



AVARONE METALS INC.

Suite 610, 700 West Pender Street
Vancouver, British Columbia, V6C 1G8
Tel: 1-888-440-4601

Notice of Annual General and Special Meeting

And

Information Circular

Place:	Suite 610, 700 West Pender Street Vancouver, British Columbia, V6C 1G8
Time:	10 o'clock am (Pacific Time)
Date of Meeting:	Wednesday, August 30, 2023

AVARONE METALS INC.

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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the **Annual General and Special Meeting** (the “**Meeting**”) of **AVARONE METALS INC.** (the “**Company**”) will be held at Suite 610, 700 West Pender Street, Vancouver, British Columbia, on **Wednesday, August 30, 2023**, at **10:00 a.m.** (Pacific Time) for the following purposes:

1. To table the audited financial statements of the Company for the financial year ended July 31, 2022 together with the report of the Auditors and the management’s discussion and analysis thereon;
2. To fix the number of directors at three (3);
3. To elect Directors for the ensuing year;
4. To appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as the Company’s Auditors for the ensuing year and to authorize the Directors to fix their remuneration;
5. To approve and ratify the Company’s 10% rolling Stock Options Plan (the “**Plan**”) for the ensuing three years, as set forth in the Management Information Circular accompanying this Notice; and;
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

The accompanying management information circular (the “**Information Circular**”) provides additional information relating to the matters to be dealt with at the Meeting. No other matters are contemplated, however, any permitted amendment to, or variation of, any matter identified in this Notice may properly be considered at the Meeting. Also accompanying this Notice are (i) Notice and Access Notice, (ii) Form of Proxy or Voting Instruction Form, and (ii) Financial Statement Request Form. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting.

Only shareholders of record at the close of business on **July 7, 2023**, will be entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy indicating your voting instructions. A proxy will not be valid unless it is deposited at the office of Endeavor Trust Corporation, 702-777 Hornby Street, Vancouver, BC, V6Z 1S4, or by following the instructions set out in the proxy not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournments thereof. If you are not a registered shareholder, please refer to the accompanying Information Circular for information on how to vote your shares.

The audited financial statements of the Company for the financial year ended July 31, 2022, together with the report of the Auditors and the management’s discussion and analysis thereon are available on www.sedar.com and copies of these documents will also be available at the Meeting.

DATED at Vancouver, British Columbia, this 7th day of July, 2023.

BY ORDER OF THE BOARD OF DIRECTORS:

/s/ Marc Levy

Marc Levy
Chief Executive Officer

Registered shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope or to vote by telephone or using the internet in accordance with the instructions on the proxy form. If you are a non-registered shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

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INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of **July 7, 2023**, unless otherwise indicated.

This Information Circular is being mailed by the management of **Avarone Metals Inc.** (the “**Company**” or “**Avarone**”) to shareholders of record at the close of business on July 7, 2023 which is the date that has been fixed by the directors of the Company as the record date to determine the shareholders who are entitled to receive notice of the meeting. The Company is mailing this Information Circular in connection with the solicitation of proxies by and on behalf of the Company for use at its Annual General and Special Meeting (the “**Meeting**”) of the shareholders that is to be held on Wednesday, August 30, 2023 at 10:00 a.m. (Pacific Time) at Suite 610, 700 West Pender Street, Vancouver, British Columbia, V6C 1G8.

SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. All costs of solicitation by management will be borne by the Company. 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.

QUORUM

Under Avarone’s Articles, the quorum for the transaction of business at a Meeting of shareholder is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

NOTICE-AND-ACCESS

The Company has elected to use the notice and access (“**Notice and Access**”) provisions under National Instrument 54-101 (“**NI 54-101**”) *Communication with Beneficial Owners of Securities of a Reporting Issuer*, of the Canadian Securities Administrators, for the delivery to non-registered shareholders of the Company (“**Beneficial Shareholders**”) of its Notice of Meeting and Information Circular (the “**Meeting Materials**”) for its Annual General and Special Meeting to be held on Wednesday, August 30, 2023.

Under the provisions of Notice and Access, Beneficial Shareholders will receive a notice (“**Notice and Access Notice**”) containing information on how they can access the Meeting Materials electronically instead of receiving a printed copy or how to receive a printed copy of the Meeting Materials. Together with the Notice and Access Notice, Beneficial Shareholders will receive a Voting Instruction Form (“**VIF**”), enabling them to vote at the Meeting. The Meeting Materials will be available on the Company’s SEDAR corporate profile at www.sedar.com and on the Company’s transfer agent’s website at www.eproxy.ca/AvaroneMetals/2023AGSM as of July 25, 2023.

The Company has elected to use the Notice and Access for the Meeting in respect of mailings to its Beneficial Shareholders but not in respect of mailings to its registered shareholders. Registered shareholders will receive a paper copy of the Meeting Materials and a Form of Proxy.

