

**MANAGEMENT INFORMATION CIRCULAR**

**GENERAL PROXY INFORMATION  
INFORMATION CIRCULAR  
as at September 6, 2024**

**This Information circular is furnished in connection with the solicitation of proxies by management of La Imperial Resources Inc. for use at the Annual General meeting of shareholders to be held on October 11, 2024 (the “Meeting”) at and any adjournment thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of September 6, 2024.**

In this Information Circular, references to the “**Corporation**”, “**we**” and “**our**” refer to La Imperial Resources Inc. “**Common Shares**” or “**Shares**” means common shares without par value in the capital of the Corporation. “**Registered Shareholders**” means shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name. “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. The Corporation will forward the meeting materials to Non-Registered Shareholders.

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer 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 issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions

**Appointment and Revocation of Proxies**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers of the Corporation. If you are a Registered Shareholder, you have the right to vote by proxy and 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.

Every Proxy may be revoked by an instrument in writing:

- a) executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a company, by a duly authorized officer or attorney, of the company; and

delivered either to the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting or any adjournment of it, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner provided by law.

**Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.**

## **Voting by Proxyholder**

If you have the right to vote by proxy, 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:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein,
- (iii) any other matter that properly comes before the Meeting, and
- (iv) exercise of discretion of Proxyholder.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.** Management is not currently aware of any other matters that could come before the meeting.

## **Voting by Registered Shareholders**

If you are a Registered Shareholder you may wish to vote by proxy whether or not you 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 Corporation's transfer agent, **COMPUTERSHARE INVESTOR SERVICES INC. (the "Transfer Agent"), Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1**, in accordance with the instructions on the Proxy.

You may also vote by telephone or via the Internet. To vote by telephone, in Canada and the United States only, call 1-866-732-8683 from a touch tone phone. When prompted, enter your Control Number listed on the proxy and follow the voting instructions. To vote via the Internet, go to [www.investorvote.com](http://www.investorvote.com) and enter your Control Number listed on the proxy and follow the voting instructions on the screen.

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.

## **IMPORTANT INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

### **Voting by Non-Registered Shareholders**

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the shareholder's Intermediary. 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).

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

### ***If you are a Non-Registered Shareholder:***

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object (called "NOBOs" for Non-Objecting Beneficial Owners). Issuers can request and obtain a list of their NOBOs from intermediaries via their transfer agents, pursuant to National Instrument 54-101 entitled, "Communication with Beneficial Owners of Securities of Reporting Issuers" ("NI 54-101") and issuers can use this NOBO list for distribution of proxy-related materials directly to NOBOs. The Corporation has decided to take advantage of those provisions of NI 54-101 that allow it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a voting instruction from the Corporation. These voting instruction forms are to be completed and returned to the Transfer Agent in the envelope provided or by any other voting methods described on the voting instruction form

itself, which contains complete instructions regarding voting procedures. The Transfer Agent will tabulate the results of the voting instruction forms received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by voting instruction forms they receive.

With respect to OBOs, the voting instruction form supplied to you by your Intermediary will be similar to the Proxy provided to the Registered Shareholders by the Corporation. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Most Intermediaries 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 in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Corporation), other than the persons designated in the voting instruction form, 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 voting instruction form. The completed voting instruction form 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 voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the voting instruction form 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.** In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to OBOs. However, the Corporation does not intend to pay for intermediaries to forward to OBOs the meeting materials. As a result, an OBO will not receive the meeting materials unless the OBO's Intermediary assumes the cost of delivery.

Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or person designated by you, may attend at the Meeting as proxyholder for your Intermediary 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 you Intermediary, 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 Intermediary in accordance with the instructions provided by such Intermediary, well in advance of the Meeting.

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

Except as disclosed herein, no person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and the appointment of auditors and as set out herein. For the purpose of this paragraph, “Person” shall include each person: (a) who has been a director, senior officer or insider of the Corporation at any time since the commencement of the Corporation’s last fiscal year; (b) who is a proposed nominee for election as a director of the Corporation; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

#### **RECORD DATE AND QUORUM**

The board of directors (the “**Board**”) of the Corporation has fixed the record date for the Meeting as the close of business on September 6, 2024 (the “**Record Date**”). Corporation shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their shares at the Meeting.

Under the Corporation’s articles, the quorum for the transaction of business at the Meeting consists of 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.

#### **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The authorized capital of the Corporation consists of an unlimited number of Shares without par value, and an unlimited number of preferred shares without par value. As of the date of this Circular, 12,085,970 Shares were issued and outstanding. Each Share held as of the Record Date is entitled to one vote.

The outstanding Shares are listed for trading on the Canadian Stock Exchange (the “**CSE**”).

To the knowledge of the directors and executive officers of the Corporation, there are no beneficial owners or persons exercising control or direction over Corporation carrying more than 10% of the outstanding voting rights.

