



## MANAGEMENT INFORMATION CIRCULAR

(Containing information as of February 17, 2023, unless indicated otherwise)

This Management Information Circular (the “**Circular**”) furnished in connection with the solicitation of proxies by the management of **Supernova Metals Corp.** (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders to be held on **Tuesday, March 28, 2023 at 10:00 a.m. PT** at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our” refer to Supernova Metals Corp., and “common shares” means common shares without par value in the capital of the Company.

The **Meeting will be held in virtual-only format**, which will be conducted via Zoom. Registered Shareholders and validly appointed proxyholders may attend the Meeting at:

<https://us06web.zoom.us/j/86948937355?pwd=Z3crYWxWVXZlUzJ3MHNXMGFZS3V4UT09>

Meeting ID: 869 4893 7355

Passcode: 652740

Registered Shareholders who attend the Meeting will have an opportunity to participate at the Meeting, regardless of their geographic location.

## 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 Company at nominal cost. The Company will bear all costs of this solicitation.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **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.** If your common shares are held in physical form (i.e., paper form) and are registered in your name, then you are a registered shareholder (“**Registered Shareholder**”). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a beneficial shareholder (“**Beneficial Shareholder**”). The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

### 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, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.**

### **Registered Shareholders**

If you are a Registered Shareholder and wish to have your common shares voted at the Meeting, you will be required to submit your vote by Proxy. **Due to issues related to the verification of shareholder identity via Zoom, in-person voting will only be permitted if the Company's transfer agent, Endeavor Trust Corporation ("Endeavor Trust") is able to properly verify a shareholder's identity. The Company recommends all shareholders vote their common shares before the proxy cut-off date of 10:00 a.m. (Vancouver Time) on Friday, March 24, 2023 (the "Proxy Deadline").** Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation ("**Endeavor Trust**"), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet or by telephone as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is 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.**

Registered Shareholders electing to submit a Proxy may do so by:

- (a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (b) facsimile to 604.559.8908;
- (c) email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com); or
- (d) [www.eproxy.ca](http://www.eproxy.ca)

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold common shares in their own name. Beneficial Shareholders 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 Company as the registered holders of common shares).

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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 Company. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, 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).

There are two kinds of beneficial owners - those who object to their information being disclosed to the issuers of securities which they own ("**OBOs**" for "Objecting Beneficial Owners") and those who do not object to that information being disclosed to the issuers of the securities they own ("**NOBOs**" for "Non-Objecting Beneficial Owners").

Pursuant to National Instrument 54-101 of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Endeavor Trust in the envelope provided or by facsimile. In addition, Endeavor Trust provides both telephone and Internet voting as described on the VIF, which contains complete

instructions. Endeavor Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs, under National Instrument 54-101, the proxy-related materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary. As a result, an OBO will not receive the materials unless the OBO’s intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has mailing procedures and provides return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted for the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a voting instruction form (the “**Broadridge VIF**”) similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over 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. If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend the Meeting and vote your common shares.

### **Voting by Proxy Generally**

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by **10:00 am PT on Friday, March 24, 2023** so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, Canada, V6J 4M6. **Proxies will only be accepted at the Meeting if Endeavor Trust is able to verify a shareholder’s identity. The Company recommends all shareholders vote their common shares before the Proxy Deadline of 10:00 am (Vancouver Time) on Friday, March 24, 2023.**

As there will be no in-person attendance or voting at the Meeting, votes received by the Proxy Deadline for each matter set out in the notice of meeting will be tabulated in advance of the Meeting by Endeavor Trust and compiled in a proxy report respecting Proxies held by the individuals named in the accompanying Proxy or voting instruction form and an appointee summary respecting Proxies held by non-management proxyholders (collectively, the “**Proxy Report**”). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Since no in-person voting will be permitted due to the inability to verify a shareholder’s identity over web broadcast and voting results respecting matters set out in the notice of meeting will be determined solely based on the voting results set out in the Proxy Report, no ballots will be permitted at the Meeting. All results will be determined by reference to the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

## **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 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 Endeavor Trust at Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the registered and records office of the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, Canada V6J 4M6, 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.

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

## **Notice to United States Shareholders**

The Company's common shares are not registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and this solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Residents of the United States should be aware that applicable Canadian proxy solicitation rules differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company's shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada, and reconciled to accounting principles generally accepted in the United States.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, 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, the appointment of the auditor and as may be set out herein.

