance are identified and implemented.

The Canadian Securities Administrators (“**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.

This section sets out the Corporation’s approach to corporate governance and provides the disclosure requested by Form NI 58-101F2. The following statement has been prepared by the Nominating and Corporate Governance Committee and approved by the Board.

**BOARD OF DIRECTORS**

As of the date hereof, the Board is comprised of five members. Four of the five current directors as at the date hereof are standing for re-election, and one new nominee is proposed for election. The Board is responsible for determining whether or not each director is “independent”. To do this, the Board analyzes all the relationships of the directors with the Corporation and its subsidiaries. Pursuant to NI 58-101 and National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), a director is independent if such director has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. None of the independent directors are engaged in the day-to-day operations of the Corporation or are a party to any material on-going contracts with the Corporation. More information about each director can be found in the Circular under the heading “*Information Concerning Nominees Submitted by Management*”.

The role of the Chairman for each Board meeting is determined on a revolving basis among the various members of the Board. The primary roles for the meeting’s Chairman is setting the meeting

agenda and chairing meetings of the Board, working to ensure that the Board works together as a cohesive team with open communication.

Mr. David Fitch currently serves as the Chief Executive Officer and President of the Corporation and is therefore not considered to be “independent”.

Mr. Mathew Fitch, Mr. Mathew Gilbertson, Mr. David Riekie and Mr. David Crevier are considered to be “independent” in that none of them has any direct or indirect material relationship with the Corporation.

The Board has adopted a Board Mandate appended hereto as Appendix I.

### **The Role of the Chief Executive Officer**

The Chief Executive Officer of the Corporation is a member of the Board. In addition to being the primary liaison with the Board itself, the Chief Executive Officer’s role is to directly oversee the day-to-day operations of the Corporation, lead and manage the senior management of the Corporation, and to implement the strategic plans, risk management and policies of the Corporation. The Board and the Chief Executive Officer work together to ensure that critical information flows to the Board, that discussions and debate of key business issues are fostered and afforded adequate time and consideration, that consensus on important matters is reached, and decisions, delegation of authority and actions are taken in such a manner as to enhance the Corporation’s business and functions. The Board currently believes that it is in the best interests of the Corporation and its shareholders that the Chief Executive Officer of the Corporation is a member of the Board.

### **DIRECTORSHIPS**

The following table provides details regarding directors of the Corporation who served as a director on the board of another reporting issuer as of the date of the Circular:

<b>Director</b>	<b>Other Company</b>
David Fitch	QEM Limited (ASX: QEM)
Mathew Gilbertson	N/A
David Crevier	Goldstar Minerals Inc. (TSX: GDM)
Mathew Fitch	N/A
David Riekie	Adavale Resources Ltd. (ASX: ADD)

## **ORIENTATION AND CONTINUING EDUCATION**

The Corporation does not provide a formal orientation or education program for new directors. However, when new directors are appointed, they receive an informal orientation, commensurate with their previous experience, relating to the Corporation's industry, business and operations and the responsibilities of directors of public companies, as well as training with respect to the Corporation's corporate strategy and the role of the Board, its committees and its directors by the current directors and senior officers. The members of the Board have experience in mineral exploration projects, mining, legal, financial and audit matters and capital markets and they continue to work in these areas. New directors meet with management of the Corporation in addition to the other directors of the Corporation to discuss the Corporation's business. The Board receives a monthly report from management with respect to the Corporation's business. The Board encourages directors to participate in continuing education opportunities in order to ensure that directors maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Corporation's business.

## **ETHICAL BUSINESS CONDUCT**

The Board has determined that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation, the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

## **NOMINATION OF DIRECTORS**

The Board periodically reviews the size of the Board and any possible requirement for an increase or decrease in members of the Board. It also recruits and reviews candidates for the position of director and selects the most appropriate for consideration as a potential director nominee.

The Board's considerations include:

- (a) competencies and skills that the Board, as a whole, should possess and the competencies and skills of each current director. The Board reviews, on an annual basis, the requisite skills and criteria for Board members as well as the composition and size of the Board as a whole in order to ensure that the Board has the requisite expertise, that its membership consists of persons with sufficiently diverse and independent backgrounds, and that its membership consists of an appropriate number of independent directors;
- (b) identification of individuals qualified to become Board members, consistent with criteria set out by the Board; and
- (c) questions of independence and possible conflicts of interest of members of the Board and of senior managers.