As of the date hereof, the directors, insiders, and executive officers of the Corporation, as a group, owned beneficially, directly or indirectly, or exercised control or direction over no Common Shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Financial Statements

The financial statements of the Corporation for the years ended August 31, 2020, 2021, 2022, and 2023 and the auditors' report thereon accompanying this Management Information Circular will be placed before the Shareholders at the Meeting. Shareholders who wish to receive annual and interim financial statements are encouraged to send the enclosed notice, in the addressed envelope Computershare Trust Company of Canada.

### 2. Election of Directors

The term of office of each of the present directors expires at the Meeting. **The persons named below will be presented for election at the Meeting as management's nominees.** Management does not contemplate that any of these nominees will be unable to serve as a director.

Each director elected will hold office until our next annual general meeting or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Corporation's Articles or with the provisions of the *Business Corporations Act* (British Columbia) ("Business Corporations Act").

At the Meeting, we will ask shareholders to vote for the election of the four nominees proposed by us as directors. Each holder of Common Shares will be entitled to cast their votes for or withhold their votes from the election of each director.

#### *Nominees*

The following provides information on the four nominees proposed for election as directors, the Province or State and Country in which each is ordinarily resident and the period during which each has served as a director.

The table below details the principal occupation of each nominee during the last five years. In addition, the table details the nominees' current equity ownership consisting of common shares beneficially owned, directly or indirectly, or controlled or directed, options and warrants (each equivalent in value to a common share) credited to each nominee as at September 6, 2024.

**The Corporation's Board of Directors recommends a vote "FOR" the appointment of each of the following nominees as Directors. In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election of the directors set out in the following table.**

Name, Residence and Present Office Held	Principal Occupation or Employment	Director Since	Number of Common Shares Beneficially Owned or Controlled <sup>(1)</sup> and percentage of total issued and outstanding
Marilyn Miller <sup>(2)</sup> <i>President, CEO and Director</i> Vancouver British Columbia, Canada	Businessperson/Consultant	October 4, 2010	Nil
Willie Kuschner <sup>(2)</sup> Director Vancouver, British Columbia, Canada	Geologist	September 30, 2019	Nil
Gary MacDonald <i>CFO and Director</i> Vancouver British Columbia, Canada	Business and Mining Consultant	February 6, 2012	Nil
Koby Kushner <sup>(1)</sup> <i>Director</i> Toronto, Ontario, Canada	CEO of Libra Lithium Corp., since April 2023, Former Equity Research at Red Cloud Securities, from September 2020 to March 2023, Mine Engineer, Pure Gold Mining Inc. from March 2018 to December 2019	June 10, 2024	Nil

#### Notes:

- (1) The information as to the number of Common Shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective nominees. These figures do not include any securities that are convertible into or exercisable for Common Shares.

(2) Member of the Audit Committee.

**Marilyn Miller** – President and Chief Executive Officer and Director of La Imperial Resources Inc., Chief Financial Officer of Venerable Ventures Ltd., Chief Executive Officer and Director of Mega Copper Ltd., Chief Executive Officer and Director of Milner Consolidated Silver Mines Ltd., and Chief Financial Officer of Green Arrow Resources Inc. She is a Businessperson who has been a Consultant for several public and private companies. She holds a diploma from Gemological Institute of America, Inc.

**Willie Kushner** – Self-employed geologist with over 25 years experience in mineral exploration.

**Gary MacDonald** – Chief Financial Officer for La Imperial Resources Inc. serves on the board of several public and private companies and has operated internationally in North /South America, Europe, Western Russia, Africa, and the Middle East.

**Koby Kushner** – Koby Kushner has spent most his career as a mining engineer and more recently, an equity research analyst. Prior to entering finance, Koby worked at several mines in Ontario and Manitoba, including Hemlo (Barrick Gold), Detour, Rice Lake, and others. During this time, Koby has seen projects advance through all stages of development, including exploration, production, and closure. He then moved into equity research at Red Cloud Securities, a mining-only investment bank, where he wrote on over 100 companies across various stages of development and a wide range of commodities, with a particular focus on lithium. His expertise on lithium has attracted interest from major media outlets and investors. He holds a BSc in Mining Engineering from Queen’s University, is a licensed Professional Engineer in the province of Ontario and is a CFA charterholder.

### **Corporate Cease Trade Orders or Bankruptcies**

To the best of management’s knowledge, other than described herein, no proposed director is, or has been within the last ten years, a director or executive officer of any company that:

- (a) while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) after the director or executive officer ceased to be a director or executive officer, was the subject of a cease trade or similar order or an order which resulted from an event that happened while the director acted in that capacity that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days
- (c) 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.

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

None of our directors 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 security holder in deciding whether to vote for a proposed director.