## **VOTES NECESSARY TO PASS RESOLUTIONS**

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.

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

The board of directors (the "**Board**") of the Company has fixed **February 17, 2023** as the record date (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 vote their common shares via the internet or by telephone as per the instructions provided on the Proxy or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to have their common shares voted at the Meeting.

As at the Record Date, there were 11,345,148 common shares issued and outstanding, each carrying the right to one vote.

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 Endeavor Trust and will be available at the Meeting.

Other than as set out below, to the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company. The financial statements for the year ended December 31, 2021, report of the auditor and related management and discussion and analysis were filed on [www.sedar.com](http://www.sedar.com) with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario and are specifically incorporated by reference into, and form an integral part of, this Circular.

Name	Number of Common Shares Beneficially Owned	Percentage of Issued Share Capital <sup>(2)</sup>
Sean McGrath	2,268,758 <sup>(1)</sup>	19.99%

- (1) Of these 2,268,758 common shares, 1,459,234 common shares are held directly by Mr. McGrath and 809,254 common shares are held by 1267911 BC Ltd., a company owned and operated by Mr. McGrath.
- (2) Based on the issued and outstanding common shares of 11,345,148 as at the Record Date.

#### SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors be fixed at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

#### ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as a director (a "proposed director"), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company 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 the Record Date.

Name of Nominee; Current Position with the Company, Province and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
Sean McGrath British Columbia, Canada <i>CEO and Director</i>	Chartered professional accountant providing financial consulting services through SCM Consulting Corp. since April 1997.	July 11, 2011	2,268,758 <sup>(3)</sup>

<b>Name of Nominee; Current Position with the Company, Province and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>Ken Brophy<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	President of Ram River Coal Corp., a private Canadian company holding a 100% interest in the Ram River property, that contains two well-defined metallurgical coal deposits located in Alberta, Canada.	September 19, 2019	1,215,380 <sup>(4)</sup>
<b>Roger March<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	Senior Geoscientist for Foran Mining Corporation.	September 3, 2020	171,875
<b>Dr. Kent E. Ausburn<sup>(2)</sup></b> <i>Director</i>	Senior exploration geologist and mining-entrepreneur.	January 4, 2021	Nil

- (1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) Member of Audit Committee.
- (3) Of these 2,268,758 common shares, 1,459,234 common shares are held directly by Mr. McGrath and 809,254 common shares are held by 1267911 BC Ltd., a company owned and operated by Mr. McGrath.
- (4) Of these 1,215,380 common shares, 385,988 common shares are held directly by Mr. Brophy and 829,392 common shares are held by Accession Management Consulting Ltd., a company owned and operated by Mr. Brophy.

None of the proposed directors of the Company are to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and officers of the Company acting solely in such capacity.

### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

As at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (c) is as at the date of this Circular or has been within 10 years before the date of this Circular, a director or executive officer of any company, including the Company, 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; 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, arrangements or compromise with creditors, or had a receiver, receiver-manager as trustee appointed to hold the assets of that individual.

None of the proposed directors (or any of their 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 a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **APPOINTMENT OF AUDITOR**

On January 23, 2023, Davidson & Company LLP, Chartered Professional Accountants (“**Davidson & Company**”), resigned as auditor of the Company, and on the same day, the Company appointed Saturna Group, Chartered Professional Accountants LLP (“**Saturna Group**”), as the successor auditor. The reporting package required by National Instrument 51-102 Continuous Disclosure Obligations regarding the change of auditor is attached to this Circular as Schedule “A” and was filed on SEDAR on January 23, 2023 at [www.sedar.com](http://www.sedar.com).

Saturna Group LLP, Chartered Professional Accountants will be nominated at the Meeting for appointment as auditor of the Company at a remuneration to be fixed by the Board.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

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

#### **The Audit Committee’s Charter**

The Audit Committee has a charter. The copy of the Audit Charter is attached to the Company’s management information circular dated March 9, 2021 which was filed on SEDAR at <https://www.sedar.com/> on March 22, 2021 and is specifically incorporated by reference into, and forms an integral part of, this Circular.

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

The current members of the Audit Committee are Ken Brophy (Chair), Roger March and Dr. Kent E. Ausburn. All members of the Audit Committee are considered to be financially literate. Mr. March and Dr. Ausburn are independent members of the Audit Committee. Mr. Brophy was the CFO of the Company, resigning on December 5, 2022 and therefore, is not considered independent.

