



**Notice of Meeting and  
Information Circular  
in respect of an**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**to be held on May 10, 2023 at 9:00 am. (Vancouver time)  
at Cordova Room, 7th Floor MNP Tower, 1021 West Hastings Street,  
Vancouver, BC V6E 0C3**

**April 11, 2023**

## VICTORY BATTERY METALS CORP.

TAKE NOTICE that an Annual General Meeting of the shareholders (the "**Meeting**") of Victory Battery Metals Corp. (the "**Corporation**") will be held at Cordova Room, 7<sup>th</sup> Floor, MNP Tower, 1021 West Hastings Street, Vancouver, BC V6E 0C3 at 9:00 a.m. (Vancouver time) on Wednesday, May 10, 2023 for the following purposes:

- 1 To receive the financial statements of the Corporation for the years ended 2021 and 2022, together with the reports of the auditors thereon;
- 2 To elect directors of the Corporation for the ensuing year, as described in the Information Circular accompanying this Notice.
- 3 To appoint Baker Tilly WM LLP, Chartered Professional Accountants, as auditor of the Corporation for the ensuing year and to authorize the Board of Directors to fix the auditors' remuneration, as described in the Information Circular accompanying this Notice.
- 4 To transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The specific details of the matters to be considered at the Meeting are set out in the Information Circular dated April 11, 2023, which accompanies this Notice of Meeting. Only Shareholders of record at the close of business on April 10, 2023, are entitled to receive notice of and to vote at the Meeting or any adjournment thereof.

If you are a registered Shareholder and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to Odyssey Trust Company, Traders Bank Building 702, 67 Yonge Street, Toronto, ON, M5E 1J8, Attn: Proxy Department, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or an adjournment thereof.

If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.

**Only registered shareholders as at April 10, 2023 and their duly appointed proxyholders will be entitled to vote at the Meeting.**

DATED at Vancouver, British Columbia this 11<sup>th</sup> day of April, 2023.

By Order of the Board of Directors

(signed) "*Mark Ireton*"

## GLOSSARY OF DEFINED TERMS

The following is a glossary of certain terms used in this Circular including the Summary and schedules attached hereto. Terms and abbreviations used in the Summary and schedules to this Circular may be defined separately and any subsequent definitions and abbreviations shall supersede the following definitions and abbreviations for the purposes of the Summary and schedules they are subsequently defined in.

- (a) **"Beneficial Shareholder"** means holders of beneficial interests in Common Shares whose names do not appear in the Corporation's register of shareholders;
- (b) **"BCBCA"** means the *Business Corporations Act* (British Columbia), as may be amended or replaced from time to time;
- (c) **"Board"** means the board of directors of the Corporation;
- (d) **"CEO"** means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (e) **"CFO"** means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (e) **"Circular"** means this management information circular of the Corporation dated March 24, 2023;
- (f) **"Common Shares"** means the common shares in the capital of the Corporation;
- (g) **"Corporation"**, **"Company"** or **"Victory"** means Victory Battery Metals Corp.;
- (h) **"Exchange"** means the Canadian Securities Exchange;
- (i) **"Meeting"** means the annual general meeting of the shareholders of the Corporation to be held on May 10, 2023 at 9:00 a.m. (Vancouver time);
- (j) **"NEO"** or **"named executive officer"** means each of the following individuals:
  - (i) a CEO;
  - (ii) a CFO;
  - (iii) the most highly compensated executive officer, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, for that financial year; and
  - (iv) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

- (k) **"Notice of Meeting"** means the notice of the Meeting of the Corporation dated April 11, 2023, which accompanies this Circular;
- (l) **"Odyssey"** means Odyssey Trust Company;
- (m) **"Options"** means options granted by the Company for the purchase of Shares;
- (n) **"Proxy"** means the form of proxy accompanying this Circular;
- (o) **"Record Date"** means April 10, 2023, being the date set for determining which shareholders of the Corporation are entitled to receive notice of and vote at the Meeting;
- (p) **"Registered Shareholder"** means a holder of record of Common Shares;
- (q) **"Stock Option Plan"** means the share option plan of the Corporation.

Words importing the singular include the plurals and vice versa and words importing any gender include all genders.

All references in this Circular to "dollars" or "\$" are to Canadian dollars.