### **3. APPOINTMENT OF AUDITORS**

Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the appointment of DMCL, Chartered Professional Accountants, (“DMCL”) as auditors of the Corporation. DMCL have been the auditors of the Corporation since November 7, 2012. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than half of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote “FOR” the resolution.**

### **4. RATIFICATION OF AUDITOR – DMCL**

At the Meeting, Shareholders will also be asked to vote for: (i) the ratification of the appointment of DMCL as auditors of the Corporation for the fiscal years ending August 31, 2021, to 2023 and (ii) the ratification of the remuneration that was paid to DMCL for the fiscal years ending August 31, 2021, to 2023.

Management recommends that Shareholders vote FOR the ratification of (i) the appointment of DMCL as the Corporation's auditor for the Corporation's fiscal years ending August 31, 2021, to 2023 and (ii) the remuneration that was paid to the auditors for the financial years ending August 31, 2021, to 2023. **Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote "FOR" the resolution.**

## 5. RE-APPROVAL OF STOCK OPTION PLAN

### Approval of Stock Option Plan

The Corporation's Option Plan is a "rolling" stock option plan pursuant to which directors, officers, employees and consultants of the Corporation are awarded options to purchase Shares (the "Options"). The Option Plan was last approved by the Shareholders at the Corporation's previous annual and special meeting of the Shareholders held on October 28, 2020. Pursuant to the policies of the CSE, a "rolling" plan must receive yearly Shareholder approval. The Option Plan is identical to the one previously approved by Shareholders and is attached hereto as Schedule "C". Accordingly, Shareholders are being asked to approve the current Option Plan in accordance with the CSE.

The Option Plan has been established to advance the interests of the Corporation or any of its subsidiaries and affiliates by encouraging the directors, officers, employees and consultants of the Corporation, or any of its subsidiaries or affiliates, to acquire Shares thereby increasing their proprietary interest in the Corporation, encouraging them to remain with the Corporation, or its subsidiaries or affiliates, and providing them with additional incentive in the conduct of their affairs for and on behalf of the Corporation, its subsidiaries and affiliates.

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

#### *Details of the Plan*

Some key provisions of the Option Plan are as follows:

- (a) The aggregate number of Shares reserved for issuance under the Option Plan must not exceed 10% of outstanding Shares (on a non-diluted basis). The Shares in respect of which Options are not exercised shall be available for subsequent Option grants. No fractional shares may be purchased or issued thereunder;
- (b) the aggregate number of Shares reserved for issuance under the Option Plan and granted to any one person within a 12-month period may not exceed 5% of the outstanding Shares;
- (c) the issuance of Shares to insiders pursuant to the Option Plan within a 12-month period may not exceed 10% of the outstanding Shares;
- (d) the issuance of Shares to any one insider and such insider's associates pursuant to the Option Plan within a 12-month period may not exceed 10% of the outstanding Shares;
- (e) the issuance of Shares to any one Consultant (as such term is defined in the CSE Exchange Corporate Finance Manual) pursuant to the Option Plan within a one year period may not exceed 2% of the outstanding La Imperial Shares; and the issuance of Shares to persons employed to provide Investor Relations Activities (as such term is defined in the CSE Corporate Finance Manual) for the Corporation within a one year period may not exceed an aggregate of 2% of the outstanding Shares.

In the event of a participant ceasing to be a director, officer or employee of the Corporation or a subsidiary of the Corporation for any reason other than death, including the resignation or retirement of the participant as a director, officer or employee of the Corporation or the termination by the Corporation of the employment of the participant, prior to the expiry time of an Option, such Option, if vested, shall cease and terminate on the Ninetieth (90<sup>th</sup>) day following the effective date of such resignation or termination. In the event of the death of a participant on or prior to the expiry time of an Option, such Option, if vested, may be exercised as to such of the Shares in respect of which such Option has not previously been exercised (including in respect of the right to purchase Shares not otherwise vested at such time), by the legal personal representatives of the participant at any time up to and including (but not after) a date one year following the date of death of the participant provided that the Board may extend the date of termination for a period ending up to twelve (12) months from the date of death of the participant or the expiry time of such Option, whichever occurs first.

Pursuant to the Option Plan, the Corporation can, at any time, have a number of Options outstanding equal to up to 10% of the then outstanding number of Shares. In the event of the exercise or cancellation of any Options, the Corporation could make a further grant of Options, provided that the 10% maximum is not exceeded.

The text of the resolution ratifying and approving the Option Plan is as follows, subject to any amendments, variations or additions as may be approved at the Meeting:

### **Resolution Approving the Adoption of the Option Plan**

The ordinary resolution to approve the Option Plan, which will be presented at the Meeting and, if deemed appropriate, adopted with or without variation is as follows:

#### **“IT IS RESOLVED THAT:**

1. Subject to the Corporation receiving Exchange and any other regulatory approvals, if so required, the Option Plan as appended to the management information circular dated September 6, 2024, and all unallocated entitlements issuable pursuant to the Option Plan are hereby approved and authorized for issuance until the date that is one year from the date of the Meeting; and
2. Any one director or officer of the Corporation is authorized and directed on behalf of the Corporation to execute all documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing provisions of this resolution.”