All members are considered to be financially literate. A member of the Audit Committee is considered 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.

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.

None of the members of the Audit Committee were, during the most recently completed financial year, an officer or employee of the Company or any of its subsidiaries, except for Ken Brophy who served as CFO of the Company. None of the members of the Audit Committee are or have been indebted to the Company or any of their respective subsidiaries nor had any interest in any material transaction involving the Company or its subsidiaries or was an executive officer of the Company and also served as a director or member of the compensation committee of another issuer, one of whose executive officers served either on the compensation committee of the Company or as a director of the Company, except for Ken Brophy, who is the CFO of the Company.

The mandate of the Audit Committee is to review and make recommendations to the Board concerning the appointment of executive officers of the Company and the hiring, compensation, benefit and termination of senior executive officers and all other key employees of the Company.

## Relevant Education and Experience

**Ken Brophy** is the CEO of Intrepid Metals Corp, a copper exploration company listed on the TSX Venture Exchange, as well as President of Ram River Coal Corp., a private Canadian company with a development stage metallurgical coal project located in Alberta, Canada. Mr. Brophy's career comprises over 20 years of experience in the mining and energy sectors, with the last 10 years focused primarily on advancing and de-risking development-stage projects. Mr. Brophy is an experienced executive with a successful record of building and leading teams through strategic planning and regulatory approvals, and has proven strengths in negotiations, as well as government, indigenous and stakeholder relations.

**Roger March** has over 30 years of progressive exploration and management experience, focused mainly on the design, implementation and supervision of advanced exploration programs. He is currently Senior Geoscientist with Foran Mining Corporation, following 10 years as VP Exploration / Project Exploration, where he has been part of the team responsible for resource growth from 12.7 Mt to 44.1 Mt and the completion of prefeasibility and feasibility level studies for the McIlvenna Bay VHMS deposit located in the Flin Flon Greenstone Belt in Saskatchewan which is currently being permitted for development. Previously, Mr. March spent 11 years with Cumberland Resources Ltd. where he was part of the team responsible for the completion of prefeasibility and feasibility level studies for the Meadowbank Gold Project in the Canadian arctic, including resource increases from 0.8 million to over 4 million ounces of gold. The Meadowbank Gold Project was acquired by Agnico-Eagle Mines Ltd. in 2007. Mr. March is a Professional Geoscientist with the PEGNL and holds a B.Sc. (Hons.) degree from Memorial University of Newfoundland.

**Dr. Kent E. Ausburn** is a senior exploration geologist and mining-entrepreneur with over 31 years of worldwide experience in the exploration/mining industry. Throughout his career Dr. Ausburn has been involved in several significant ore deposit discoveries and development, including the Castle Mountain Au Mine, Bullfrog Au Mine, and Morning Star Au Mine. He was the co-founder and VP Exploration of Tournigan Gold Corporation, where he was responsible for the identification, generation, and acquisition of a high-quality portfolio of gold projects in Northern Ireland (Curraghinalt Au deposit) and Slovakia (Kremnica Au deposit), and uranium projects in Slovakia (Kuriskova U deposit) and western USA (Wyoming, Arizona, South Dakota). Currently, he is focused on recognizing, acquiring, financing, and exploring/developing quality mineral deposits throughout the world. He is associated with an international network of technical and financing-oriented mining professionals.

Each member of the Audit Committee has adequate education and experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) 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 external auditor, other than Saturna Group.

## Reliance on Certain Exemptions

The Company is relying upon the exemptions in section 6.1 of NI 52-110 in respect of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) under NI 52-110.



## Pre-Approval Policies and Procedures

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires pre-approval by the Audit Committee of all audit and non-audit services provided by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company for the years ended December 31, 2021 and December 31, 2020 to the Company to ensure auditor independence. The following table outlines the fees incurred with Davidson & Company, the former auditor of the Company, for audit and non-audit services in the last two fiscal years.

<u>Nature of Services</u>	<u>Fees Paid to Auditor in Year Ended December 31, 2021</u>	<u>Fees Paid to Auditor in Year Ended December 31, 2020</u>
Audit Fees <sup>(1)</sup>	\$36,439	\$30,000
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	<u>Nil</u>	<u>Nil</u>
<b>Total:</b>	<b><u>\$36,439</u></b>	<b><u>\$30,000</u></b>

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's 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 include 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 a company whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board 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 contribute to effective and efficient decision-making.