SECTION 1 - VOTING

WHO CAN VOTE?

If you are a registered shareholder of the Company as at **July 7, 2023**, you are entitled to notice of and to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the Meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see "**Voting By Proxy**" below). If your shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer, financial institution or other intermediary) you should refer to the section entitled "**Non-Registered Shareholders**" set out below.

It is important that your shares be represented at the Meeting regardless of the number of shares you hold. If you will not be attending the Meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING BY PROXY

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy to the Company's transfer agent, Endeavor Trust Corporation, 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4, Attention: Proxy Department, or by fax within North America at 604-559-8908, or by email at proxy@endeavortrust.com not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time fixed for the Meeting or any adjournments thereof.

What Is A Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing A Proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder (the "**Management Proxyholders**"). Those persons are directors, officers or other authorized representatives of the Company.

Instructing Your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the

persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares IN FAVOUR of each of the items of business being considered at the Meeting.

For more information about these matters, see Section 3 - The Business of the Meeting. **The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting.** At the time of printing this Information Circular, the management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing Your Mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company at Suite 610-700 West Pender Street, Vancouver, British Columbia V6C 1G8 or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. (Pacific Time) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the Meeting in person. **Only registered shareholders may revoke a proxy. If your shares are not registered in your own name and you wish to change your vote, you must arrange for your nominee to revoke your proxy on your behalf (see below under “Non-Registered Shareholders”).**

REGISTERED SHAREHOLDERS

Registered Shareholders 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, Endeavor Trust Corporation, 702 – 777 Hornby Street, Vancouver, BC V6Z 1S4, Attention: Proxy Department, or by fax within North America at 604-559-8908, or by email at proxy@endeavortrust.com.

In all cases, the proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

NON-REGISTERED SHAREHOLDERS

Only registered holders of common shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, common 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. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; OR
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (**CDS**)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBOS**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBOs**”.

Pursuant to National Instrument 54-101 (“**NI 54-101**”) of the Canadian Securities Administrators, the Company has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly or directly to the NOBOs and to the Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries that receive the proxy-related materials are required to forward the proxy-related materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Holders.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO’s Intermediary assumes the costs of delivery.

Generally, Non-Registered Holders who have not waived the right to receive proxy-related materials (including OBOs who have made the necessary arrangements with their Intermediary for the payment of delivery and receipt of such proxy-related materials) will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Holder in accordance with the Intermediary’s directions on the voting instruction form. In some cases, such Non-Registered Holders will instead 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 Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. This form of proxy does not need to be signed by the Non-Registered Holder, but, to be used at the Meeting, needs to be properly completed and deposited with Endeavor Trust Corporation as described under “**Voting By Proxy**” above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Holder 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 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.

Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.

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 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 Company 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 Company 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.

SECTION 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares without par value. At the close of business on **July 7, 2023**, **91,414,661** common shares were issued and outstanding. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on **July 7, 2023**, the date fixed by the Company's directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a Proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at National Issuer Services and will be available at the Meeting.

To the knowledge of the directors and senior officers of the Company, and based upon the Company's review of the records maintained by Endeavor Trust Corporation and insider reports filed with the System for Electronic Disclosure by Insiders at www.sedi.ca, as at the Record Date, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

SECTION 3 - THE BUSINESS OF THE MEETING

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended **July 31, 2022** will be placed before you at the Meeting. They have been mailed to the shareholders who have requested they receive a copy of such documents. These audited financial statements are available under the Company's profile on SEDAR at www.sedar.com.

No approval or other action needs to be taken at the Meeting in respect of these documents.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Financial Statement Request Form attached to this Information Circular and send it to the Company.

ELECTION OF DIRECTORS

Fix Number of Directors

Under the Company's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors may be set by ordinary resolution but shall not be fewer than three. The Company currently has **three (3)** directors. The **three (3)** current directors are being put forward by management of the Company for election at the Meeting.

The Company's management recommends that the shareholders vote in favour of the resolution setting the number of directors at three (3). Unless you give other instructions, the Management Proxyholders intend to vote FOR the resolution setting the number of directors at three (3).

Nominees for Election

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time.

The following table sets out the names of management's nominees for election as directors of the Company; all offices in the Company each nominee now holds; each nominee's principal occupation, business or employment; the period of time during which each nominee has been a director of the Company; and the number of common shares, stock options and common share purchase warrants that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee as at Record Date.

Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. 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, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

Pursuant to the Advance Notice Policy, as adopted by the directors of the Company on March 3, 2013, and subsequently approved by Shareholders, along with the addition of Advance Notice Provisions (the "**Provisions**") to the Articles of the Company, on June 26, 2013, any additional director nominations for the Meeting must be received by the Company in accordance with the Provisions. As no such nominations were received by the Company, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

Management's Director Nominees

The following sets out the names of management's nominees for election as directors, all major offices and positions with the Company or any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years), the period of time during which each has been a director and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at July 7, 2023:

Name and place of residence⁽¹⁾	Principal occupation for the past five years⁽¹⁾	Director since	Number of shares⁽²⁾
Marc Levy ⁽⁴⁾ British Columbia, Canada <i>CEO and Director</i>	President & CEO of Mosam Ventures Inc. since October 2004; CEO of the Company since October 2017; CEO of Norsemont Mining Inc. since September 21, 2020.	August 1, 2006	4,806,651 ⁽³⁾

Name and place of residence ⁽¹⁾	Principal occupation for the past five years ⁽¹⁾	Director since	Number of shares ⁽²⁾
John Bean ⁽⁴⁾ British Columbia, Canada. <i>Director</i>	Chartered Professional Accountant; CFO of Aurora Cannabis Inc. from December 2014 to August 2016; Director of Norsemont Mining Inc. since January 31, 2022; Director of Anonymous Intelligence Inc. since August 29, 2022.	May 21, 2019	0
Allan Larmour ⁽⁴⁾ British Columbia, Canada <i>Director</i>	Strategic business planning and investment consultant since 2009; CEO of Norsemont Mining Inc. from June 2017 to September 2020; CFO of Norsemont Mining Inc. from June 2017 to April 2018; Director of Norsemont Mining Inc. since August 13, 2013.	March 24, 2022	0

NOTES:

- (1) Information as to the residency and principal occupation has been provided by the respective directors.
- (2) Information as to shares beneficially owned, not being within our knowledge has been furnished by the respective person, has been extracted from the list of registered shareholders maintained by the Company's transfer agent, has been obtained from insider reports filed by respective person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (www.sedi.ca) or has been obtained from early warning report and alternative monthly reports filed by the respective person and available through the Internet at the Canadian System for Electronic Document Analysis and Retrieval (www.sedar.com).
- (3) Of these shares, 56,950 common shares are held in trust for Samson Levy. Mr. Levy also holds 340,000 share purchase warrants under by Mosam Ventures Inc., a company wholly-owned by Mr. Levy.
- (4) Member of the Audit Committee.

The Company's management recommends that the shareholders vote in favour of the election of the proposed nominees as directors of the Company for the ensuing year. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the nominees named in this Information Circular.

APPOINTMENT OF AUDITOR

At the Meeting, Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, located at Suite 1500 – 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1, will be recommended by management and the Board of Directors for re-appointment as auditor of the Company at a remuneration to be fixed by the directors.

The Company's management recommends that shareholders vote in favour of the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the appointment of Dale Matheson Carr-Hilton LaBonte LLP as the Company's auditor to hold office until the close of its next annual general meeting or until their successor is appointed and at a remuneration to be fixed by the Board of Directors.

APPROVAL OF THE STOCK OPTIONS PLAN

The Company is seeking re-approval of its “rolling” stock option plan (the “**Plan**”), whereby 10% of the number of issued and outstanding shares of the Company at any given time may be reserved for issuance pursuant to the exercise of options.

The purpose of the Plan is to attract and motivate directors, senior officers, employees, consultants and others providing services to the Company and its subsidiaries, and thereby advance the Company’s interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options.

A brief summary of the Plan is on page A-11 of this Information Circular. A copy of the Plan will be available for inspection at the Meeting. A Shareholder may also obtain a copy of the Plan by contacting the Company at Suite 610, 700 West Pender Street, Vancouver, BC V6C 1G8 or search under the Company’s profile on SEDAR at www.sedar.com.

At the Meeting, the Company’s Plan will be recommended by management and the Board of Directors for adoption for the ensuing three years.

Accordingly, Shareholders will be asked at the Meeting to pass the following ordinary resolution:

“BE IT RESOLVED THAT the Plan is hereby confirmed, ratified and re-approved, until August 30, 2026.”

In the absence of instructions to the contrary, the shares represented by proxy will be voted FOR the re-approval and confirmation of the Plan.

OTHER BUSINESS

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

SECTION 4 – STATEMENT OF EXECUTIVE COMPENSATION

GENERAL PROVISIONS

For the purpose of this Statement of Executive Compensation:

“Board” means the Board of Directors of the Company.

“CEO” means each 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.

“CFO” means each 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.

“Company or AVM” means Avarone Metals Inc.

“NEO” or **“Named Executive Officer”** means each of the following individuals:

- (a) CEO
- (b) CFO

- (c) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as President (“President”), including an individual performing functions similar to a President;
- (d) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (e) each individual who would be a named executive officer under paragraph (d) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

“Options” means the Company’s Incentive Stock Options pursuant to its 2016 Stock Option Plan, and each Option entitles the holder to purchase one common share of the Company.