The Board of Directors of the Corporation recommends that shareholders vote FOR the Option Plan Resolution. **Common Shares represented by Management Designee’s will be voted FOR the Option Plan Resolution, unless a shareholder has specified in his or her proxy that his or her Common Shares are to be voted against the approval of the Option Plan Resolution.**

#### **OTHER BUSINESS**

While management of the Corporation is not aware of any business other than that mentioned in the Notice of Meeting to be brought before the Meeting for action by the shareholders, **it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal that may properly come before the Meeting, or any adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

#### **STATEMENT OF EXECUTIVE COMPENSATION**

The purpose of the following is to provide information about the Corporation’s philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to for each Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), and each of the three most highly compensated executive officers (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers, or the three most highly compensated individuals acting in a similar capacity, at the end of the most recently completed fiscal year and whose total compensation was, individually, more than \$150,000 (the “Named Executive Officers”).

The Corporation’s most recently completed fiscal year commenced on September 1, 2022, and ended on August 31, 2023, and shall be referred to herein as “**Fiscal 2023**”.

The Named Executive Officers of the Corporation for Fiscal 2023 were Marilyn Miller President and CEO, and Gary MacDonald, Chief Financial Officer. There were no other Named Executive Officers in Fiscal 2023, as no other employees earned in excess of \$150,000 during Fiscal 2023.

A description of the Corporation’s compensation philosophy and objectives and the elements of such compensation during Fiscal 2023 are set forth below.

#### **Compensation Philosophy and Objectives in Fiscal 2023**

The executive compensation program adopted by the Corporation and applied to its executive officers is designed to attract and retain qualified and experienced executives who will contribute to the success of the Corporation. The executive compensation program attempts to ensure that the compensation of the senior executive officers provides a competitive base compensation package and a strong link between corporate performance and compensation. Senior executive officers are motivated through the program to enhance long-term shareholder value.

The Corporation has a compensation committee (“**Compensation Committee**”) which is responsible for making recommendations to the Board of Directors with respect to compensation for the directors and the Named Executive Officers annually. The Board has the ability to adjust and approve such compensation recommendations. The work of the Compensation

Committee is currently being performed by the Board as a whole; however, it is expected that the Corporation will reconstitute the Compensation Committee following the Meeting.

The objective of the Compensation Committee in setting compensation levels will be to attract and retain individuals of high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of executive officers with the long-term interests of the Shareholders, while at the same time preserving cash flows. These objectives are designed to ensure that the Corporation continues to grow on an absolute basis as well as to grow cash flow and earnings for Shareholders. The Board of Directors will set the compensation received by Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Board of Directors will rely primarily on their own experience and knowledge.

### Elements of Compensation

Compensation provided to Named Executive Officers consists of two principal components: salary (including potential bonuses) and options granted pursuant to the Corporation's stock option plan (the “**Plan**”) as described herein. In addition to base salary, the Board of Directors may from time to time pay a bonus to Named Executive Officers for either the accomplishment of specific performance criteria or for exceptional performance. Pursuant to the Plan, the Board of Directors, at its discretion, determines all grants of stock options to Named Executive Officers and Directors. Such grants are considered incentives intended to align the Named Executive Officers', Directors' and Shareholders' interests in the long term.

### Summary Compensation Table

The following table sets forth a summary of the compensation paid to the NEOs and the Directors for the two most recently completed financial years being August 31, 2020, 2021, 2022, and 2023:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Marilyn Miller <i>CEO and Director</i>	2023	NIL	NIL	NIL	NIL	NIL	NIL
	2022	NIL	NIL	NIL	NIL	NIL	NIL
	2021	NIL	NIL	NIL	NIL	NIL	NIL
	2020	NIL	NIL	NIL	NIL	NIL	NIL
Willie Kushner <i>Director</i>	2023	NIL	NIL	NIL	NIL	NIL	NIL
	2022	NIL	NIL	NIL	NIL	NIL	NIL
	2021	NIL	NIL	NIL	NIL	NIL	NIL
	2020	NIL	NIL	NIL	NIL	NIL	NIL
Gary MacDonald <i>CFO and Director</i>	2023	NIL	NIL	NIL	NIL	NIL	NIL
	2022	NIL	NIL	NIL	NIL	NIL	NIL
	2021	NIL	NIL	NIL	NIL	NIL	NIL
	2020	NIL	NIL	NIL	NIL	NIL	NIL
Bob Lane <sup>(1)</sup> <i>Director</i>	2023	NIL	NIL	NIL	NIL	NIL	NIL
	2022	NIL	NIL	NIL	NIL	NIL	NIL
	2021	NIL	NIL	NIL	NIL	NIL	NIL
	2020	NIL	NIL	NIL	NIL	NIL	NIL

(1) Bob Lane resigned as a director of the Corporation on June 10, 2024. Koby Kushner was appointed as a director on June 10, 2024.



None of the NEOs receives perquisites or personal benefits worth in aggregate 10% or more of their total salary, or any post-retirement benefits (including insurance).

## STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

### Compensation Securities

The Plan has been established to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation to achieve the longer-term objectives of the Corporation, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation and to attract to and retain in the employ of the Corporation, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

The following is a summary of the material terms of the Plan and is qualified in its entirety by the full text of the Plan:

- The number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Plan shall not exceed ten percent (10%) of the total number of issued and outstanding shares in the Corporation.
- Under the Plan, the aggregate number of optioned Common Shares granted to any one optionee in a 12-month period must not exceed 5% of the Corporation's issued and outstanding shares. The number of optioned Common Shares granted to any one consultant in a 12-month period must not exceed 2% of the Corporation's issued and outstanding shares. The aggregate number of optioned Common Shares granted to an optionee who is employed to provide investor relations' services must not exceed 2% of the Corporation's issued and outstanding Common Shares in any 12-month period.
- The exercise price for options granted under the Plan will not be less than the market price of the Corporation's Common Shares at the time of the grant, less applicable discounts permitted by the policies of the Canadian Securities Exchange (the "CSE").
- Options will be exercisable for a term of up to ten years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation.
- Options granted under the Plan are non-assignable, except by will or by the laws of descent and distribution.

The following table sets out for each NEO and Director of the Corporation all compensation securities granted or issued to each in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Corporation.

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class <sup>(1)</sup>	Date of Issue or Grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Marilyn Miller <i>CEO and Director</i>	Stock option	NIL	NA	NA	NA	NA	NA
Willie Kuschner <i>Director</i>	Stock options	NIL	NA	NA	NA	NA	NA
Gary MacDonald <i>CFO- Director</i>	Stock option	NIL	NA	NA	NA	NA	NA
Bob Lane <i>Director</i>	Stock option	NIL	NA	NA	NA	NA	NA

No Compensation Securities were exercised during the years ended August 31, 2020, 2021, 2022, and 2023 and each Director and NEO of the Corporation continues to hold the Compensation Securities referred to above.

### Pension Plan Benefits

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement.

## Termination and Change of Control Benefits

As of August 31, 2020, 2021, 2022, and 2023 there were no compensatory plans, contracts or arrangements with any Named Executive Officer (including payments to be received from the Corporation or any subsidiary), which result or will result from the resignation, retirement or any other termination of employment of such Named Executive Officer or from a change of control of the Corporation or any subsidiary thereof or any change in such Named Executive Officer's responsibilities, where the Named Executive Officer is entitled to payment or other benefits.

## Compensation of Directors

The Corporation does not compensate its directors in their capacity as directors of the Corporation. Each director is eligible to receive stock options of the Corporation. The Corporation has compensated the directors with stock options in the past, but did not grant any options to directors during Fiscal years ended for 2020 to 2023.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of Fiscal 2023 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	Nil	N/A	1,208,597
Equity compensation plans not approved by security holders	Nil	N/A	N/A
<b>Total</b>	<b>Nil</b>	<b>N/A</b>	<b>1,208,597</b>

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors and officers of the Corporation, any proposed management nominee for election as a director of the Corporation or any associate of any director, officer or proposed management nominee is or has been indebted to the Corporation at any time during the last completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Management Information Circular, none of the informed persons of the Corporation (as defined in National Instrument 51-102), nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

## MANAGEMENT CONTRACTS

There are no management functions of the Corporation that are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

## CORPORATE GOVERNANCE

Please see the attached Schedule "A" for information on the Corporation's Corporate Governance (Form 58-101F2)

## AUDIT COMMITTEE

### Audit Committee Charter

The Charter of the Corporation's Audit Committee is attached to this Management Information Circular as Schedule "B".

### Composition of the Audit Committee

The following are the members of the Audit Committee<sup>(3)</sup>:

Willie Kuschner <sup>(1)</sup>	-	Independent* ; Financially Literate <sup>(2)</sup>
Marilyn Miller	-	Non-Independent* ; Financially Literate <sup>(2)</sup>

1. A member of an audit committee is independent if the member has no director or indirect material relationship with the Corporation that could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

2. An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

3. The June 10, 2024, resignation of Bob Lane has left a vacancy on the Audit Committee. It is anticipated that the Corporation will reconstitute the Audit Committee following the Meeting.

### Education and Experience

**Marilyn Miller** - A businesswoman. She has had several years experience as a consultant with knowledge of capital markets. She has acted as a director and officer of several private and public companies.

**Willie Kuschner** - A geologist with several years consulting for both private and public companies.

### Audit Committee Oversight

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

### Reliance on Certain Exemptions

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

### Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

### External Auditor Service Fees (by Category)

The aggregate fees billed by the Corporation's external auditors in each of the fiscal years ended 2020 to 2023 for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees
2023	\$10,122	\$0	\$0	\$0
2022	\$10,122	\$0	\$0	\$0
2021	\$9,312	\$0	\$0	\$0
2020	\$6,579	\$0	\$0	\$0

Notes:

- (1) Represents fees paid for professional services rendered by the auditors for the audit of the Corporation's annual financial statements and services provided in connection with statutory and regulatory filings.
- (2) Represents fees incurred in connection with the International Financial Reporting Standard compliance.
- (3) Represents fees incurred for professional services rendered by the Corporation's external auditor for tax compliance, tax advice, and tax planning.