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### Board of Directors

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

The Company's Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Company's Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Company's Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board are Roger March and Dr. Kent Ausburn.

The non-independent members of the Board are Sean McGrath, CEO of the Company and Ken Brophy, the former CFO of the Company. Mr. Brophy resigned as CFO of the Company on December 5, 2022.

### **Other Directorships**

Mr. McGrath is currently a director of Sierra Madre Gold and Silver Ltd., Lot 49 Capital Corp., Heartfield Mining Corp., Blanton Resources Corp. and Reverend Mining Corp.

Mr. Brophy is currently a director of Blanton Resources Corp. and Intrepid Metals Corp.

Dr. Ausburn is currently a director of American Potash Corp.

### **Orientation and Continuing Education**

Due to the Company's small size and the fact that the Company recruits only directors with public company experience, the Company does not currently have a formal orientation program. However, existing members of the Board will provide any new director with a review of a director's fiduciary duties and the Company's expectations of its directors in terms of time and effort, as well as the Company's business, strategic plans, management issues, and corporate governance policies.

In terms of continuing education, directors are encouraged to keep themselves current with industry trends and changes in legislation by liaising with management and the Company's counsel, attending industry-related events and other educational seminars. The cost of continuing education activities will be borne by the Company.

### **Ethical Business Conduct**

The Board has adopted and maintains a code of ethics that applies to the Company's directors, officers and employees. The purpose of the code is to provide guidance and prohibit unethical behaviour with respect to issues such as conflicts of interest, confidentiality, whistleblowing, protection of corporate assets and opportunities, and compliance with laws and regulations. Furthermore, directors are frequently reminded to consider whether they are in a conflict of interest by virtue of serving as directors or officers in other companies or holding an interest in a transaction or agreement. A director in such circumstances is advised to disclose his or her interest in a transaction or agreement, and if the Board considers the interest to be material, such director must abstain from discussing and voting on the matter.

### **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 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. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Other Board Committees**

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

## Assessments

Members of the Board are expected to continually evaluate the effectiveness of the Board, its committees and fellow directors by considering the accomplishment, or lack thereof, of the Company's goals.

## STATEMENT OF EXECUTIVE COMPENSATION

### Executive Compensation

In this section "Named Executive Officer" ("NEO") means the CEO, 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 Company at the end of the most recently completed financial year.

During the year ended December 31, 2021, the Company had two NEOs: Sean McGrath, the CEO of the Company, and Ken Brophy, the former CFO of the Company. For greater clarity, Mr. McGrath served as CFO of the Company until March 16, 2021 and Mr. Brophy served as CFO of the Company until December 5, 2022.

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board receives independent competitive market information on compensation levels for executives.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options (the "Options") and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

### Philosophy and Objectives

The Company's compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its stock option plan.

### Equity Participation

The Company 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 has been accomplished through the issuance of founder's shares and the Company's stock option plan. Options are granted to executives and employees taking into account a number of factors, including the amount and term of Options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of Options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

## Option-Based Awards

Equity participation is accomplished through the Company’s 10% rolling omnibus incentive plan (the “**Plan**”) dated for reference October 26, 2022. Options and restricted share units (“**RSUs**”) are granted to executives and employees taking into account a number of factors, including the amount and term of Options and RSUs previously granted, base salary and bonuses and competitive factors. The amounts and terms of Options and RSUs granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company’s limited financial resources, the Company emphasizes the provisions of Option and RSU grants to maintain executive motivation.

The Company proceeded with the adoption of the Plan which replaces the Company’s Option plan dated for reference September 21, 2011 and the RSU plan dated for reference September 9, 2020.

See *Particulars of Matters to be Acted Upon – Approval of Omnibus Incentive Plan*

## Summary Compensation Table

Table of compensation excluding compensation securities							
Name and principal position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Sean McGrath</b> <sup>(2)</sup> CEO and Former CFO	2021	Nil	Nil	Nil	Nil	162,000	162,000
	2020	Nil	Nil	Nil	Nil	132,000	132,000
	2019	Nil	Nil	Nil	Nil	69,500	69,500
<b>Ken Brophy</b> <sup>(3)</sup> Former CFO	2021	Nil	Nil	Nil	Nil	90,000	90,000
	2020	N/A	N/A	N/A	N/A	89,500	89,500
	2019	N/A	N/A	N/A	N/A	16,500	16,500

(1) For the financial years ended December 31.