## MANAGEMENT INFORMATION CIRCULAR

*UNLESS OTHERWISE NOTED, INFORMATION IS PROVIDED AS AT APRIL 10, 2023 FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 10, 2023*

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**This Circular is furnished in connection with the solicitation of proxies by management of Victory Battery Metals Corp. for use at the Meeting, and at any adjournment(s) or postponement(s) thereof, at the time and place and for the purposes set forth in the Notice of Meeting.**

It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by officers or directors of the Corporation at nominal cost. The cost of this solicitation will be borne by the Corporation. The Notice of Meeting, the Proxy and this Circular will be mailed to beneficial owners of Common Shares commencing on or about April 19, 2023. In this Circular, except where otherwise indicated, all dollar amounts are expressed in Canadian currency.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "Proxy") are officers and/or directors of the Corporation. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### **Registered Shareholders**

Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Shares) may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed form of Proxy and returning it to the Company's transfer agent Odyssey Trust Company by mail to Proxy Department, Traders Bank Building 702, 67 Yonge Street, Toronto, ON, M5E 1J8 or by internet at <https://login.odysseytrust.com/pxlogin>, by email at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com) not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof, or in such other manner as may be provided for in the Proxy.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders which includes Non-Objecting Beneficial Owners (“**NOBOs**”) and Objecting Beneficial Owners (“**OBOs**”) should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker (an "intermediary"). In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States of America (the "U.S." or the "United States"), under the name Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

Please carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The voting instruction form (“**VIF**”) supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and the United States. Broadridge mails a VIF in lieu of a proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank

space provided in the VIF, then return the completed VIF to Broadridge either by mail or facsimile, or by phone, or via the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted, as per your instructions, at the Meeting; or (b) arrange to have an alternate representative duly appointed by you attend the Meeting and vote your Common Shares at the Meeting.**

NOBOs will receive a voting instruction form from the Company's registrar and transfer agent, Odyssey Trust Company ("Odyssey"). This is to be completed and returned to Odyssey in the envelope provided. In addition, Odyssey provides internet voting as described on the voting instruction form.

This Circular with related materials is being sent directly to you by the Company, or its agent, Odyssey. Your name, address and information about your shares have been obtained according to applicable securities regulatory requirements from the intermediary that holds your Common Shares on your behalf.

#### *Notice to Shareholders in the United States*

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Odyssey Trust at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of

the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

#### **VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS OF THE CORPORATION**

The Board has fixed April 10, 2023 as the Record Date for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Common Shares of the Corporation are listed for trading on the Exchange. As of April 10, 2023, there were 68,984,573 Common Shares issued and outstanding, each carrying the right to one vote. No Common Shares were held in escrow. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Corporation, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all issued and outstanding Common Shares of the Corporation as at April 10, 2023.

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

No director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

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

To the knowledge of management of the Corporation, no informed person or nominee for election as a director of the Corporation, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries other than as set out herein. The term "informed person" as defined in National Instrument 51-102 Continuous Disclosure Obligations means a director or executive officer of the Corporation, or 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 carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or company as underwriter in the course of a distribution.

The directors and officers of the Corporation and their associates and affiliates, as a group, beneficially own, or control or direct, directly or indirectly, an aggregate of 598,889 Common Shares, 43,333 warrants to purchase Common Shares and 805,000 stock options, representing approximately 1% of the outstanding Common Shares, approximately Nil% of the outstanding warrants and approximately 32% of the



outstanding options, respectively (and, which together represent approximately 1% of the outstanding Common Shares on a fully-diluted basis).

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

### **Audited Financial Statements**

The audited consolidated financial statements of the Corporation for the years ended February 28, 2021 and February 28, 2022, together with the independent auditor's report thereon, which are incorporated herein by reference, and will be presented at the Meeting.

### **Fix Number of Directors of the Corporation**

The Board is currently comprised of four members. The Board proposes that the number of directors be fixed at four, and shareholders will be called upon at the Meeting to approve an ordinary resolution fixing the number of directors of the Corporation at four. A simple majority of the votes cast at the Meeting is required to fix the number of directors at four.

### **Election of Directors**

Management of the Corporation proposes to elect four directors for the ensuing year or until their successors are elected or appointed, unless a director's office is earlier vacated in accordance with the Articles of the Corporation or the BCBCA or such director becomes disqualified to act as a director. Directors are elected by a plurality of votes cast at the Meeting, which means that those nominees for election who receive the largest number of favourable votes will be elected as directors of the Corporation, up to the maximum number of directors fixed by the shareholders at the Meeting.