### **Exemption**

The Corporation is relying on the exemption provided in Section 6.1 of MI 52-110 and, as such, the Corporation is exempt from Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information on the Corporation is provided in the comparative financial statements and management discussion and analysis of the Corporation which can also be accessed at [www.sedarplus.ca](http://www.sedarplus.ca) or which may be obtained upon request from the Corporation Shareholders may request additional copies by (i) mail to #600-666 Burrard Street, Vancouver, British Columbia, V6C3P6 or (ii) telephone to: 604-689-9600.

**SCHEDULE “A”  
LA IMPERIAL RESOURCES INC.  
CORPORATE GOVERNANCE POLICY  
CORPORATE GOVERNANCE DISCLOSURE (FORM 58-101F2)**

**1. Board of Directors** — Disclose how the board of directors (the “**Board**”) facilitates its exercise of independent supervision over management, including

(i) the identity of directors that are independent, and

Willie Kushner and Koby Kushner are independent directors.

(ii) the identity of directors who are not independent, and the basis for that determination.

Marilyn Miller and Gary MacDonald are not independent as they are officers of the Corporation.

In determining whether a director is independent, the Corporation chiefly considers whether the director has a relationship which could or could be perceived to interfere with the director's exercise of independent judgment. Marilyn Miller and Gary MacDonald are executive officers of the Corporation and are therefore not considered to be independent.

**2. Directorships** — If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

*The following current and proposed directors of the Corporation presently serve as directors of other reporting issuers as follows:*

Name	Name of Reporting Issuer	Position	Exchange or Market
Marilyn Miller	Mega Copper Ltd. Green Arrow Resources Inc. Venerable Ventures Ltd. Milner Consolidated Silver Mines Ltd.	CEO and Director CFO and Director CFO and Director CEO and Director	TSX Venture TSX Venture - NEX TSX Venture TSX Venture - NEX
Gary MacDonald	Mega Copper Ltd. Newlox Gold Ventures Corp.	CFO and Director  Director	TSX Venture  CSE
Koby Kushner	Libra Lithium Corp.	CEO and Director	Not Listed

**3. Orientation and Continuing Education** — Describe what steps, if any, the Board takes to orient new Board members and describe any measures the board takes to provide continuing education for directors.

The Corporation has not developed an official orientation or training program for new directors as required, new directors will have the opportunity to become familiar with the Corporation by meeting with other directors and its officers and employees. Orientation activities will be tailored to the particular needs and expertise of each director and the overall needs of the Board. The Corporation ensures that a complete package of all of the Corporation’s policies is provided to and discussed with each new director.

**4. Ethical Business Conduct** — Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.

The Corporation has a formal code of business conduct in place that is intended to guide and govern the conduct of its directors, officers, employees and consultants and provides for reporting and disciplinary procedures. Additionally, the Board believes that the Corporation's size facilitates informal review of and discussions with employees and consultants. The Board monitors ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decision of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

**5. Nomination of Directors** — Disclose what steps, if any, are taken to identify new candidates for Board nomination, including:

- (i) who identifies new candidates, and
- (ii) the process of identifying new candidates.

The Board has not appointed a nominating committee as the Board fulfills these functions. When the Board identifies the need to fill a position on the Board, the Board requests that current Directors forward potential candidates for consideration.

**6. Compensation** — Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:

- (i) who determines compensation; and

The Corporation has a compensation committee (“Compensation Committee”) which is responsible for making recommendations to the Board of Directors with respect to compensation for the directors and the Named Executive Officers annually. The Compensation Committee will be reconstituted following the Meeting. The Board has the ability to adjust and approve such compensation recommendations.

- (ii) the process of determining compensation.

Market comparisons as well as evaluation of similar positions in different industries in the same geography are the criteria used in determining compensation, the objective being to set compensation levels to attract and retain individuals of high calibre to serve as officers of the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of executive officers with the long-term interests of the Shareholders, while at the same time preserving cash flows. The Board of Directors will set the compensation so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size, stage of development, having similar assets, number of employees, market capitalization and profit margin. In setting such levels, the Board of Directors will rely primarily on their own experience and knowledge.

**7. Other Board Committees** — If the Board has standing committees other than the audit and compensation identify the committees and describe their function.

At present, the Board has no committees other than the Audit and Compensation committees.

**8. Assessments** — Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its committees, including reviewing the Board's decision-making processes and the quality of information provided by management.

## **SCHEDULE “B”**

### **LA IMPERIAL RESOURCES INC.**

#### **AUDIT COMMITTEE CHARTER**

##### **1. Mandate**

The Audit committee will assist the Board of Directors (the “**Board**”) of La Imperial Resources Inc. (the “**Company**”) in fulfilling its responsibilities to oversee the financial activities. The audit committee, in consultation with the auditors, will review and consider the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, the management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership, as well as the Company’s business, operations and risks.