During the financial year ended July 31, 2022, the NEOs of the Company were Marc Levy, Chief Executive Officer, Marc Morin, President, and Kulwant Sandher, Chief Financial Officer.

NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

The Company does not have a formal compensation program. The general objectives of the Company’s compensation strategy are to (a) compensate management and directors in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management’s and directors’ interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other peer group companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mining company.

Currently, the principal components of the Company’s executive compensation packages are base remuneration and long-term incentive in the form of Options.

SUMMARY COMPENSATION TABLE

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and Director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a Director of the Company for services provided and for services to be provided, directly or indirectly, to the Company for the financial years ended July 31, 2022 and 2021.

Stock options were granted to the NEOs and Directors during the financial year ended July 31, 2022. No fees were paid to the Directors during the financial years ended July 31, 2022 and 2021.

Name and principal position	Year	Salary, management or professional fees	Share-based awards	Option-based awards ⁽¹⁾	Non-equity incentive plan compensation	Pension value	All Other Compensation	Total Compensation
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Marc Levy ⁽²⁾	2022	90,000 ⁽³⁾	Nil	6,325 ⁽¹⁾	Nil	N/A	Nil	96,325

<i>CEO & Director</i>	2021	90,000 ⁽³⁾	Nil	39,978	Nil	N/A	Nil	129,978
Marc Morin ⁽⁴⁾ <i>President</i>	2022	Nil	Nil	6,325 ⁽¹⁾	Nil	N/A	Nil	6,325
	2021	Nil	Nil	79,958	Nil	N/A	Nil	79,958
Kulwant Sandher ⁽⁵⁾ <i>CFO</i>	2022	30,000 ⁽⁵⁾	Nil	6,325 ⁽¹⁾	Nil	N/A	Nil	36,325
	2021	30,000 ⁽⁵⁾	Nil	27,985	Nil	N/A	Nil	57,985
John Bean ⁽⁶⁾ <i>Director</i>	2022	Nil	Nil	3,614 ⁽¹⁾	Nil	N/A	Nil	3,614
	2021	Nil	N/A	15,992	Nil	N/A	Nil	15,992
Peter Lee ⁽⁷⁾ <i>Director</i>	2022	Nil	Nil	2,782 ⁽¹⁾	Nil	N/A	Nil	2,782
	2021	Nil	N/A	15,992	Nil	N/A	Nil	15,992
Allan Larmour ⁽⁸⁾ <i>Director</i>	2022	Nil	Nil	1,531 ⁽¹⁾	Nil	N/A	Nil	1,531
	2021	Nil	N/A	Nil	Nil	N/A	Nil	Nil

NOTES:

- (1) Options were valued using the Black-Scholes option pricing model as described in the Company's audited financial statements for the financial year ended July 31, 2022. These amounts represent the fair value of the vested Options.
- (2) Marc Levy was appointed a Director on August 1, 2006, President and CEO on April 16, 2008, CFO from October 25, 2017 to April 27, 2018 and resigned as President on November 3, 2020.
- (3) Management fees were paid to Mosam Ventures Inc., a company wholly-owned by Marc Levy.
- (4) Marc Morin was appointed President on November 3, 2020,
- (5) Kulwant Sandher was appointed Chief Financial Officer on April 27, 2018. Monthly professional fees were paid to Hurricane Corporate Services Ltd., a company controlled by Kulwant Sandher.
- (6) John Bean was appointed a Director on May 21, 2019.
- (7) Peter Lee was appointed a Director on October 15, 2018 and resigned on March 24, 2022.
- (8) Allan Larmour was appointed a Director on March 24, 2022.

Outstanding Compensation Securities

The following table sets out all compensation securities outstanding as at financial year ended July 31, 2022, for each NEO and Director:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#) ⁽²⁾	Option exercise price (\$)	Option expiration date mm-dd-yyyy	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Marc Levy <i>CEO & Director</i>	590,000	0.05	04-23-2025	-
	300,000	0.05	12-07-2026	-
	300,000	0.05	12-03-2027	-
	500,000	0.08	11-03-2025	-
	350,000	0.05	11-08-2026	-
Marc Morin <i>President</i>	1,000,000	0.08	11-03-2025	-
	350,000	0.05	11-08-2026	-

Name	Option-based Awards			
	Number of securities underlying unexercised options (#) ⁽²⁾	Option exercise price (\$)	Option expiration date mm-dd-yyyy	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Kulwant Sandher <i>CFO</i>	350,000	0.08	11-03-2025	-
	350,000	0.05	11-08-2026	-
John Bean <i>Director</i>	250,000	0.05	05-16-2024	-
	200,000	0.08	11-03-2025	-
	200,000	0.05	11-08-2026	-
Peter Lee <i>Former Director</i>	100,000	0.05	12-03-2027	-
	250,000	0.05	10-15-2023	-
	200,000	0.08	11-03-2025	-
	200,000	0.05	11-08-2026	-
Allan Larmour <i>Director</i>	200,000	0.05	03-24-2027	-

Notes:

⁽¹⁾ The value of unexercised in-the-money stock options was based on the closing price of \$0.02 on July 29, 2022.