**UNLESS SUCH AUTHORITY IS WITHHELD, THE MANAGEMENT REPRESENTATIVES NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE FOR THE ELECTION OF THE PERSONS NAMED IN THE FORM OF PROXY AS NOMINEES FOR DIRECTORS. IN THE UNANTICIPATED EVENT THAT A NOMINEE IS UNABLE TO, OR DECLINES TO SERVE AS A DIRECTOR AT THE MEETING, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY SHALL HAVE DISCRETIONARY AUTHORITY TO VOTE FOR THE ELECTION OF ANY OTHER PERSON IF PRESENTED. AS OF THE DATE OF THIS CIRCULAR, THE BOARD IS NOT AWARE OF ANY NOMINEE WHO IS UNABLE TO OR WHO INTENDS TO DECLINE TO SERVE AS A DIRECTOR, IF ELECTED.**

The following table (and notes thereto) states the name of each person proposed to be nominated by management for election as a director, all offices of the Corporation now held by him, his principal occupation, the period of time for which he has been a director of the Corporation and the number of Common Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof:

Name, Province & Country of Residence	Current Position(s) with the Corporation	Director Since	Number of Securities Beneficially Owned or over which Control or Direction is Exercised <sup>(1)</sup>
David Lane <sup>(2)</sup> British Columbia, Canada	Director	December 20, 2017	222,222
Allan Levien <sup>(2)</sup> British Columbia, Canada	Director	April 9, 2018	160,000
Mark Ireton British Columbia, Canada	President, Chief Executive Officer and Director	March 27, 2021	216,667
Gerald Tritt <sup>(2)</sup> British Columbia, Canada	Director	June 24, 2022	Nil

**Notes:**

- (1) Information as to the number of Common Shares, warrants to purchase Common Shares ("**Warrants**") and Options beneficially owned or over which direction is exercised has been provided by the respective individuals named therein.
- (2) Member of the Audit Committee of the Corporation.

**Occupation, Business or Employment of Nominees for Director**

Set out below are the profiles of management's nominees for election as directors of the Corporation, including particulars of their principal occupations for the past five years.

**David Lane, Director**

Mr. Lane has held leadership positions including President/CEO of the Corporation until March, 2021, and M-Pharmaceutical, now Callitas Health Inc., and as President/CEO of Quikflo Health Inc., which evolved into 1933 Industries Inc., a publicly traded company in the cannabis sector.

**Allan Levien, Director**

Mr. Levien is an entrepreneur with expertise in professional accommodation, retail sectors and franchise operations. Mr. Levien was the president of The Supreme Cannabis Company Inc. from December 2006 until October 2013 and was director until December 18, 2015, including with its predecessor corporation, an exploration stage mineral resource company.

**Gerald Tritt, Director**

Mr. Tritt is an entrepreneur that has served in an advisory capacity for several private companies as well as for profit and not for profit boards. Since 2000 he has been President and CEO of Vera's Burger Shack, a private restaurant chain with locations in BC and Alberta.

**Mark Ireton, President, Chief Executive Officer and Director**

Mark is a banker by profession with over 30 years of experience in all areas of commercial mid-market lending. He is versed in both public and private transactions and divestitures in a variety of sectors that

include wholesale distribution, manufacturing, aviation, transportation, construction, excavation, post production and oil service sector. More recently Mark has served as CEO and/or a Director on a number of junior public companies and private company boards primarily in the mining exploration space.

### ***Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

None of the Corporation's proposed nominees for director or officers are as at the date of this Circular, or were 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 thirty consecutive days while the director or proposed nominee for director 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 thirty consecutive days that was issued after the director or proposed nominee for director ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

Except as may be otherwise disclosed in this Circular and below, none of the Corporation's proposed nominees for director or officer:

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

None of the Corporation's proposed nominees for director or officer, are or has been, as at the date of this Circular, subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation nor 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 securityholder in deciding whether to vote for a proposed director.

### **Conflicts of Interest**

There are no known existing or potential conflicts of interest among the Corporation and the directors and officers of the Corporation as a result of their outside business interests except that certain of the directors and officers serve as directors, officers, promoters and members of management of other companies and therefore it is possible that a conflict may arise between their duties as a director and officer of the Corporation and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Corporation have been advised of the existence of laws governing accountability of directors and officers regarding corporate opportunity and requiring disclosures by directors of conflicts of interest, and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of the directors or officers. All such conflicts are required to be disclosed by such directors or officers in accordance with the BCBCA, and they are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

### **Appointment and Remuneration of Auditors**

The Corporation's auditor is Baker Tilly LLP, Chartered Professional Accountants ("Baker"). Baker was first appointed as auditor of the Corporation on February 19, 2018.