##### **2. Composition**

After each annual general meeting of the shareholders of the Company, the Board will appoint from among the membership an audit committee. The audit committee will consist of a minimum of three directors.

##### **2.1 Independence**

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

##### **2.2 Expertise of Committee Members**

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

##### **3. Meetings**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

##### **4. Roles and Responsibilities**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

##### **4.1 External Audit**

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor’s report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company,
- (b) review (by discussion and enquiry) the external auditors’ proposed audit scope and approach,
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors,
- (d) review and recommend to the Board the compensation to be paid to the external auditors, and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors’ assertion of their independence in accordance with professional standards.

## 4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting, as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company, and
- (b) ensure that the external auditors discuss with the audit committee any event or matter that suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

## 4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

### General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions, and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

### Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements,
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered, and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public;

### Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public, and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public;

### Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

## 4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

### Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

### Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:



- (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided, or
- (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

#### Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
  - (i) the pre-approval policies and procedures are detailed as to the particular service,
  - (ii) the audit committee is informed of each non-audit service, and
  - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

### 4.5 Other Responsibilities

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters,
- (b) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis,
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites,
- (e) perform other oversight functions as requested by the Board, and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

### 4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

## 5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) set and pay the compensation for any advisors employed by the audit committee, and
- (c) communicate directly with the internal and external auditors.

## 6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee. The duties shall include:

### 6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities,
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown, and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

## 6.2 Financial Reporting

### General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements,
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks, and
- (c) understand industry best practices and the Company's adoption of them.

### Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares,
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures,
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses, warranty, professional liability, litigation reserves and other commitments and contingencies,
- (g) consider management's handling of proposed audit adjustments identified by the external auditors, and
- (h) ensure that the external auditors communicate all required matters to the committee.

### Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information,
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements, and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results,
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Company's operations and financing practices,
  - (iii) generally accepted accounting principles have been consistently applied,
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices,
  - (v) there are any significant or unusual events or transactions,
  - (vi) the Company's financial and operating controls are functioning effectively,
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreements, and
  - (viii) the interim financial statements contain adequate and appropriate disclosures.

## 6.3 Compliance with Laws and Regulations

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices",
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements, and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

## 6.4 Other Responsibilities

- (a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.

**SCHEDULE "C"**  
**LA IMPERIAL RESOURCES INC.**  
**STOCK OPTION PLAN**  
**(2015)**

**Purpose**

The purpose of the Stock Option Plan (the "**Plan**") of LA IMPERIAL RESOURCES INC. (the "**Corporation**") is to advance the interests of the Corporation and each Affiliate of the Corporation by encouraging the Directors, Consultants and Employees of the Corporation and its Affiliates to acquire shares in the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and its Affiliates and furnishing them with additional incentive in their efforts on behalf of the Corporation and its Affiliates.

**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

**1.1 Defined Terms**

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) "Affiliate" has the meaning ascribed thereto by the Exchange;
- (b) "Board" means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than 2 Directors of the Corporation duly appointed to administer this Plan;
- (c) "Common Shares" means the common shares of the Corporation;
- (d) "Consultant" means an individual who:
  - (i) provides ongoing consulting, technical, management or other services to the Corporation or an Affiliate under a written contract with the Corporation or the Affiliate,
  - (ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate,
  - (iii) in the opinion of the Corporation, spends or will spend a reasonable amount of time and attention on the business and affairs of the Corporation or an Affiliate, and
  - (iv) has a relationship with the Corporation or an Affiliate that enables the Consultant to be knowledgeable about the business and affairs of the Corporation or the Affiliate,and includes a company of which a Consultant is an employee or shareholder and a partnership of which a Consultant is an employee or partner;
- (e) "Corporation" means La Imperial Resources Inc. and its successor entities;
- (f) "Director" means a director of the Corporation or of an Affiliate;
- (g) "Disinterested Shareholder Approval" has the meaning ascribed thereto by the Exchange in "Policy 4.4 – Incentive Stock Options" of the Exchange's Corporate Finance Manual;
- (h) "Eligible Person" means a Director, Officer, Employee or Consultant, and includes an issuer all the voting securities of which are owned by Eligible Persons;
- (i) "Employee" means an individual who:
  - (i) is considered an employee of the Corporation or an Affiliate under the Income Tax Act, i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
  - (ii) works full-time for the Corporation or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source, or
  - (iii) works for the Corporation or an Affiliate on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details

and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source;

- (j) "Exchange" means the Canadian Stock Exchange ( CSE) and any successor entity;
- (k) "Expiry Date" means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (l) "Insider" has the meaning ascribed thereto by the Exchange;
- (m) "Investor Relations Activities" has the meaning ascribed thereto by the Exchange;
- (n) "Management Company Employee" means an individual who is employed by a person providing management services to the Corporation or an Affiliate which are required for the ongoing successful operation of the business enterprise of the Corporation or the Affiliate, but excluding a person providing Investor Relations Activities;
- (o) "Officer" means an officer of the Corporation or of an Affiliate, and includes a Management Company Employee;
- (p) "Option" means an option to purchase Common Shares pursuant to this Plan;
- (q) "Other Share Compensation Arrangement" means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (r) "Participant" means an Eligible Person who has been granted an Option;
- (s) "Plan" means this Stock Option Plan.