⁽²⁾ All options vest quarterly over two years.

Exercise of Compensation Securities by Directors and NEOs

All option-based awards to NEOs and Directors vest quarterly over two years. There were no compensation securities exercised by any director or NEO during the financial years ended July 31, 2022 and 2021.

Securities Authorized for Issuance under Stock Option Plan

The following table sets out information with respect to the Stock Option Plan under which stock options are authorized for issuance as of the financial year ended July 31, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options under the Stock Option Plan (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under the Stock Option Plan (excluding securities reflected in column (a)) (c)
Stock Option Plan approved by Securityholders	Options – 8,320,000	Options - \$0.06	Options – 1,171,466
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	Options – 8,320,000	Options - \$0.06	Options – 1,171,466

Stock Option Plans and Other Incentive Plans

On August 11, 2016, the Board approved an incentive stock option plan, enabling the Board to grant stock options to purchase common shares in the capital of the Company from time to time to eligible persons (collectively, “**Optionees**”) in consideration of such Optionees providing services to the Company or a subsidiary of the Company. The number of stock options granted by the Company to Optionees is determined by the Board, within the guidelines established by the Plan. The stock options enable such persons to purchase common shares at a price fixed under such guidelines. The stock options are exercisable by the Optionee giving the Company notice and payment of the exercise price for the number of common shares to be acquired.

The purpose of the Stock Option Plan is to attract provide incentive to directors, senior officers, employees, consultants and other service providers to the Company and its subsidiaries, and thereby advance the Company’s interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options.

Under the Stock Option Plan, the maximum number of common shares reserved for issuance, including stock options currently outstanding, is equal to ten (10%) percent of the common shares outstanding from time to time (the “**10% Maximum**”). The 10% Maximum is an “evergreen” provision, meaning that, following the exercise, termination, cancellation or expiration of any stock options, a number of common shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future stock option grants.

The following information summarizes the key terms and is intended to be a brief description of the Company’s Stock Option Plan. Such summary is qualified in its entirety by the full text of the Stock Option Plan, a copy of which will be available for inspection at the Meeting. A Shareholder may also obtain a copy of the Stock Option Plan by contacting the Company at 1-888-440-4601 or by email to silvana@mosamventures.com or by mail to 610 - 700 West Pender Street, Vancouver, British Columbia, V6C 1G8.

Limitation on Option Grants

The following restrictions on the granting of Options are applicable under the Stock Option Plan:

Individuals. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12-month period under this Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.

Consultants. The aggregate number of Shares subject to an option that may be granted to any one Consultant in any 12-month period under this Plan shall not exceed 4% of the issued and outstanding Shares determined at the time of such grant.

Optionees Performing Investor Relations Activities. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities in any 12-month period under this Plan shall not exceed 1% of the issued and outstanding Shares determined at the time of such grant.

Exercise Price

The Common Shares are listed on the Canadian Securities Exchange (the “**Exchange**”), subject to a minimum price of \$0.05 per share, the exercise price for an option under the Stock Option Plan may not be lower than the greater of the closing market price of the Shares 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. If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of the closing market price of the Shares 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, less any applicable discount allowed by the Exchange and (c) and the price per share paid by the investors for Shares acquired under the public distribution. The 90-day period shall commence on the date the Company is issued a final receipt for the prospectus.

Term and Vesting

Any option must be exercised within a term set by the Board at the time of grant, such term not to exceed ten (10) years from the date of the granting of the option. The Board may, in its absolute discretion, determine the vesting provisions of options granted under this Plan with the exception that options granted to any person engaged in Investor Relations Activities shall vest in stages over 12 months with no more than $\frac{1}{4}$ of the stock options vesting in any three-month period.

Termination of Options

Unless the Board determines otherwise, options will terminate in the following circumstances:

Ceasing to Hold Office – Directors, Officers, Employees or Consultants. If a Director, Officer, Employee or Consultant ceases to hold office for any reason other than death, such Director, Officer, Employee or Consultant shall have the right to exercise any vested option granted to him under this Plan and not exercised prior to such cessation of office within a period of 90 days after the date of such cessation of office, or such shorter period as may be set out in the Optionee's written agreement.