At the Meeting, shareholders will therefore be asked to vote for the reappointment of Baker Tilly LLP, Chartered Professional Accountants, Vancouver, British Columbia, as auditors of the Corporation until the close of the next annual general meeting, at such remuneration as may be approved by the Board of Directors of the Corporation.

**UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING PROXY INTEND TO VOTE FOR THE APPOINTMENT OF BAKER TILLY LLP, AS AUDITORS OF THE CORPORATION, TO HOLD OFFICE UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE CORPORATION AND TO AUTHORIZE THE DIRECTORS TO FIX THE REMUNERATION TO BE PAID TO THE AUDITORS FOR THE ENSUING YEAR. THE DIRECTORS OF THE CORPORATION RECOMMEND THAT THE SHAREHOLDERS VOTE FOR THE APPOINTMENT OF BAKER TILLY LLP AS AUDITORS OF THE CORPORATION AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION.**

### **Other Matters Which May Come Before the Meeting**

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. However, if any other matters which are not known to management of the Corporation properly come before the Meeting, the Proxy given pursuant to the solicitation by management of the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.

## **DETAILED INFORMATION REGARDING THE CORPORATION**

### **Name and Incorporation**

The Corporation was incorporated under the laws of the province of British Columbia by articles of incorporation effective February 8, 1984. By articles of amendment the private company restrictions were

deleted from the articles. The Company changed its name to Victory Battery Metals Corp. on December 19, 2022.

The head office of the Company is located at Suite1780-355 Burrard Street, Vancouver, BC, V6C 2G8. The registered office of the Company is located at 20th Floor, 250 Howe Street, Vancouver, British Columbia V6C 3R8.

## **STATEMENT OF EXECUTIVE COMPENSATION**

The following Statement of Executive Compensation is prepared in accordance with applicable securities legislation. The purpose of this Statement of Executive Compensation is to provide disclosure of all compensation earned by certain executive officers and directors in connection with their position as an officer of or consultant to the Corporation.

### **Named Executive Officer**

In this section "Named Executive Officer" ("**NEO**") means the Chief Executive Officer (the "**CEO**"), the Chief Financial Officer (the "**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Corporation at the end of the most recently completed financial year.

### ***Compensation Discussion and Analysis***

Executive compensation is based upon the need to provide a compensation package that will allow the Corporation to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. Compensation currently is, and historically has been, based upon a negotiated fee, with stock options and bonuses potentially being issued and paid as an incentive for performance. The Corporation does not presently have a long-term incentive plan for its NEO. There is no policy or target regarding allocation between cash and non-cash elements of the Corporation's compensation program.

The Board has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Corporation, none of the executive officers or directors have purchased such financial instruments.

### ***Philosophy and Objectives***

The compensation program for the senior management of the Corporation is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Corporation's shareholders.

In compensating its senior management, the Corporation has employed a combination of base salary and equity participation through its Stock Option Plan. Recommendations for senior management compensation are presented to the Board for review.

### ***Base Salary***

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Corporation operates is a first step to attracting and retaining qualified and effective executives. However, given the current stage of the Corporation's development, decisions regarding base salary are made in the context of a company that is not generating significant revenue.

### ***Bonus Incentive Compensation***

The Corporation's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Corporation meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the Board. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Corporation's operations. No bonuses were granted during the year ending February 28, 2022.

### ***Equity Participation***

The Corporation believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Corporation's Stock Option Plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Corporation's limited financial resources, the Corporation emphasizes the provisions of option grants to maintain executive motivation.

### ***Option-Based Awards***

The Corporation has a stock option plan (the "**Plan**") in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Corporation's limited financial resources, the Corporation emphasizes the provisions of option grants to maintain executive motivation.