## **COMPENSATION**

The Board determines compensation and incentive awards for the directors and senior officers of the Corporation based on the individual's skill level and the comparative industry compensation level.

## **OTHER BOARD COMMITTEES**

The Board currently has no other committees other than the Audit Committee.

## **ASSESSMENTS**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and Board committees.

The Board assesses, on an informal basis, the effectiveness of the Board as a whole, the Chairman of the Board, Board committees and the contribution of individual directors. The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and its committees. As a result of the Corporation's size, its stage of development, and the number of directors of the Corporation, the Board has considered this assessment process to be appropriate at this time. The Board will review this process periodically and make recommendations with respect to the assessment process as necessary.

**Class 1 Nickel and Technologies Limited**

**(the “Corporation”)**

**APPENDIX I TO SCHEDULE A**

**BOARD OF DIRECTORS MANDATE DISCLOSURE**

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**CLASS 1 NICKEL AND TECHNOLOGIES LIMITED**

**MANDATE OF THE BOARD OF DIRECTORS**

**RESPONSIBILITY OF THE BOARD**

The directors of the Corporation are responsible for managing the business and affairs of the Corporation and, in doing so, must act honestly and in good faith with a view to the best interests of the Corporation.

**Board Mandate**

The Board’s mandate includes setting long-term goals and objectives for the Corporation, formulating the plans and strategies necessary to achieve those objectives, and supervising senior management who are responsible for the implementation of the Board’s objectives and day-to-day management of the Corporation. The Board retains a supervisory role and ultimate responsibility for all matters relating to the Corporation and its business.

The Board discharges its responsibilities both directly and through its Audit Committee. The Board may also appoint ad hoc committees periodically to address issues of a more short-term nature.

**RESPONSIBILITIES OF THE BOARD**

***Board Composition***

The Board retains responsibility for managing its own affairs by giving its approval of its composition and size, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation. When the Chair of the Board is not an independent director, the independent directors of the Board shall designate an independent director to be the lead director. The Board is responsible for determining the roles and responsibilities of the independent Chair or, if applicable, lead director. The Board shall annually evaluate the independence of the Chair or, if applicable, lead director.

***Delegation of Board Matters***

The Board may delegate to Board committees matters that the Board is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

### ***Education***

The Board is responsible for ensuring that measures are taken to orient new directors regarding the role of the Board, its committees and its directors and the nature and operation of the Corporation's business. The Board is also responsible for ensuring that measures are taken to provide continuing education for its directors to ensure that they maintain the skill and knowledge necessary to meet their obligations as directors.

### ***Board Performance***

The Board shall annually review the performance of the Board and its committees against their respective charters and mandates and disclose the process in all applicable public documents. The Board shall also annually evaluate the performance of individual directors, the performance of the Chair and the performance of the lead director, if any.

### ***Approval of Appointment of Management***

The Board is responsible for approving the appointment of the officers of the Corporation. The Board, together with the Chief Executive Officer of the Corporation, may develop a position description for the Chief Executive Officer if desired.

### ***Approval of Compensation of Management***

The Board approves the compensation of officers and reviews and approves the Corporation's incentive compensation plans.

### ***Delegation to Management***

The Board from time to time delegates to senior management the authority to enter into transactions, such as financial transactions, subject to specified limits. Investments and other expenditures above the specified limits, and material transactions outside the ordinary course of business, are reviewed by and are subject to the prior approval of the Board.

### ***Management Development and Succession***

The Board ensures that adequate plans are in place for management development and succession.

### ***Crisis or Emergency***

The Board assumes a more direct role in managing the business and affairs of the Corporation during any period of crisis or emergency.

### ***Responsibility for Strategic Planning***

The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the goals and objectives of the Corporation.

The Board is responsible for reviewing the business, financial and strategic plans by which it is proposed that the Corporation may reach those goals.

### ***Provide Management with Input***

The Board is responsible for providing input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.

The Board will consider alternative strategies in response to possible change of control transactions or takeover bids with a view to maximizing value for shareholders.

### ***Monitoring of Financial Performance and Other Financial Matters***

The Board is responsible for enhancing the alignment of shareholder expectations, plans of the Corporation and management performance.

The Board is responsible for adopting a processes for monitoring the Corporation's progress toward its strategic and operational goals and revising its direction to management in light of changing circumstances affecting the Corporation; and

### ***Assessment of Integrity of Internal Controls***

Directly and through the Audit Committee, the Board assesses the integrity of internal controls over financial reporting and management information systems.