Termination of Investor Relations Activities. If an Optionee who is engaged in Investor Relations Activities ceases to be so engaged by the Company, such Optionee shall have the right to exercise any vested option granted to the Optionee under this Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.

Death of Optionee. If an Optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the Optionee's death exercise that portion of an option granted to the Optionee under this Plan which remains vested and outstanding.

Other Provisions

The Stock Option Plan contains provisions governing the acceleration of the vesting of options in the event of a change of control of the Company or in the event of a take-over proposal.

As at the financial year end of **July 31, 2022**, there were an aggregate of **8,320,000** stock options issued and outstanding. As at the date of this Circular, there were an aggregate of **7,970,000** stock options issued and outstanding.

Employment, consulting and management agreements

Management functions of the Company are not, to any substantial degree, performed other than by NEOs or directors of the Company. There are no agreements or arrangements that provide for compensation to NEOs or directors of the Company, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director's responsibilities.

Termination and Change of Control Benefits

The Company does not have a compensation plan, contract, or arrangement where a NEO is entitled to receive more than \$50,000 to compensate such executive officers in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of the Company or a change in the NEOs responsibilities.

Oversight and description of director and named executive officer compensation

Compensation of directors and of the Company is reviewed annually and determined by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including

the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Company had no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended **July 31, 2022**, or subsequently, up to and including the date of this Information Circular with the exception of stock-based compensation as detailed in this Information Circular.

In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers option grants to directors under the Stock Option Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of stock options. Other than the Stock Option Plan, as discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs is reviewed annually and determined by the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for NEOs.

Pension Plan Benefits

The Company has no pension plans that provide for payments or benefits at, following, or in connection with the retirement of the NEOs. There are also no defined benefit, defined contribution or deferred compensation plans currently in place or proposed at this time.

Directors' and Officers' Liability Insurance

The Company does not maintain an insurance policy with respect to directors' and officers' liability covering directors and officers of the Company.

SECTION 5 - AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

AUDIT COMMITTEE CHARTER

The text of the Company's Audit Committee Charter is attached hereto as Schedule "A" to this Information Circular.

COMPOSITION OF AUDIT COMMITTEE

The Company's Audit Committee members during the financial year ended July 31, 2022 were John Bean (Chair), Allan Larmour and Marc Levy. John Bean and Allan Larmour are independent members of the audit committee. Marc Levy is not an independent as he is the Chief Executive Officer of the Company.

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgment.

All members of the audit committee are financially literate. They have the ability to read and understand 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.

RELEVANT EDUCATION AND EXPERIENCE

All of the Audit Committee members are senior-level business people with experience in financial matters; each has an understanding of accounting principles used by the Company to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

Each member also has an understanding of the mineral exploration and mining business in which the Company is engaged in and has an appreciation of the financial issues and accounting principles that are relevant in assessing the Company's financial disclosures and internal control systems.

In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors or officers of public companies other than the Company. See Section 6 – Corporate Governance – Directorships in Other Public Companies.

John Bean (Chair)

Mr. Bean is a Chartered Professional Accountant with many years of experience in public practice and industry experience with specific expertise in financial management and reporting, and corporate finance.

Allan Larmour

Mr. Larmour is an accomplished entrepreneur with over 25 years of experience in Fortune 500 companies, start-up technology companies, international sales and business development, and executive management. He has been a strategic business planning and investment consultant since 2009. He is a professional engineer and holds a Bachelor of Applied Science degree in electrical engineering and a Bachelor of Science degree in genetics, both from the University of British Columbia.

Marc Levy

Mr. Levy has served as a director, officer and audit committee member of several publicly traded companies, including Aurora Cannabis Inc. and Norsemont Mining Inc. which was sold to Hudbay Minerals Inc. in 2011.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the board of directors.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year ended **July 31, 2022**, has the Company relied on the exemption in Section 2.4 of National Instrument 52-110 - *Audit Committees (De Minimis Non-audit Services)*, or an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

As the Company is considered a "Venture Issuer" pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees*, from the requirement of Part 5 (Reporting Obligations) of National Instrument 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter attached as Schedule "A" to this Information Circular.

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Chair of the Audit Committee is authorized to approve any non-audit services or additional work which the Chair deems as necessary and is required to notify the other members of the Audit Committee of such non-audit or additional work.

EXTERNAL AUDITOR SERVICE FEES

In the following table, "Audit Fees" are fees billed by the Company's external auditors for services provided in auditing the Company'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 Company's financial statements. "Tax Fees" are 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 fees paid by the Company to its auditors in each of the last two financial years, by category, are as follows:

<i>Auditor</i>	<i>Financial Year Ending July 31</i>	<i>Audit Fees</i>	<i>Audit-related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
Dale Matheson Carr-Hilton LaBonte LLP ⁽¹⁾	2021	\$15,000	\$183	\$1,000	\$Nil
	2022	\$17,000	\$207	\$1,000	\$Nil

NOTES:

⁽¹⁾ Estimated fees.

