



55 NORTH MINING INC.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL AND SPECIAL MEETING OF

SHAREHOLDERS TO BE HELD ON

June 20, 2024

DATED AS OF MAY 6, 2024

55 NORTH MINING INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the annual general and special meeting (“**Meeting**”) of the holders of common shares (the “**Common Shares**”) of 55 North Mining Inc. (the “**Company**”) will be held in Toronto, Ontario, at 401 Bay Street, Suite 2702, on the **20th day of June 2024, at 2:00 p.m. (Toronto time)** for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ending December 31, 2023, and the auditor’s report thereon;
2. to elect the directors of the Company for the ensuing year;
3. to re-appoint Scarrow & Donald LLP, as auditor of the Company for the ensuing year and authorize the directors to fix the auditor’s remuneration;
4. to re-approve the Company’s stock option plan;
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is May 6, 2024 (the “**Record Date**”). Shareholders of the Company whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting.

Notice-and-Access

The Company is utilizing the notice-and-access mechanism (the “**Notice and Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial Shareholders.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Information Circular, financial statements for the financial year ended December 31, 2023 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for 2023 (“**MD&As**”) may be found on the Company’s SEDAR+ profile at www.sedarplus.ca and also at www.agmconnect.com/55north2024.

Obtaining Paper Copies of Materials

Shareholders with questions about notice-and-access can call AGM Connect, toll-free at 1-855-839-3715. Shareholders may also obtain paper copies of the Information Circular, Financial Statements and MD&As free of charge by contacting Company’s Corporate Secretary. A request for paper copies, which are required in advance of the Meeting should be sent so that they are received by the Company or AGM Connect, as applicable, no later than 5:00 PM (EST) on June 10, 2024, in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies to AGM Connect or voting instruction forms to intermediaries, as applicable, before the Proxy Deadline.

A registered shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, execute and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and deposited with AGM Connect, 401 Bay Street, Suite 2704, P.O. Box 4, Toronto, Ontario, M5H 4Y4, on or before 2:00 p.m. on June 18, 2024 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof.

If a shareholder receives more than one proxy form because such shareholder owns shares registered in different names or addresses, each proxy form should be completed and returned as indicated in the proxy form.

Since it is desirable that as many shares as possible be represented and voted at the meeting, a shareholder, who is unable to attend the meeting in person, is urged to complete and return the enclosed form of proxy following the instructions therein.

Shareholders may beneficially own common shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (“**Non-Registered Shareholders**”). Without specific instructions, intermediaries are prohibited from voting shares for their clients. If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by your broker, intermediary or its agent is returned according to their instructions sufficiently in advance of deadline specified by the broker, intermediary or its agent to ensure they are able to provide voting instructions on your behalf.

The persons named in the enclosed form of proxy are each a director and/or officer of the Company. Every shareholder has the right to appoint a person or company (who need not be a shareholder) to represent the shareholder at the Meeting other than the persons designated in the enclosed form of proxy. If the shareholder wishes to appoint a person or company other than the persons whose names are designated in the form of proxy, they may do so by inserting the name of the shareholder’s chosen proxyholder in the space provided in the form of proxy.

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

DATED at Toronto, Ontario this 6th day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Bruce Reid”

Bruce Reid
Chief Executive Officer

55 NORTH MINING INC.
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (this “Circular”) is furnished in connection with the solicitation of proxies by the management and the directors of 55 North Mining Inc. (the “Corporation”) for use at the annual general and special meeting of the shareholders of the Company (the “Meeting”) to be held on June 20, 2024 at the registered office of the Company located at 401 Bay Street, Suite 2702, Toronto, Ontario, M5H 2Y4, at 2:00 p.m. (Toronto time) and at any adjournment thereof for the purposes set forth in the accompanying notice of the Meeting (the “Notice of Meeting”). The solicitation of proxies will be made primarily by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees on behalf of the directors and management of the Company, and the Company will bear the costs of this solicitation of proxies for the Meeting.