### ***Budgets and Financial Statements***

The Board reviews and approves capital, operating and exploration and development expenditures including any budgets associated with such expenditures.

The Board is responsible for approving the annual audited financial statements and, if required by applicable securities legislation, the interim financial statements, and the notes and management's discussion and analysis accompanying such financial statements. The Board may delegate responsibility for approving interim financial statements to the Audit Committee.

### ***Material Transactions***

The Board is responsible for reviewing and approving material transactions outside the ordinary course of business, including material investments, acquisitions and dispositions of material capital assets, material capital expenditures, material joint ventures, and any other major initiatives outside the scope of approved budgets.

### ***Governance of All Board Matters***

The Board approves those matters that are required under the Corporation's governing statute to be approved by the directors of the Corporation, including the issuance, purchase and redemption of securities and the declaration and payment of any dividends.

### ***Risk Management***

The Board is responsible for the identification of the principal risks of the Corporation's business and monitoring and managing those risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation's shareholders.

The Board monitors the conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements.

### ***Policies and Procedures***

The Board is responsible for approving and monitoring compliance with all significant policies and procedures by which the Corporation is operated and approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations. The Board is responsible for adopting a written code of ethical business conduct for the directors, officers and employees of the Corporation and is responsible for monitoring compliance with the code and to encourage and promote a culture of ethical business conduct.

### ***Director Independence***

The Board is responsible for taking steps to ensure that directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### ***Confidentiality***

The Board shall enforce its policy respecting confidential treatment of the Corporation's proprietary information and the confidentiality of Board deliberations.

### ***Communications and Reporting***

The Board is responsible for approving a corporate Disclosure Policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Corporation is conducted.

The Board is responsible for ensuring appropriate policies and processes are in place to ensure the Corporation's compliance with applicable laws and regulations, including timely disclosure of relevant corporate information and regulatory reporting.

**Class 1 Nickel and Technologies Limited**

**(the “Corporation”)**

**SCHEDULE “B”**

**FORM 52-110F2**

**AUDIT COMMITTEE DISCLOSURE**

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**THE AUDIT COMMITTEE’S CHARTER**

**PURPOSE OF THE AUDIT COMMITTEE**

The purpose of the Audit Committee is to fulfill the applicable public company audit committee legal and regulatory obligations and to provide assistance to the board of directors of the Corporation (the “**Board**”) to enable it to fulfill its oversight responsibilities in relation to the financial reporting process, the system of internal controls and the audit process and management of significant risks to the Corporation, as they relate to financial reporting.

***Audit Committee Mandate***

The Audit Committee (the “**Committee**”) is appointed by the Board to assist the Board in fulfilling its oversight responsibilities of the Corporation. In so doing, the Committee provides an avenue of communication among the external auditors, management and the Board.

The Committee’s purpose is to ensure the integrity of financial reporting and the audit process, and that sound risk management and internal control systems are developed and maintained. In pursuing these objectives the Audit Committee oversees relations with the external auditors, and reviews the effectiveness of the internal audit function.

**STRUCTURE OF THE COMMITTEE**

***Composition***

The Committee is a standing committee of the Board and will be composed of not less than three directors, with not more than one director being an executive officer, related party or employee of the Corporation.

***Quorum***

A quorum of the Committee will be a majority of members present in person, by telephone or any combination thereof.

### ***Appointment of Members and Chairman***

Members of the Committee shall be appointed by the Board annually to hold office at the pleasure of the Board. No more than two members of the Committee will resign from the Committee in any given year.

### ***Chairman***

The Board shall appoint one of the members as the Committee Chair. In the absence of the Chair from any meeting, the Committee shall appoint a member to be the Chair for the purposes of the conduct of that meeting.

### ***Qualification of Members***

Members of the Committee shall meet applicable requirements and guidelines for audit committee service, including requirements and guidelines with respect to being independent and unrelated to the Corporation and to having accounting or related financial management expertise and financial literacy.

The determination as to whether a particular Director satisfies the requirements for membership on the Audit Committee shall be made by the full Board.

### ***Vacancy***

A vacancy occurring in the membership of the Committee may be filled by the Board at its discretion, but in any event, the Board shall fill any vacancy to ensure a minimum of three members on the Committee at all times.