(2) Mr. McGrath has served as CEO of the Company since February 28, 2020, and served as CFO of the Company from July 14, 2011 to March 16, 2021.

(3) Mr. Brophy served as CFO of the Company from March 16, 2021 to December 5, 2022.

## Incentive Plan Awards

### Outstanding Option-Based Awards

Pursuant to the Plan, the Company may grant up to 10% of the issued and outstanding common shares of the Company.

The following table sets out all option-based awards outstanding as at December 31, 2021 for each NEO. There were no share-based awards granted to any of the NEOs:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date
<b>Sean McGrath</b> CEO and Former CFO	Nil	N/A	N/A
<b>Ken Brophy</b> Former CFO	Nil	N/A	N/A

The following table sets out all RSUs outstanding as at December 31, 2021 for each NEO.

Name and Principal Position	Number of Securities Underlying Unexercised RSUs (#)	RSU Expiration Date
<b>Sean McGrath</b> CEO and Former CFO	112,500	December 31, 2024
<b>Ken Brophy</b> Former CFO	112,500	December 31, 2024

#### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year ended December 31, 2021 for Options and RSUs awarded for the NEO, as well as the value earned under non-equity incentive plans for the same period.

Name	Option-based Awards - Value Vested During the Year (\$)	Share-based Awards - Value Vested During the Year (\$)	Non-equity incentive Plan Compensation Value Earned During the Year (\$)
<b>Sean McGrath</b> CEO and Former CFO	Nil	N/A	N/A
<b>Ken Brophy</b> Former CFO	Nil	N/A	N/A

#### Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

#### Director Compensation

Table of compensation excluding compensation securities							
Name and principal position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Roger March</b> Director	2021	Nil	Nil	Nil	Nil	4,150	4,150
	2020	Nil	Nil	Nil	Nil	13,432	13,432
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Dr. Kent Ausburn</b> Director	2021	Nil	Nil	Nil	Nil	17,722	17,722
	2020	Nil	Nil	Nil	Nil	N/A	N/A
	2019	Nil	Nil	Nil	Nil	N/A	N/A
<b>J. Lewis Dillman</b> Former Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	12,000	12,000
	2019	Nil	Nil	Nil	Nil	12,000	12,000

- (1) For the financial years ended December 31.
- (2) Mr. March has served as a director of the Company since September 3, 2020.
- (3) Mr. Ausburn has served as a director of the Company since January 4, 2021.
- (4) Mr. Dillman resigned as a director of the Company on January 4, 2021.

### Outstanding Option-Based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended December 31, 2021, including awards granted before the most recently completed financial year.

Name	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date
<b>Ken Brophy</b> Director	Nil	N/A	N/A
<b>Roger March</b> Director	Nil	N/A	N/A
<b>J. Lewis Dillman</b> Former Director	Nil	N/A	N/A

The following table sets out all RSUs outstanding as at December 31, 2021 for each director, other than those who are also NEOs of the Company:

Name and Principal Position	Number of securities underlying unexercised RSUs (#)	RSU Expiration Date
<b>Ken Brophy</b> Director	112,500	December 31, 2024
<b>Roger March</b> Director	25,000	December 31, 2024
<b>J. Lewis Dillman</b> Former Director	Nil	N/A

### Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, for involvement in special assignments during the most recently completed financial year.

The Company has a Plan for the granting of Options and RSUs to the directors, officers, employees and consultants. The purpose of granting such Options and RSUs is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

The following table sets out equity compensation plan information as at the financial year ended December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights	Weighted-average exercise price of outstanding Options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	375,000	\$N/A	Nil
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total:</b>	<b>375,000</b>		<b>Nil</b>

- (1) Represents the number of common shares reserved for issuance under the Plan and RSU Plan as of December 31, 2021.
- (2) Represents the maximum number of additional common shares remaining available for future issuance under the Plan and RSU Plan based on 10,235,624 common shares outstanding as of December 31, 2021.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At no time during the Company's last completed financial year or as at the date of this Circular, was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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

To the knowledge of Company management, no informed person (a director, officer or holder of 10% or more of the common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries since the commencement of the Company's last completed financial year, or has any interest in any material transaction in the current year other than as set out herein.