Unless otherwise indicated, the information contained in this Circular is given as at May 6, 2024.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with the transfer agent, investment dealers, intermediaries, custodians, depositories and depository participants and other nominees to forward solicitation materials to the beneficial owners of the common shares (the “**Common Shares**”) of the Company. The Company will provide, without any cost to such person, upon request to the Chief Executive Officer of the Company, additional copies of the foregoing documents for this purpose.

GENERAL INFORMATION RESPECTING THE MEETING

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) in the case of registered Shareholders, and section 2.7.1 of NI 54-101 in the case of Beneficial Shareholders (as defined below).

The Notice-and-Access Provisions are a mechanism that allows reporting issuers other than investment funds to choose to deliver proxy-related materials (such as information circulars and annual financial statements) to registered holders and beneficial owners of securities by posting such materials on System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) and one other website, rather than sending such materials by mail. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of this Information Circular at the Company’s expense. The Company anticipates that notice-and-access will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Electronic copies of the Information Circular, financial statements for the financial year ended December 31, 2023 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for 2023 (“**MD&As**”) may be found on the Company’s SEDAR+ profile at www.sedarplus.ca and also at www.agmconnect.com/55north2024.

The Company will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Information Circular to some Shareholders with the Notice of Meeting. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Information Circular.

Shareholders are reminded to review this Information Circular before voting.

Shareholders with questions about notice-and-access can call AGM Connect, toll-free at 1-855-839-3715. Shareholders may also obtain paper copies of this Information Circular, the Financial Statements and the MD&A free of charge by contacting AGM Connect at the same toll-free number or upon request to the Company’s Corporate Secretary.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Company or AGM Connect, as applicable, no later than June 10, 2024, in order to allow sufficient time for

Shareholders to receive the paper copies and to return their form of proxies or voting instruction forms, as applicable, by their respective due dates.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the form of proxy accompanying this Proxy Circular are Bruce Reid or, failing him, Julio DiGirolamo.

A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons named in the form of proxy accompanying this Proxy Circular to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the enclosed form of proxy the name of the person to be designated and striking out the names of the persons named in the form of proxy and inserting the name and **EMAIL ADDRESS** of the person to be appointed as proxyholder in the blank space provided on the form of proxy, or by completing another proper form of proxy. Such Shareholder should notify the nominee of the appointment, obtain his consent to act as proxy and should provide instructions on how the Shareholder's Common Shares are to be voted. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney has executed the form of proxy.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and deposited with AGM Connect, 401 Bay Street, Suite 2704, P.O. Box 4, Toronto, Ontario, M5H 4Z4, on or before 2:00 p.m. on June 18, 2024 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A Proxy given by a Shareholder for use at the Meeting may be revoked at any time prior to its use. In accordance with section 148(4) of the Act, in addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited with AGM Connect, 401 Bay Street, Suite 2704, P.O. Box 4, Toronto, Ontario M5H 2Y4, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information in this section is of significant importance to public shareholders of the Company since most public shareholders do not hold shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to herein as "Beneficial Shareholders") are advised that only Proxies from shareholders of record can be recognized and voted upon at the Meeting. If shares are listed in the account statement provided to the shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name. Such shares are more likely held under the name of the broker or a broker's agent clearing house. Applicable corporate law provides that Beneficial Shareholders may request that the Beneficial Shareholder or the Beneficial Shareholder's nominee be appointed as the proxyholder for such shares. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against or withheld, as applicable) upon the instructions of the Beneficial Shareholder. Without specific instructions, the brokers/nominees are prohibited from voting shares for their clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person in advance of the Meeting.**

The Requisitioner does not know whom the shares registered to CDS & Co. are held for. Therefore, Beneficial Shareholders cannot be recognized by the Company at the Meeting. In order to ensure that their shares are voted at the Meeting, Beneficial Shareholders should carefully follow the return instructions. Often, the form of proxy supplied to Beneficial Shareholders by their brokers is identical to that provided to registered Shareholders, however, its purpose is limited to instructing the brokers/registered shareholder how to vote on behalf of the Beneficial Shareholder. The majority of the brokers now delegate the job of obtaining instructions from clients and voting shares according to their client's instructions to a corporation named Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically mails proxy instruction forms to the Beneficial Shareholders and asks Beneficial Shareholders to return these proxy instruction forms to Broadridge, which may be by mail, by internet or by telephone. Broadridge then tabulates the results of all instructions received and then votes the shares to be voted at the Meeting according to the instructions received.