### ***Number and Timing of Meetings***

The Audit Committee meets at least four times a year, with meetings being scheduled to permit timely review of quarterly and annual financial statements. Additional meetings may be held at the discretion of the Chair or at the request of a member, external auditors or management.

### ***Secretary***

A secretary shall be designated and that person shall act as recording secretary for the Committee and produce minutes of the meetings.

### ***Meetings with Management and External Auditors***

The Committee shall meet separately with management and external auditors at least once per quarter and shall meet at such other times, as the Committee deems appropriate.

### ***Notice and Place of Meetings***

Notice of time and place of meetings shall be communicated to members of the Committee no less than 24 hours prior to the time set for the meeting, provided that any member may waive such notice.

A member of the Committee who attends a meeting for the purpose of objecting to whether the meeting was lawfully called shall not be considered to have waived required notice.

### ***Invitees***

By invitation of the Chair, individuals who are not members of the Committee may attend meetings from time to time and may participate in discussions related to issues before the Committee.

### ***Minutes and Procedures of Meetings***

Subject to statutory requirements and by-laws of the Corporation, the Committee may set its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee considers it appropriate, but in any event not later than the next Board meeting. Minutes of the Committee meeting shall be tabled at the next Board meeting.

### ***Delegation of Responsibilities***

The Committee may delegate to any person or committee of persons any of the Committee's responsibilities that may be lawfully delegated.

### ***External Auditors***

External auditors are ultimately accountable to the Board and shall report directly to the Committee. The external auditors are accountable to the Board and the Audit Committee as representatives of the shareholders of the Corporation.

### ***Mandate***

The Committee will review and reassess the adequacy of the Audit Committee Mandate on an annual basis to ensure that it accurately specifies the scope of the Committee's responsibilities and adequately sets out how it carries out those responsibilities.

## **PRIMARY RESPONSIBILITIES OF THE COMMITTEE**

The Committee's primary duties and responsibilities are as follows:

- Review and recommend to the Board 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 Corporation; and the compensation to be paid to the external auditor.
- Assume direct responsibility for overseeing the work of the external auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting.

- Pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its external auditors.
- Review the Corporation's financial statements, management's discussion and analysis and annual and interim earnings press releases before such documents are publicly disclosed by the Corporation.
- To 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 periodically assess the adequacy of those procedures.
- Establish procedures for: (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditor of the Corporation.

### *Authority of the Committee*

The 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 engaged by it. The Committee shall also have the authority to communicate directly with the external auditors.

## **DUTIES OF THE COMMITTEE**

### *Compliance*

The Committee is ultimately responsible for ensuring the Corporation's compliance with legal and regulatory requirements in respect to financial reporting and disclosure.

The Committee, on behalf of the Board, is responsible for monitoring management's actions in this regard to ensure that the Corporation has implemented appropriate systems to identify and monitor the response by management and the board of directors to such issues as:

- Significant business risks.
- Legal, ethical and regulatory compliance.
- Internal systems of control and the effectiveness of such internal controls to ensure compliance with policies and procedures.

### *Meetings*

The Committee is responsible for preparing minutes of all of its meetings and submitting the minutes to the Board for approval, and having the Chairman of the Committee report to the Board on all significant issues addressed at the Committee meeting.

The Committee is also responsible for reviewing the interim and annual financial statements as well as the Corporation's financial disclosures and related party transactions.

### ***Internal Controls***

The Committee is responsible for maintaining the integrity and quality of the Corporation's financial reporting and systems of internal control by overseeing management's system of internal control and reporting process in respect to those controls.

### ***External Auditors***

The Committee has the following responsibilities with respect to the Corporation's external auditors:

- Reviewing and ensuring the qualifications and independence of the Corporation's external auditors.
- Making recommendations to the Board in respect of the appointment of external auditors for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation and making recommendations to the Board on the compensation for the external auditor.
- Overseeing and evaluating the performance of the external auditors.
- Reviewing the annual audit plan prepared by the external auditors and management (Chief Financial Officer and Chief Executive Officer) in addition to proposed audit fees.
- Reviewing the external audit process and determining whether it has been effectively carried out and whether any matters that the external auditors wish to bring to the attention of the Board have been afforded adequate attention.
- Assessing the external audit function with a view to whether external auditors should be appointed. Such responsibility of the Committee shall include the appointment, retention, termination, compensation and oversight of the external audit function.
- Pre-approving all audit services and non-audit services to be performed for the Corporation by the external auditors.
- Meeting separately with internal audit, external auditors and management at least quarterly to assess issues and make determinations on whether issues need to be taken to the Board for review and assessment.