## Director and Named Executive Officer Summary Compensation Table

The compensation paid to the Directors and NEOs during the Corporation's two most recently completed financial years of February 28, 2021 and 2022 is as set out below:

Name and position <sup>(1)</sup>	Year	Salary, Consulting Fee, retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Pension value (\$)	Value of all other compensation (\$)	Total compensation (\$)
Mark Ireton President, CEO and Director	2022	140,000	Nil	Nil	Nil	75,742	215,742
	2021	Nil	Nil	Nil	Nil	Nil	Nil
David Lane <sup>(2)</sup> <i>Director</i>	2022	81,500	Nil	Nil	Nil	51,761	133,261
	2021	60,500	Nil	Nil	Nil	21,532	87,835
Tatiana Kovaleva <i>CFO</i>	2022	54,000	Nil	Nil	Nil	11,149	65,149
	2021	54,000	Nil	Nil	Nil	5,383	59,383
Glen Harder <sup>(3)</sup> <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	8,389	Nil	Nil	Nil	10,766	19,155
David Deering <sup>(4)</sup> <i>Director</i>	2022	28,800	Nil	Nil	Nil	Nil	28,800
	2021	9,600	Nil	Nil	Nil	13,457	23,057
Allan Levien <i>Director</i>	2022	Nil	Nil	Nil	Nil	5,574	5,574
	2021	Nil	Nil	Nil	Nil	5,383	5,383
Gerald Tritt <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil

### Notes:

- (1) If an individual is a NEO and a director, both positions have been listed. All compensation noted is for the NEO position.
- (2) David Lane resigned as President and CEO on March 21, 2021.
- (3) Glen Harder resigned as Director on March 27, 2021.
- (4) David Deering resigned as Director on November 20, 2021.
- (5) Gerald Tritt was appointed as a Director on June 24, 2022.

## Stock Options and other Compensation Securities

During the year ended February 2022, 771,667 stock options or other compensation securities were issued to the directors or NEO's. The following table sets out all stock options and other compensation securities outstanding as at February 28, 2022, for each director and NEO for the Corporation:

Name	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
Mark Ireton <i>Director and CEO</i>	Stock Options	166,667	March 25, 2021	\$0.30	\$0.33	\$0.18	March 25, 2026
		233,333	November 4, 2021	\$0.21	\$0.21		
Tatiana Kovaleva <i>CFO</i>	Stock Options	66,667	November 4, 2021	\$0.21	\$0.21	\$0.18	November 4, 2026
David Lane <i>Director</i>	Stock Options	71,667	March 10, 2021	\$0.225	\$0.225	\$0.18	March 10, 2026
		133,333	March 25, 2021	\$0.30	\$0.33		March 25, 2026
		66,667	November 4, 2021	\$0.21	\$0.21		November 4, 2026
Gerald Tritt <i>Director</i>	Stock Options	Nil				\$0.18	
Allan Levien <i>Director</i>	Stock Options	33,333	November 4, 2021	\$0.21	\$0.21	\$0.18	November 4, 2026

## Stock Option Plan

The following is a summary of the material terms of the Corporation's stock option plan. Capitalized terms used below which are not otherwise defined shall have the meaning given thereto in the Plan. A copy of the Plan can be found on the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com).

**Purpose.** The purpose of this Plan is to attract and retain employees, officers and directors and to motivate them to advance the interests of the Corporation by affording them the opportunity to acquire an equity interest in the Corporation through options granted under this Plan to purchase Common Shares. The Plan is expected to benefit the Corporation's shareholders by enabling the Corporation to attract and retain personnel of the highest caliber by offering to them an opportunity to share in any increase in the value of the Common Shares to which they have contributed.

**Administration.** This Plan shall be administered by the Board or, if the Board so elects, by a committee (consisting of not less than two (2) of its members) appointed by the Board. Any Committee shall administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan.



**Terms of Options.** The resolution of the Board, or the Committee if applicable, shall specify the number of Common Shares that should be placed under option to each optionee, the price per share to be paid upon exercise of the options, and the period during which such options may be exercised, to a maximum of ten years.

**Exercise Price.** The exercise price of an option granted under the Plan shall not be less than the discounted market price (as permitted by the Exchange) provided that: (a) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the discounted market price and the per share price paid by the public investors for Common Shares acquired under the distribution; (b) the 90 day period begins on the date a final receipt is issued for the prospectus; (c) for unit offerings, the minimum option exercise price will be the 'base' (or imputed) price of the Common Shares included in the unit; and (d) for all other financings, the minimum exercise price will be the average price paid by the public investors.

**Expiry Date.** Each option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years from the day the option is granted.

**Number of Shares.** The number of Common Shares reserved for issuance to any one person pursuant to options granted under this Plan, together with any Common Shares reserved for issuance pursuant to options granted to that person during the previous 12 months, shall not exceed 5% of the issued and outstanding Common Shares at the time of granting of the options, provided that the aggregate number of options granted to each of the following categories of optionee: (a) consultants; and (b) all persons employed in investor relations activities on behalf of the Corporation; must not exceed an aggregate 2% of the issued Common Shares at the time of grant in any 12 month period.