A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that voting instruction form to vote shares at the Meeting. The voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or an agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the voting instruction form provided to them and return the same in accordance with the instructions provided, well in advance of the Meeting.

All references to shareholders in this Proxy Circular and the accompanying proxy and Notice are to shareholders of record unless specifically stated otherwise. Where documents are stated to be available for review or inspection, such items will be shown upon request to registered shareholders that produce proof of their identity.

PROVISIONS RELATING TO VOTING OF PROXIES

The Common Shares represented by proxy in the enclosed form will be voted or withheld from voting by the designated proxy holder in accordance with the instructions of the Shareholder appointing him. If there is no direction by the Shareholder, those Common Shares will be voted for all proposals set out in the form of proxy. The form of proxy gives the person named in it the discretion to vote as they see fit on any amendments or variations to matters identified in the Notice, or any other matters, which may properly come before the Meeting. At the time of the printing of this Proxy Circular, the management of the Company knows of no other matters which may come before the Meeting other than those referred to in the Notice.

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

Except as disclosed herein, no Director or Senior Officer of the Company nor proposed nominee for election of Director, nor each of their respective associates or affiliates, are aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. Each Share entitles the holder of record to notice of and one vote on all matters to come before the Meeting. No group of Shareholders has the right to elect a specified number of directors nor are there cumulative or similar voting rights attached to the Common Shares of the Company.

The directors of the Company have fixed May 6, 2024, as the record date (the “**Record Date**”) for determination of the persons entitled to receive notice of the Meeting. Shareholders of record as of the Record Date are entitled to vote their Common Shares except to the extent that they have transferred the ownership of any of their Common Shares after the Record Date, and the transferees of those Common Shares produce properly endorsed share certificates or otherwise establish that they own the Common Shares, and demand, not later than ten (10) days before the Meeting, that their name be included in the shareholder list before the Meeting, in which case the transferees are entitled to vote their Common Shares at the Meeting.

As of the date of this Circular, 160,067,244 Common Shares are issued and outstanding.

Principal Shareholder

To the knowledge of the management of the Company, based on publicly available information, as at the Record Date, the only person or corporation who beneficially owns or controls or directs, directly or indirectly, voting securities carrying ten percent (10%) or more of the voting rights attached to the voting securities of 55 North as at the date hereof is as follows:

Name and Municipality of Residence	Number of 55 North Common Shares	Type of Ownership	Percentage of Outstanding 55 North Common Shares
Bruce Reid, Toronto, Ontario	29,738,214	direct	18.6%

STATEMENT OF EXECUTIVE COMPENSATION

Interpretation

National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) defines “Executive Officer” to mean, for a reporting issuer, an individual who is,

- (a) the chair, vice-chair, or president;
- (b) a chief executive officer or chief financial officer;
- (c) a vice-president in charge of a principal business unit, division or function including sales, finance, or production, or
- (d) performing a policy-making function in respect of the issuer.

Form 51-102F6 – *Statement of Executive Compensation* (in respect of financial years ending on or after December 31, 2008) (“Form 51-102F6”) further provides the following:

- (a) “CEO” means each individual who acted as chief executive officer of the Company or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) “CFO” means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;
- (c) “Named Executive Officers” or “NEOs” means the following individuals:
 - (i) CEO;
 - (ii) CFO;
 - (iii) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO at the end of the most recently completed financial year whose total compensation, individually, exceeds \$150,000; and
 - (iv) each individual who would be a NEO under (iii) except that the individual was neither an executive officer of the Company nor acting in a similar capacity at the end of that financial year.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis aims to provide information about our executive compensation objectives and processes and discuss compensation decisions relating to 55 North’s NEOs listed in the Summary Compensation Table that follows.