- Evaluating independence of the external auditor in accordance with Canadian professional requirements, and determining whether disclosed relationships or services may impact the objectivity and independence of the auditors and whether such independence has been documented in written correspondence to the Committee.
- Overseeing any work of the external auditor that includes the resolution of disagreements regarding financial reporting between management and the external auditors.
- Evaluating the external audit process and determining whether the external audit has been completed in accordance with applicable law.

### **Financial Reporting**

- Reviewing annual and interim financial statements of the Corporation.
- Reviewing changes in significant accounting policies and evaluates impact on the current and future financial statements of the Corporation.
- Preparing, if required, a Committee report for inclusion in the Corporation's annual management proxy circular in accordance with applicable rules and regulations.
- Ensuring the effectiveness of disclosure controls and procedures to ensure material information potentially requiring public disclosure is made known in a timely fashion to senior officers of the Corporation.
- Being satisfied 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 periodically assessing the adequacy of those procedures.
- Reviewing and recommending to the Board for approval the public release and filing of any annual audited consolidated financial statements and quarterly unaudited consolidated financial statements of the Corporation, including news releases and management's discussion and analysis (MD&A).
- Reviewing the information contained in the Corporation's quarterly reports, annual report to shareholders, MD&A, annual information forms (AIF), prospectuses and other disclosures determining if such information is complete and fairly presented.
- Reviewing material litigation and tax assessments in order to determine if any such matters may have a material impact on the financial position of the Corporation.
- Considering the Corporation's annual financial statements and ascertaining after a review with external auditors and management whether they are presented fairly in all material respects in accordance with generally accepted accounting principles, whether the selection of accounting policies is appropriate and whether the annual financial statements are recommended to the Board.

### ***Reviewing Terms of Reference and Committee's Performance***

The Committee should routinely assess its effectiveness against the mandate and shall report regularly to the Board on that assessment.

### ***Reviewing Reports to Shareholders***

When required by applicable statute or regulation, the Committee shall prepare reports to shareholders regarding the activities undertaken in the discharge of its responsibilities. A report will be prepared by the Committee for inclusion in the annual report as required.

## **MEETINGS AND OPERATING PROCEDURES**

- In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.
- A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Corporation in a timely fashion.
- The Chairman of the Committee shall prepare and/or approve an agenda in advance of each meeting.
- The Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors in advance of meeting dates.
- The Committee should meet privately in an executive session at least quarterly with management, the external auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.
- In addition, the Committee or at least its Chair should communicate with management and the external auditors quarterly to review the Corporation's financial statements and significant findings based upon the auditor's limited review procedures.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

The Committee shall review and reassess the adequacy of this Charter at least annually, submit it to the Board for approval and ensure that it is in compliance with the Canadian Securities Exchange and OSC regulations.

## **GENERAL**

In addition to the responsibilities and duties of the Committee stated above, the Committee shall attend to the following items:

- Review the Corporation’s hiring policies regarding employees and former employees of the present and former external auditors of the Corporation. Review business practices undertaken by senior management to assess appropriateness with corporate policies.
- Review complaints procedures and whether they adequately track and record complaints to the Corporation regarding accounting, internal accounting or auditing matters.
- Engage and pay independent counsel and other special advisors as it deems necessary from time to time in order to carry out Committee duties.
- Investigate any activity of the Corporation as it deems appropriate. All employees of the Corporation are required to cooperate with the efforts or enquiries of the Committee.
- Retain persons having special expertise to assist it in the performance of its duties.
- Communicate with the Board to ensure sufficient funding for the Audit Committee to permit it to fulfill its responsibilities.
- Make provisions for confidential, anonymous submissions by employees of the Corporation of concerns regarding accounting, internal accounting controls or auditing matters, ensuring that the existing processes adequately provide for such submission and establishing a process whereby the external auditor will receive timely notice of any such submission.
- Review at least annually the risk management and insurance programs.
- Review any issues referred to the Committee by the Board.

The procedures set forth herein have been set out as guidelines only as opposed to inflexible rules and the Committee may alter these procedures as it deems necessary in order to perform its responsibilities.