**Vesting.** Subject to the discretion of the Board, the options granted to an optionee under the Plan shall fully vest on the date of grant of such options. In accordance with the policies of the Exchange, and subject to their approval to the contrary, options issued to consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than  $\frac{1}{4}$  of the options vesting in any 3 month period.

**Maximum Number of Shares Reserved Under Plan.** The aggregate number of Shares which may be subject to issuance pursuant to options granted under the Plan shall not exceed the equivalent of 10% of the issued and outstanding Common Shares of the Corporation from time to time.

**Board May Amend.** The Board may, by resolution, amend or terminate the Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under the Plan which have not then been exercised or terminated.

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

There are no written employment agreements between the Corporation and any of its NEOs.

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

The Board of Directors, through informal discussion without any formal objectives, criteria or analysis, is responsible for determining the final compensation to be granted to the Corporation's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. The Board's compensation philosophy is aimed at attracting and retaining quality and experienced

people which is critical to the success of the Corporation and may include a "pay-for-performance" element which supports the Corporation's commitment to delivering strong performance for the Shareholders.

The Board annually reviews the corporate goals and objectives relevant to executive compensation; evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Corporation's overall performance, shareholder returns, the value of similar incentive awards to executive officers at comparable companies and the awards given to executive officers in past years.

### **Pension Plan Benefits**

The Corporation does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

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

As of the financial year ended February 28, 2022 the Corporation's Stock Option Plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Corporation's Stock Option Plan as at the year ended February 28, 2022:

<b>Plan category</b>	<b>Number of securities to be issued upon exercise of outstanding options (a)</b>	<b>Weighted-average exercise price of Outstanding options (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans	2,543,333	\$0.249	1,617,041
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	2,543,333	2,543,333	1,617,041

### **MANAGEMENT CONTRACTS**

To the best of the knowledge of the directors and executive officers of the Corporation, management functions of the Corporation or a subsidiary thereof are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation or a subsidiary thereof.

### **AUDIT COMMITTEE**

Under National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**"), the Corporation is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation, and the Corporation is required to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

## **The Audit Committee's Charter**

A copy of the Audit Committee Charter is attached hereto as Schedule "A".

## **Composition of the Audit Committee**

The current members of the Audit Committee are Allan Levien, Gerald Tritt and David Lane. Each of Allan Levien, Gerald Tritt and David Lane is an independent member of the Audit Committee as contemplated by NI 52-110. All Audit Committee members are considered to be financially literate.

## **Relevant Education and Experience**

See disclosure under the heading "*Particulars of Matters to be Acted Upon at the Meeting – Election of Directors*" for a brief description of the background of the members of the Audit Committee.

Each member of the Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

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

## **Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than Baker Tilly LLP.

## **Reliance on Certain Exemptions**

The Corporation's current auditor, Baker Tilly LLP, has not provided any material non-audit services.

## **Pre-Approval Policies and Procedures**

See the Corporation's Audit Committee Charter for specific policies and procedures for the engagement of non-audit services adopted by the Audit Committee.

## **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Baker Tilly LLP to the Corporation to ensure auditor independence. Fees incurred are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended February 28, 2022	Fees Paid to Auditor in Year Ended February 28, 2021
Audit Fees <sup>(1)</sup>	45,000	37,000
Audit-Related Fees <sup>(2)</sup>	549	451
Tax Fees <sup>(3)</sup>	4,140	3,075
All Other Fees <sup>(4)</sup>	1,575	925
Total	51,264	41,451

**Notes:**

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

## **CORPORATE GOVERNANCE**

### **General**

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the Corporation. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

### **Board of Directors**

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

The Board facilitates its independent supervision over management by holding periodic meetings to discuss operations of the Corporation at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

The independent members of the Board are Allan Levien and David Lane. The non-independent directors are Mark Ireton, President and Chief Executive Officer of the Corporation, and Gerald Tritt.

### ***Directorships***

Mark Ireton - Global Wellness Strategies Inc., Medaro Mining Corp., United Lithium Corp.

### ***Orientation and Continuing Education***

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the business, and on the responsibilities of directors. Board meetings may also include presentations by the Corporation's management and employees to give the directors additional insight into the Corporation's business.