### **MANAGEMENT CONTRACTS**

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

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

#### ***Approval of Omnibus Incentive Plan***

The Company currently has adopted the Plan, being a 10% rolling omnibus proxy plan, dated for reference October 26, 2022. The Plan replaces the Company's Option plan dated for reference September 21, 2011 and the RSU plan dated for reference September 9, 2020. Pursuant to the Plan, the aggregate number of common shares that may be reserved for the issuance of Awards, as defined in the Plan, is 10% of the outstanding common shares of the Company at the time of grant of the Award, less any common shares reserved for issue under any other share compensation arrangement other than the Plan.

The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in compensation with other companies in the industry.

The Company received Board approval to the adoption of the Plan on October 26, 2022.

As at the date of this Circular, there were 11,345,148 common shares issued and outstanding. Accordingly, under the Plan the Company has the authority to grant Options and issue RSUs to purchase up to a total of 1,134,514 common shares, calculated as at the date of this Circular. At the date of this Circular, there were no Options granted under the Plan and 75,000 RSUs granted and outstanding under the Plan, representing approximately 0.66% of the outstanding common shares in the capital of the Company.

Any Award issued or granted pursuant to an Option or RSU plan previously adopted by the Board which is outstanding at the time the Plan comes into effect shall be deemed to have been issued under the Plan and shall, as of the date the Plan comes into effect, be governed by the terms and conditions hereof.

Unless otherwise defined herein, capitalized terms used herein have the meanings ascribed to them in the Plan.

#### ***Material Terms of the Plan***

The following is a summary of the material terms of the Plan:

- a) Only Service Providers are eligible to participate in the Plan and receive one or more Awards (defined below). It shall be the responsibility of the Company and the Participant to ensure that such Participant is a bona fide Service Provider.
- b) Unless Disinterested Shareholder Approval is obtained:
  - i. the maximum number of Plan Shares (defined below) which may be reserved for issuance to Insiders (as a group) under the Plan, together with common shares issuable under any other Share Compensation Arrangement, shall not exceed 10% of the outstanding shares calculated as of the date of the grant of the Award;
  - ii. the maximum number of Plan Shares that may be made issuable to Insiders (as a group) together with Shares issuable any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the outstanding shares calculated as of the date of the grant of the Award; and
  - iii. subject to Section 1.1(1)ii of the Plan, the maximum number of Plan Shares that may be made issuable pursuant to Awards or issued to, together with common shares made issuable or issued under any other Share Compensation Arrangement, to any one Service Provider under the Plan, within a 12-month period, shall not exceed 5% of the outstanding shares calculated on the date of the grant of the Award or issue of the Plan Shares, as applicable;
- c) The maximum number of Plan Shares which may be made issuable to any one Consultant, together with any other Share Compensation Arrangement, within a 12-month period, shall not exceed 2% of the number of outstanding shares as of the date of the grant of the Award.
- d) Service Providers providing investor relations activities may only be granted Options under the Plan and are not eligible to receive RSUs;
- e) Options granted to Investor Relations Service Providers will vest (i) at a minimum over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting, or (ii) such longer vesting period as the Board may determine;
- f) The maximum number of Plan Shares that may be made issuable pursuant to Options granted to Investor Relations Service Providers shall not exceed 2% of the outstanding shares;
- g) Upon grant of Awards to Service Providers the Company must ensure that the proposed recipient is a bona fide "Service Provider" of the Company or its affiliates, as defined in the Plan;
- h) A Service Provider is a person who is a director, officer, employee, management company employee, Consultant or company Consultant to the Company;
- i) The Board is responsible for administration of the Plan and all grants and exercises pursuant thereto, but may delegate such administration to a committee of the Board;
- j) Unless the Board at any time otherwise determines, all unvested RSUs held by any RSU recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a termination arising from the termination of employment or removal from service by the Company or a related entity for cause, retirement of the RSU recipient or the voluntary resignation by the RSU recipient. In situations where the Board exercises its discretion under Section 4.4 of the Plan, in no case shall the RSUs, subject to such discretion, be valid beyond one year from the date of termination;
- k) Unless the Board at any time otherwise determines, if a RSU recipient ceases to be a Service Provider for any of the following reasons, unvested RSUs will immediately vest on the date the RSU recipient ceases to be a Service Provider:
  - (A) death or total disability of a RSU recipient;



- (B) the termination of employment or removal from service by the Company or a related entity without cause; and
- (C) the termination of employment by the RSU recipient other than by way of retirement of the RSU recipient or voluntary resignation by the RSU recipient.