### **COMPOSITION OF THE AUDIT COMMITTEE**

The Corporation’s Audit Committee is comprised of three directors, consisting of Mathew Gilbertson, Mathew Fitch and David Crevier. The following table sets out the names of the members of the Audit Committee and whether they are “independent” and “financially literate” for the purposes of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”).

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Mathew Gilbertson	Yes	Yes
Mathew Fitch	Yes	Yes
David Crevier	Yes	Yes

Notes:

- (1) To be independent, a member of the Audit Committee must not have any direct or indirect “material relationship” with the Corporation. A material relationship is a relationship, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. Accordingly, an executive officer of the Corporation is not independent, nor is a director that is paid consulting fees for non-director services provided to the Corporation.
- (2) To be considered financially literate, a member of the audit committee must have 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 corporation’s financial statements.

### **RELEVANT EDUCATION AND EXPERIENCE**

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

All of the members of the Corporation’s current audit committee are “financially literate” as that term is defined in NI 52-110.

**Mathew Gilbertson:** Mr. Gilbertson has more than 25 years of management experience in both the public and private sectors, as an executive and as a board member. As a board member, Mr. Gilbertson has utilized his financial understanding and operational experience to help rescue distressed not-for-profit organisations. Practically, Mr. Gilbertson has worked on technology implementation and integration projects across Australia, US and Europe, and is an executive consultant helping senior leaders utilise technology efficiently. Mr. Gilbertson has extensive operational experience, gained through his extensive construction and mining background and his many years consulting across many different business verticals, which enables him to bridge operational, financial, technical and governance requirements.

**David Crevier:** Mr. Crevier is a member of the Barreau du Quebec and has practiced as a lawyer since 1975, primarily in the area of commercial law, assisting public and private companies in the natural resource and technology sectors. Mr. Crevier has acted as a director for Goldstar Minerals Inc., a TSX Venture-listed issuer, since September 2016. Mr. Crevier has acted as a director for several publicly traded companies focusing on corporate governance and public disclosure. Mr. Crevier has previously served as a director or officer of Yorbeau Resources Inc., Cancor Mines Inc., Sierra Metals Inc., and Keywest Energy Corporation, among others.

**Mathew Fitch:** Mr. Fitch is a co-founder of Fusion Capital, which incorporates Bustech, Group, Brabham Automotive, Heliostat SA and EVANT. His background as a Financial Accountant for both Bentleys & KPMG provided a strong platform to undertake his previous role of Chief Financial Officer and Joint Managing Shareholder of the Fitch Group – a group of companies with assets in excess of \$250 million spread across the commercial and residential property, manufacturing, retail, hotel and childcare industries in Australia.

All members have an understanding of the accounting principles used by the Corporation to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

### **AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor adopted by the Board. At the Meeting, it is proposed to re-appoint Wasserman Ramsay as auditor of the Corporation and to authorize remuneration to be fixed by the Board. The auditor of the Corporation will hold office until the next annual general meeting of the Shareholders or until its successor is appointed.

### **RELIANCE ON CERTAIN EXEMPTIONS**

Since the commencement of the Corporation’s most recently completed financial year, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

### **PRE-APPROVAL POLICIES AND PROCEDURES**

Formal policies and procedures for the engagement of non-audit services are set out in the Audit Committee Charter.

### **EXEMPTION**

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

### **EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)**

In the following table, “*audit fees*” are fees billed by the Corporation’s external auditors for services provided in auditing the Corporation’s annual financial statements for the subject year. “*Audit-related fees*” are fees not included in audit fees that are billed by the auditors for assurance

and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements. "*Tax fees*" are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "*All other fees*" are fees billed by the auditors for products and services not included in the foregoing categories.

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years were as follows:

<b>Financial Year Ending December 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2020	\$25,000	Nil	Nil	Nil
2021	\$25,000	Nil	Nil	\$4,000

## **SCHEDULE C**

### **BY-LAW RESOLUTIONS**

BE IT RESOLVED THAT:

1. a new By-Law No. 3 substantially in the form attached hereto as Appendix "I" be authorized and approved as the new By-Law of the Corporation; and
2. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing resolutions.

**APPENDIX “I” TO SCHEDULE C**  
**CLASS 1 NICKEL AND TECHNOLOGIES LIMITED**

**BY-LAW NO. 3**

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Class 1 Nickel and Technologies Limited (hereinafter called the “**Corporation**”) as follows:

**DEFINITIONS**

In this By-Law No. 3:

“**Act**” means the *Business Corporations Act* (Ontario);

“**ASX**” means ASX Limited.