### ***Ethical Business Conduct***

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual directors' 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 considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole.

The Corporation's management is continually in contact with individuals involved in areas of strategic interest to the Corporation. From these sources the Corporation has made numerous contacts and in the event that the Corporation were in a position to nominate any new directors, such individuals would be brought to the attention of the Board. The Corporation conducts the due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve.

### ***Compensation***

The Board considers compensation for the directors and its CEO on an annual basis.

### ***Other Board Committees***

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

### ***Assessments***

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

### ***Director Term Limits and Other Mechanisms of Board Renewal***

The Corporation has not adopted term limits or other mechanisms to force a director to be removed from the Board of Directors. The by-laws of the Corporation provide that directors will serve until the next annual general meeting of shareholders and if qualified can be nominated by the governance committee for re-election. Accordingly, the Board of Directors have determined that term limits or mandatory retirement based on age is not necessary. The Board of Directors believes that sustained leadership and intimate knowledge of the Corporation is an asset to the operations and the future of the Corporation. The Board of Directors also believe that an imposition of term limits is inflexible and could possibly result in experienced directors being forced to resign or being barred from standing for re-election based solely on tenure. The Board of Directors considers performance and contribution of individual directors on an ongoing basis.

### ***Policies Regarding the Representation of Women on the Board***

The Corporation has not adopted written policies relating to the identification and nomination of women to the Board of Directors. While committed to diversity, the Corporation is of the view that the identification and nomination of individuals to the Board of Directors should be made on the basis of the knowledge and experience of candidates.

The Corporation does not consider the level of representation of women on the Board of Directors in identifying and nominating candidates for election or re-election. The Corporation is aware and committed to diversity but is of the view that director identification and selection should focus on the knowledge and experience of candidates.

The Corporation does not consider the level of representation of women in executive officer positions when making executive officer appointments. The Corporation is of the view that executive officer appointments should be made on the basis of the knowledge and experience of candidates.

The Corporation has not adopted targets regarding the representation of women on the Board of Directors or in executive officer positions. The Corporation believes that targets are unnecessary and would detract from a focus on the knowledge and experience of candidates.

The Corporation has no women on its Board of Directors, representing zero percent of board membership and one woman in an executive officer position, representing 33 percent of all executive officers.

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

No individual who is or was a director, executive officer or employee of the Corporation or any of its subsidiaries, any proposed nominee for election as a director of the Corporation or any associate of such director or officer, is as at the date hereof, or at any time since the beginning of the most recently completed financial year, indebted to the Corporation or any of its subsidiaries, or is as at the date hereof, or at any time since the beginning of the most recently completed financial year, indebted to another entity that is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries during that period.

## **LEGAL PROCEEDINGS**

Management knows of no legal proceedings, contemplated or actual, involving the Corporation, which could materially affect the Corporation.

## **MATERIAL CONTRACTS**

Since its incorporation, the Corporation has not entered into the following material contracts that are still in force, other than those entered into in the ordinary course of business:

For additional information on the Corporation's material contracts, refer to the Corporation's annual audited consolidated financial statements and Management's Discussion & Analysis for the year ended February 28, 2022 available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **DIVIDEND POLICY**

The Corporation has no fixed dividend policy and no dividends have been declared on any class of shares of the Corporation since the date of incorporation. The payment of dividends is subject to the discretion of the Board and will depend on, among other factors, earnings, capital requirements and operating and financial condition. The Corporation does not intend to pay dividends in the foreseeable future but instead intends to retain future earnings, if any, to finance the growth and development of the Corporation's business.

## **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent for the Corporation is Odyssey Trust Company, 1230, 300 5<sup>th</sup> Avenue SW, Calgary, Alberta T2P 3C4.

### **Additional Information**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders of the Corporation may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis by sending a written request addressed to Suite 1780, 355 Burrard Street, Vancouver, British Columbia, V6C 2G8, telephone: (236)317-2822. Financial information is provided in the Corporation's annual financial statements and management's discussion and analysis for its most recently completed financial year.

**DIRECTORS' APPROVAL**

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the directors of the Corporation.

DATED at Vancouver, British Columbia, this 11th day of April, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
VICTORY BATTERY METALS CORP.**

*(signed) "Mark Ireton*

\_\_\_\_\_  
President, CEO and Director



## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110)

National Instrument 52-110 (the "Instrument") which relates to the composition and function of audit committees applies to every TSX Venture Exchange listed company, including the Company. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed in accordance with Form 52-110F2, in the management information circular of the Company whereby management solicits proxies from the security holders of the Company for the purpose of electing directors to its board of directors.