## 1.2 Interpretation

- (a) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

## ARTICLE 2 ESTABLISHMENT OF PLAN

### 2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation and its Affiliates;
- (b) encouraging Eligible Persons to remain with the Corporation or its Affiliates; and
- (c) attracting new Directors, Officers, Employees and Consultants.

### 2.2 Shares Reserved

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.
- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction

affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:

- (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
- (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
- (iii) the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.

- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

### **2.3 Non-Exclusivity**

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

### **2.4 Effective Date**

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

## **ARTICLE 3 ADMINISTRATION OF PLAN**

### **3.1 Administration**

- (a) This Plan shall be administered by the Board. Subject to the provisions of this Plan, the Board shall have the authority:
  - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited;
  - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other persons.

### **3.2 Amendment, Suspension and Termination**

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Participant. If this Plan is suspended or

terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

### **3.3 Compliance with Legislation**

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.
- (c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

## **ARTICLE 4 OPTION GRANTS**

### **4.1 Eligibility and Multiple Grants**

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

### **4.2 Option Agreement**

Every Option shall be evidenced by an option agreement executed by the Corporation and the Participant, which shall, if the Participant is an Employee, Consultant or Management Company Employee, contain a representation and warranty by the Corporation and such Participant that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or an Affiliate. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

### **4.3 Limitation on Grants and Exercises**

- (a) To any one person. The number of Common Shares reserved for issuance to any one person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.
- (b) To Consultants. The number of Common Shares reserved for issuance to any one Consultant in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (c) To persons conducting Investor Relations Activities. The aggregate number of Common Shares reserved for issuance to all persons conducting Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (d) To Insiders. Unless the Corporation has received Disinterested Shareholder Approval to do so:

- (i) the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant;
- (ii) the aggregate number of Common Shares reserved for issuance to Insiders in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.
- (e) Exercises. Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any person within a 12 month period pursuant to the exercise of Options granted under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.

## **ARTICLE 5 OPTION TERMS**

### **5.1 Exercise Price**

- (a) Subject to a minimum exercise price of \$0.10 per Common Share, the exercise price per Common Share for an Option shall not be less than the "Discounted Market Price", as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.
- (b) If Options are granted within ninety days of a distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection (a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. Such ninety day period shall begin:
  - 1. on the date the final receipt is issued for the final prospectus in respect of such distribution; and
  - 2. in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

### **5.2 Expiry Date**

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

### **5.3 Vesting**

- (a) Subject to the subsection (b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

### **5.4 Non-Assignability**

Options may not be assigned or transferred.

### **5.5 Ceasing to be Eligible Person**

- (a) If a Participant who is an Officer, Employee or Consultant is terminated for cause, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination for cause.
- (b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the

Expiry Date and the date which is six months after the date of the Participant's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.

- (c) If a Participant ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is 90 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange if required, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after twelve months of such event
- (d) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of this Section.
- (e) If any portion of an Option is not vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion, further and subject to the approval of the Exchange where the vesting of the said Participant's options was a requirement of the Exchange's policies thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.
- (f) Notwithstanding the foregoing, if the Corporation is listed on Tier 1 of the Exchange and a Participant ceases to be an Eligible Person in the circumstances set out in subsection (c) herein, the Board may, for any such Participant and in its discretion, extend the date of such termination and the resulting period in which the Option remains exercisable to a date not exceeding the Expiry Date.

## **ARTICLE 6 EXERCISE PROCEDURE**

### **6.1 Exercise Procedure**

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its registered office:

- (a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) the originally signed option agreement with respect to the Option being exercised;
- (c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction;

and on the business day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.



**ARTICLE 7  
AMENDMENT OF OPTIONS**

**7.1 Consent to Amend**

The Board may amend any Option with the consent of the affected Participant and the consent of the Exchange, if required, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option if the Participant is an Insider at the time of the proposed amendment.

**7.2 Amendment Subject to Approval**

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

**7.3 Repricing**

Subject to applicable regulatory requirements and approval, the Board may reprice the prevailing exercise price of an Option. Any reduction in the exercise price of an Option held by an Optionee who is an Insider at the time of the proposed amendment, is, however, subject to disinterested shareholder approval if and as required by the Exchange.

**ARTICLE 8  
MISCELLANEOUS**

**8.1 No Rights as Shareholder**

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

**8.2 No Right to Employment**

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

**8.3 Governing Law**

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.