“**dispose**” means to dispose of, directly or indirectly through another person, by any means, including:

- (a) granting, being granted or exercising an option;
- (b) declaring a trust over an asset;
- (c) using an asset as collateral;
- (d) decreasing an economic interest; or
- (e) disposing of part of an asset;

“**holding lock**” has the meaning set out in Section 2 of the ASX Settlement Operating Rules;

“**Listing Rules**” means the Listing Rules of ASX and any other rules of ASX which are applicable while the Corporation is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;

“**Official List**” means the official list of entities that ASX has admitted and not removed.

“**restriction deed**” means a deed entered into under rule 9.1(b) of the Listing Rules; “**restricted securities**” means:

- (a) securities issued in the circumstances set out in Appendix 9B to the Listing Rules;  
and
- (b) securities that, in the opinion of the ASX, should be treated as restricted securities;  
and

“**security**” means an 'equity security' or a 'debt security', each as defined in chapter 19 of the Listing Rules, “**securities**” has a corresponding meaning and, for the avoidance of doubt, includes CDIs.

## **ASX PROVISIONS**

### *1. Application*

Sections 1 to 3 inclusive of this By-Law No. 3 shall only apply if the Corporation shall be admitted to the Official List, and if and for so long as it has any restricted securities on issue.

### *2. ASX Restrictions*

(a) A holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.

(b) If the restricted securities are in the same class as quoted securities (including CDIs), the holder will be taken to have agreed in writing that the restricted securities are to be kept on the Corporation's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities.

(c) The Corporation will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.

(d) A holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.

(e) If a holder of restricted securities breaches a restriction deed or a provision of this By-Law No. 3 restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.

### *3. ASX Requirements*

If the Corporation is admitted to the Official List of ASX, the following provisions apply:

(a) Notwithstanding anything contained in this By-Law No. 3, if the Listing Rules prohibit an act being done, the act shall not be done.

(b) Nothing contained in this By-Law No. 3 prevents an act being done that the Listing Rules require to be done.

(c) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).

(d) If the Listing Rules require this By-Law No. 3 to contain a provision and it does not contain such a provision, this By-Law No. 3 is deemed to contain that provision.

(e) If the Listing Rules require this By-Law No. 3 not to contain a provision and it contains such a provision, this By-Law No. 3 is deemed not to contain that provision.

(f) If any provision of this By-Law No. 3 is or becomes inconsistent with the Listing Rules, this By-Law No. 3 is deemed not to contain that provision to the extent of the inconsistency.

## ADVANCE NOTICE OF NOMINATION OF DIRECTORS

### 4. *Nomination of Directors*

Subject only to the Act and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a “**Nominating Shareholder**”) (i) who, at the close of business on the date of the giving of the notice provided for below in this Section 4 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this Section 4:

- (I) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the secretary of the Corporation at the principal executive offices of the Corporation in accordance with this Section 4.
- (II) To be timely, a Nominating Shareholder’s notice to the secretary of the Corporation must be made (A) in the case of an annual meeting of shareholders, not less than thirty (30) nor more than sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than fifty (50) days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and (B) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this paragraph (II).
- (III) In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.
- (IV) To be in proper written form, a Nominating Shareholder’s notice to the secretary of the Corporation must set forth (A) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date

for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and (B) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below). The Corporation may require any proposed nominee to furnish such other information, including a written consent to act, as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- (V) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 4; provided, however, that nothing in this Section 4 shall be deemed to preclude discussion by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairperson of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (VI) For purposes of this Section 4, (A) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and (B) “**Applicable Securities Laws**” means the applicable Securities Act of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each applicable province and territory of Canada.
- (VII) Notwithstanding any other provision of the by-laws of the Corporation, notice given to the secretary of the Corporation pursuant to this Section 4 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

## **REPEAL OF CANADIAN RESIDENCY REQUIREMENT**

5. Section 4.08 (Canadian Majority at Meetings) of By-Law No. 1 of the Corporation is hereby repealed in its entirety.

## **GENERAL**

6. By-laws No. 1, 2 and 3, as amended from time to time, of the by-laws of the Corporation and these by-laws shall be read together and shall have effect, so far as practicable, as though all the provisions thereof were contained in one by-law of the Corporation.

ENACTED this 17<sup>th</sup> day of May, 2022

*“David Fitch”*

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David Fitch, President and Chief Executive Officer