In situations where the Board exercises its discretion under section 4.4 of the Plan, in no case shall the RSUs, subject to such discretion, be valid beyond one year from the date of termination.

- l) Options can be exercisable for a maximum of 10 years from the Option effective date; provided, however, if the Option price is required under section 6.2 of the Plan to be at least 110% of fair market value, each such Option shall terminate not more than five (5) years from the date of the grant thereof, and shall be subject to earlier termination as provided in the Plan;
- m) Subject to Section 6.8(a) of the Plan, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable;
- n) If an Optionee dies, any vested option held by the Optionee at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- o) At the discretion of the Board, Options may be granted with vesting provisions. However, in all cases where options are granted to Consultants conducting Investor Relations activities those Options will have vesting provisions;
- p) An Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- q) In the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- r) The exercise price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price, and in the case of a Service Provider employed or performing services in the United States or otherwise subject to Section 409A or Section 422 of the Code, shall not be less than Fair Market Value on the date of grant. If the Optionee owns directly or by reason of the applicable attribution rules more than 10% of the total combined voting power of all classes of stock of the Company, the Option price per share of the Shares covered by each Option which is intended to be an Option shall be not less than one hundred ten percent (110%) of the Fair Market Value on the date of the grant;
- s) Vesting of Options will be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period;
- t) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan;

- u) Disinterested shareholder approval, as defined in the Plan, is required for: (i) a Service Provider to be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements of the Company granted to such Service Provider in the previous 12 months, exceeds 5% of the Outstanding Shares; (ii) to allow for: the aggregate number of common shares reserved for issuance under Options granted to Insiders exceeds 10% of the Outstanding Shares, together with any other Share Compensation Arrangement, in the event that the Plan is amended to reserve for issuance more than 10% of the Outstanding Shares, the number of Optioned Shares issued to Insiders within a one-year period exceeds 10% of the Outstanding Shares, together with any other Share Compensation Arrangement, in the event that the Plan is amended to reserve for issuance more than 10% of the Outstanding Shares, the issuance to any one Optionee, within a 12-month period, a number of Common Shares exceeding 5% of the Outstanding Shares, and the aggregate number of Options granted to any one Consultant, together with any other Share Compensation Arrangement, within a 12-month period, shall not exceed 2% of the number of outstanding shares as of the date of grant (iii) to effect a reduction in the Exercise Price of an Option previously granted to an Insider; or (iv) to extend the term of an outstanding Option or outstanding Options held by an Insider;
- v) The Board may, in its absolute discretion, amend or modify the Plan or any Option granted pursuant to the Plan to: (i) make amendments which are of a typographical, grammatical or clerical nature only; (ii) change the vesting provisions of an Option granted hereunder (iii) change the termination provision of an Option granted pursuant to the Plan, which does not entail an extension beyond the original Expiry Date of such Option; (iv) make amendments necessary as a result in changes in securities laws applicable to the Company; (v) make such amendments as may be required by the policies of any senior stock exchange or stock market on which the Company may become listed or quoted; and (vi) make such amendments as reduce, and do not increase, the benefits of the Plan to Service Providers.

### ***Shareholder Approval***

At the Meeting, disinterested shareholders will be asked to consider and vote on the ordinary resolution to approve the new Plan, with or without variation, as follows:

#### **“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The omnibus incentive plan (the “**Plan**”), dated for reference October 26, 2022 as more particularly described in the information circular of the Company dated February 17, 2023, be ratified, confirmed and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.
3. The Company be authorized to grant stock options (“**Options**”) and restricted share units (“**RSUs**”) pursuant and subject to the terms and conditions of the Plan.
4. The outstanding Options and RSUs which have been granted prior to the implementation of the Plan shall, for the purpose of calculating the number of stock options and restricted share units that may be granted under the Plan, be treated as Options and RSUs granted under the Plan.
5. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

#### **The Board recommends that shareholders vote in favour of the Plan.**

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry. 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 Secretary of the Company at telephone number (604) 634-0970.

“**Awards**” means an Option or an RSU.