SECTION 6 - CORPORATE GOVERNANCE

GENERAL

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") provides guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 and requires full and complete annual disclosure of a listed company's systems of corporate governance with reference to each of such guidelines (the "Guidelines"). Where a company's corporate governance system differs from the Guidelines, each difference and the reason for the difference is required to be disclosed. The Company's approach to corporate governance is provided below.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices that are both in the interest of its Shareholders and contribute to effective and efficient decision making. National Policy 58-201 - *Corporate*

Governance Guidelines establishes corporate governance guidelines that apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. NI 58-101 mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

COMPOSITION OF THE BOARD OF DIRECTORS

Form 58-101F1 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship that could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

During 2022, the Company had three directors, Marc Levy, John Bean, and Allan Larmour, the majority of whom meet the independence standards as set out by NI 58-101.

The Company currently has a Board comprised of three Directors, two of whom are independent. Marc Levy is a non-independent director as he is the Chief Executive Officer of the Company. John Bean and Allan Larmour, are considered by the Board to be "independent" within the meaning of NI 52-110. The independent directors are able to, and at ad hoc, as necessary intervals, meet without the presence of management to ensure that the board may function independent of management. During the fiscal year ended July 31, 2022, there have been four meetings of the board. It is the objective of the Company to continue to have a majority of independent Board members and enhance the quality of the Company's corporate governance.

The Chair of the Board is John Bean. The independent directors exercise their responsibilities for independent oversight of management and are provided with leadership through their positions on the Board.

DIRECTORSHIPS IN OTHER PUBLIC COMPANIES

Certain of the board nominees are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other reporting issuer (or equivalent in a foreign jurisdiction) ⁽¹⁾
Marc Levy	Norsemont Mining Inc.
John Bean	Norsemont Mining Inc. Anonymous Intelligence Company Inc. Tearlach Resources Limited
Allan Larmour	Norsemont Mining Inc. Tisdale Resources Corp. Gama Explorations Inc.

NOTES:

⁽¹⁾ Information not being within our knowledge has been furnished by the respective person or has been obtained from insider reports filed by respective person and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (www.sedi.ca).

ORIENTATION AND CONTINUING EDUCATION

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However,

there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current level of operations. However, if the growth of the Company's operations warrants it, it is likely that a formal orientation process will be implemented.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies in the natural resource sector. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Company's Board.

ETHICAL BUSINESS CONDUCT

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. Should the Company operations grow in size and scope, the Board anticipates that it would then formulate and implement a formal Code of Business Conduct and Ethics.

NOMINATION OF DIRECTORS

The Board as a whole determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the individual Board members, including both formal and informal discussions among Board members and the President and CEO. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an *ad hoc* basis.

COMPENSATION OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Company does not currently pay its directors any remuneration for acting as directors and the only compensation for acting as directors received by non-management directors is through the grant of incentive stock options. The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. The number of options to be granted to any director or officer is determined by the Board as a whole, thereby providing the independent directors with significant input into compensation decisions. Stock options to be granted to "management" directors are required, as a matter of board practice, to be reviewed and approved by the "non-management" directors. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time as, in the opinion of the Board, the size and activities of the Company and the number of management employees warrants

it, the Board will consider it necessary to appoint a formal compensation committee. See Section 4 – Statement of Executive Compensation – Director and NEO Compensation.

COMMITTEES OF THE BOARD OF DIRECTORS

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

ASSESSMENTS

The board has not, as yet, established procedures to formally review the contributions of individual directors. At this point, the directors believe that the board's current size facilitates informal discussion and evaluation of members' contributions within that framework.

SECTION 7 - OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the most recently completed financial year ended **July 31, 2022**, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company for other than "routine indebtedness", as that term is defined by applicable securities legislation; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, ended **July 31, 2022**, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Applicable securities legislation defines "*informed person*" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities. Except as otherwise disclosed herein, no informed persons had (or has) any interest in any transaction with the Company since the commencement of our most recently completed financial year ended **July 31, 2022**, or in any proposed transaction, that has materially affected the Company or is likely to do so.

MANAGEMENT CONTRACTS

Except as disclosed under Section 4 – Executive Compensation, the Company has no management agreements or arrangements under which the management functions of the Company are performed other than by the Company's directors and executive officers.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

As at the date of this Information Circular, to the knowledge of the Company, no proposed nominee for election as a director of the Company (nor any of his or her personal holding companies) 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 shareholder in deciding whether to vote for a proposed director.