This Charter has been adopted in order to comply with the Instrument and to more properly define the role of the audit committee in the oversight of the financial reporting process of the Company. Nothing in this charter is intended to restrict the ability of the board of directors or audit committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

#### PART 1

##### **Purpose:**

The purpose of the audit committee is to:

- (a) review all periodic financial statements, monitor the Company's regulatory financial disclosure requirements, and make recommendations respecting financial reporting matters;
- (b) assist the board of directors to discharge its responsibilities;
- (c) provide an accountable avenue of communication between the board of directors and the external auditors;
- (d) ensure the external auditor's independence;
- (e) ensure the availability and transparency of financial reports; and
- (f) ensure that outside members of the board of directors have ready access to the external auditor to responsible members of management in financial reporting matters.

##### **1.2 Definitions**

Unless otherwise defined in this Audit Committee Charter, terms shall have the meanings set forth below:

"audit services" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements.

"Board" means the board of directors of the Company.

“Charter” means this audit committee charter.

“Company” or “Corporation” means Victory Resources Corporation.

“Committee” means the audit committee established by the Board for the purpose of overseeing the accounting, financial reporting processes of the Company and audits of the financial statements of the Company.

“Instrument” means Multilateral Instrument 52-110.

“MD&A” has the meaning ascribed to it in National Instrument 51-102.

“Member” means a member of the Committee.

“National Instrument 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*.

“non-audit services” means services other than audit services.

## **PART 2**

- 2.1** The Board has hereby established this Charter to set forth the duties and responsibilities of the Committee.
- 2.2** The Committee shall be comprised of at least three financially literate directors, the majority of whom are not Officers, employees or Control Persons of the Issuer or any of its Associates or Affiliates (within the meanings given those terms in prevailing securities legislation). An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- 2.3** The Board will direct the external auditor to report directly to the Committee and the Members have the irrevocable authority to enforce this procedure.
- 2.4** The Committee will be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- 2.5** The Committee will be responsible for recommending to the Board:
- (a) 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 Company; and
  - (b) the compensation of the external auditor.
- 2.6** Without limitation, the Committee will be responsible for:
- (a) reviewing the audit plan with management and the external auditor;

- (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
- (c) questioning management and the external auditor regarding significant financial reporting issues occurring during the fiscal period under review and the method of resolution;
- (d) reviewing any problems experienced by the external auditor in performing the audit, including any restriction imposed by management or significant accounting issue on which there was disagreement with management;
- (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and discussing with management any significant variances between comparative reporting periods;
- (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and subsequent follow-up;
- (g) reviewing management prepared financial statements before release to the public;
- (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
- (i) reviewing the evaluation of internal controls by the external auditor, and subsequent follow-up;
- (j) reviewing the terms of reference of the internal auditor, if any;
- (k) reviewing reports issued by the internal auditor, if any, and subsequent follow-up; and
- (l) reviewing the appointments of chief financial officers and all other key financial executives involved in the financial reporting process, as applicable.

**2.7** The Committee will approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

**2.8** The Committee will review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

**2.9** The Committee will ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and will periodically assess the adequacy of those procedures.

**2.10** When there is to be a change of auditor, the Committee will review all issues related to the change, including the information to be included in the notice of change of auditor called for under prevailing laws and policies, and the planned steps for an orderly transition.

**2.11** The Committee will review all reportable events, including disagreements, unresolved issues and consultations.

- 2.12** The Committee will, as applicable, establish procedures for:
- (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
- 2.13** As applicable, the Committee will establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
- 2.14** The responsibilities outlined in this Charter are not intended to be exhaustive. Members must consider any additional areas which may require oversight when discharging their responsibilities.

### **PART 3**

- 3.1** The Committee shall have the authority to:
- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
  - (b) set and pay the compensation for any advisors employed by the Committee; and
  - (c) communicate directly with the internal and external auditors.

### **PART 4**

- 4.1** Meetings of the Committee will be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
- 4.2** Members will be afforded reasonable opportunities to privately meet with the external auditor, the internal auditor and members of senior management.
- 4.3** Minutes will be kept of all meetings of the Committee.

### **PART 5**

- 5.1** Subject to subsection (2), if management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to its Board, the Committee shall ensure that the Company includes in its management information circular the disclosure required by Form 52-110F2 of the Instrument.