“**Disinterested Shareholder Approval**” means the approval by a majority of the votes cast by all shareholders of the Company at the Meeting excluding votes attached to listed common shares beneficially owned by Insiders (defined below) of the Company and Associates (as defined in the British Columbia *Securities Act*) of Insiders.

An “**Insider**” is a director, or senior officer of the Company, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting common shares carrying more than 10% of the voting rights attached to all outstanding voting common shares of the Company.

“**Plan Shares**” means the total number of common shares which may be reserved for issuance under the Plan.

### **ADDITIONAL INFORMATION**

Financial information is provided in the audited financial statements of the Company for the fiscal year ended December 31, 2021 and in the related management discussion and analysis (together, the “**Financial Statements**”). The Financial Statements were filed on SEDAR on April 22, 2022 at <https://www.sedar.com/> and will be placed before the Meeting.

Additional information relating to the Company and a copy of the Financial Statements may be obtained at [www.sedar.com](http://www.sedar.com), and upon request from the Company at Suite 400 – 1681 Chestnut Street, Vancouver, BC, V6J 4M6, telephone: (604) 737-2303 or fax: (604) 737-1140. Copies of the above documents will be provided, upon request, free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Circular.



Supernova Metals Corp.  
1090 Hamilton Street  
Vancouver, BC V6B 2R9, Canada  
[www.supernovametals.com](http://www.supernovametals.com)

VIA SEDAR

January 23, 2023

To: Alberta Securities Commission  
British Columbia Securities Commission  
Ontario Securities Commission  
Saturna Group Chartered Professional Accountants LLP ("SG")  
Davidson & Company LLP, Chartered Professional Accountants ("DC")

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditors dated effective November 24, 2022  
Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*  
(the "Instrument") of the Canadian Securities Administrators**

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Pursuant to Section 4.11 of the Instrument, Supernova Metals Corp. ("**Supernova**") hereby informs you of the following:

1. At the request of Supernova, DC has resigned as auditor of Supernova on January 23, 2023.
2. On January 23, 2023, Supernova has appointed SG to replace DC as auditor.
3. The resignation of DC and the appointment of SG were considered and recommended by the Audit Committee of Supernova and approved by the Board of Directors of Supernova.  
  
At the next annual general meeting of the Supernova, the shareholders of the Supernova will be asked to approve the appointment of the firm, SG as Successor Auditors.
4. DC expressed no modified opinion with respect to its audit reports for the years ended December 31, 2021 and 2020.
5. There were no reservations contained in the DC's Reports for either of the Company's two most recently completed fiscal years or for any period subsequent thereto for which an audit report was issued, preceding the date of this notice.
6. There are no reportable events with respect to the audit for the years ended December 31, 2021 and 2020.

Supernova requested that each of SG and DC provide the Company with a letter, in digital format, addressed to the regulatory authorities stating whether or not it agrees with the above statements.

**SUPERNOVA METALS CORP.**

*"Sean McGrath"*  
Sean McGrath  
Director & CEO

January 23, 2023

British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

**Re: Supernova Metals Corp. (the “Company”)**

We have read the statements made by the Company in the Notice of Change of Auditor (the “Notice”) dated January 23, 2023. We agree with the statements in the Notice.

Yours truly,

SATURNA GROUP CHARTERED PROFESSIONAL ACCOUNTANTS LLP



*Saturna Group LLP*

January 23, 2023

**British Columbia Securities Commission**

PO Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

**Ontario Securities Commission**

20 Queen Street West, 19<sup>th</sup> Floor, Box 55  
Toronto Ontario  
M5H 3S8

**Alberta Securities Commission**

600, 250 – 5<sup>th</sup> Street S.W.  
Calgary, AB  
T2P 0R4

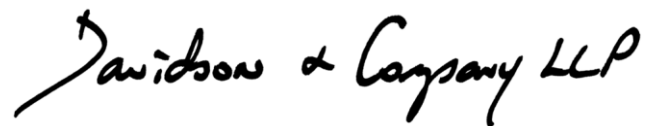
Dear Sirs / Mesdames

**Re: Supernova Metals Corp. (the "Company")**  
**Notice Pursuant to NI 51 – 102 of Change of Auditor**

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated January 23, 2023 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,



**DAVIDSON & COMPANY LLP**

Chartered Professional Accountants

**cc: Canadian Securities Exchange**