Except as disclosed herein, no proposed nominee for election as a director of the Company is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including the Company and any personal holding company of the proposed director) that, while that person was acting in that capacity:
 - (a) was subject to a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order) or 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 (an “**Order**”); or
 - (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
2. a director or executive officer of any company (including the Company) and any personal holding company of the proposed director) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Larmour was a director of EmerGeo Solutions Worldwide Inc. (“EmerGeo”) when it became the subject of a cease trade order issued by the British Columbia Securities Commission dated August 7, 2013, for its failure to file a comparative financial statement for the financial year ended March 31, 2013, and a management’s discussion and analysis for the period ended March 31, 2013. On November 6, 2013, EmerGeo became the subject of a cease trade order issued by the Alberta Securities Commission for its failure to file annual audited financial statements, annual management’s discussion and analysis, and certification of annual filings for the year ended March 31, 2013, and interim unaudited financial statements, interim management’s discussion and analysis, and certification of interim filings for the interim period ended June 30, 2013. As at the date hereof, both cease trade orders remain in effect.

Mr. Larmour was also a director of EmerGeo Solutions Inc., a subsidiary of EmerGeo incorporated on July 2, 2002, and in the business of providing emergency and crisis management software and services, when it filed an Assignment in Bankruptcy on February 16, 2012. The assets of EmerGeo Solutions Inc. were subsequently sold and recovered amounts paid to debtors.

Mr. Bean was an officer of Underground Energy Corporation (“UGE”) when it became subject of a cease trade order issued by the BCSC dated May 2, 2013 for UGE’s failure to file a comparative financial statement for the financial year ended December 31, 2012 and a management’s discussion and analysis for the period ended December 31, 2012.

Mr. Bean was an officer of UGE when it became subject of a cease trade order issued by the BCSC on July 4, 2013 for UGE's failure to file financial statements and management's discussion and analysis for both the year ended December 31, 2012 and the three months ended March 31, 2013.

Mr. Bean was an officer of UGE when it became subject of a cease trade order issued by the Alberta Securities Commission on October 3, 2013 for UGE's failure to file financial statements and management's discussion and analysis for the year ended December 31, 2012, the three months ended March 31, 2013 and six months ended June 30, 2013.

Mr. Bean was an officer of UGE. UGE was dissolved in 2018. On March 4, 2013, Underground Energy, Inc. ("UEI"), the wholly-owned subsidiary of UGE, voluntarily filed for Chapter 11 creditor protection in the U.S. Federal Court. The filing was made in response to liens filed by creditors against UEI's principal properties. On January 5, 2015, the U.S. Federal Court approved a plan of reorganization, whereby the assets of UEI were managed by a trust, the trustees of which were representatives of the creditors. Over the ensuing years to December, 2017, the trust sold all assets, with proceeds going to the creditors. UEI was dissolved in 2015. The Underground Energy Trust bankruptcy case entity was officially closed in December, 2017. The parent company, UGE, was dissolved in 2018.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com under "Company Profiles – Avarone Metals Inc.". The Company's financial information is provided in the Company's comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above. Shareholders of the Company may request copies of the Company's financial statements and related management discussion and analysis by contacting the Company at toll-free 1-888-440-4601, sending an email to silvana@mosamventures.com or mailing to 610 - 700 West Pender Street, Vancouver, British Columbia V6C 1G8.

DATED at Vancouver, British Columbia, this 7th day of July, 2023.

BY ORDER OF THE BOARD OF DIRECTORS:

/s/ Marc Levy

Marc Levy
Chief Executive Officer

SCHEDULE “A”

AVARONE METALS INC. (the “Company”)

The following is the text of the current Charter of the Audit Committee (the “**Charter**”) as adopted by the Board on November 29, 2005. The Board of Directors may amend the Charter in the future in light of evolving corporate governance standards.

Audit Committee Charter

Overall Purpose / Objectives

The Audit Committee will assist the board of directors (the “Board”) in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company’s business, operations and risks.

Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.

Organization

Membership

The Audit Committee will be comprised of at least three members, who are directors, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the committee from time to time.

A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company Secretary, or such person nominated by the Chairman.

Attendance at Meetings

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting of the Audit Committee if they consider that it is necessary.

The proceedings of all meetings will be minuted.

Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside independent counsel whenever deemed appropriate.
- Review the annual and quarterly financial statements, including Management's Discussion and Analysis and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Evaluate the fairness of the interim financial statements and disclosures and obtain explanations from management on whether:
 - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (b) generally accepted accounting principles have been consistently applied;
 - (c) there are any actual or proposed changes in accounting or financial reporting practices; and
 - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.
- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- Review and approve the Company's hiring policies regarding partners, employers and former partners and employees of the present and former external auditors of the Company.

- Establish a procedure for:
 - (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- Perform other functions as requested by the full Board.
- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.
- Review and recommend updates to the charter; receive approval of changes from the Board.