During our fiscal year ended December 31, 2023, the following individuals were 55 North’s NEOs:

- Bruce Reid, Chairman, President and Chief Executive Officer (since January 10, 2017); and
- Julio DiGirolamo, Chief Financial Officer (since January 10, 2017).

55 North is a mineral exploration and development company engaged in acquiring, exploring, and evaluating mineral properties. 55 North has no significant revenues from operations and has, since its incorporation, operated administratively with limited financial resources to ensure that funds are available to complete scheduled exploration and drilling programs. As a result, our Board of Directors has to consider not only the financial situation of 55 North at the time of determination of executive compensation, but also the estimated financial situation of 55 North in the mid- and long-term. An important element of executive compensation is that of incentive stock options, which do not require cash disbursement by 55 North.

Additional information about 55 North and its operations is available in our audited financial statements and Management’s Discussion & Analysis for the year ended December 31, 2023, which have been electronically filed with regulators and are available for viewing under 55 North’s Issuer Profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca.

Compensation Objectives and Principles

The primary goal of our executive compensation process is to attract and retain the key executives necessary for our long-term success, to encourage executives to further the development of 55 North and our operations, and to motivate qualified and experienced executives. The key elements of executive compensation awarded by 55 North are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. Our directors are of the view that all of these elements should be

considered when determining executive compensation rather than any single element.

Compensation Process

55 North's Board of Directors, as a whole, is responsible for determining all forms of compensation, including long-term incentives in the form of stock options or restricted share units to be granted to our Named Executive Officers, as well as to our directors, and for reviewing the recommendations respecting compensation for any other officers of 55 North from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining compensation, the Board of Directors considers: (i) recruiting and retaining executives critical to 55 North's success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to our operations in general.

Base Salary and/or Consulting Fees

55 North is an exploratory stage mining company and does not anticipate generating revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by our Board of Directors to be appropriate in the evaluation of corporate or Named Executive Officer performance. The compensation of our executive officers is based, in substantial part, on industry compensation practices, trends in the mining industry, as well as achievement in raising capital and follow through on 55 North's business plans and objectives.

55 North provides Named Executive Officers with base salaries and/or consulting fees, which represent their minimum compensation for services rendered during the fiscal year. Named Executive Officers' base salaries or consulting fees depend on the scope of their experience, responsibilities, leadership skills and performance. Base salaries and/or consulting fees are reviewed annually by our Board of Directors. In addition to the above factors, decisions regarding salary or consulting fee amounts are impacted by each Named Executive Officers' current salary or fee, general industry trends and practices competitiveness, and 55 North's existing financial resources.

Option Based Awards

Options to purchase common shares of 55 North are intended to align the interests of our directors and executive officers with those of our Shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation 55 North would otherwise have to pay. 55 North's Stock Option Plan is administered by our Board of Directors. In establishing the number of the incentive stock options to be granted to our Named Executive Officers, our Board of Directors considers the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation. Further, the Board of Directors also takes into account previous grants of options, the overall number of options that are outstanding relative to the number of outstanding common shares and the amount and term of any such grants.

See "Incentive Plan Awards – Outstanding Option-Based and Share-Based Awards" below.

Restricted Share Unit Plan

The Company's RSU Plan is designed to provide certain directors, officers, consultants and other key employees (an "**Eligible Person**") of the Company and its related entities with the opportunity to acquire restricted share units ("**RSUs**") of the Company. The acquisition of RSUs allows an Eligible Person to participate in the long-term success of the Company, thus promoting the alignment of an Eligible Person's interests with that of the Shareholders.

The RSU Plan allows the Company to award, in aggregate, up to a rolling 10% maximum of the issued and outstanding Common Shares from time to time, under and subject to the terms and conditions of the RSU Plan. The grant of an RSU Award pursuant to the RSU Plan entitles the Participant thereunder, at the election of the Company, the conditional right to receive for each RSU credited to the Participant's account, at the election of the Board, one Common Share of the Company, subject to the conditions set out in the RSU Grant Letter and in the RSU Plan. Fractional Common Shares will not be issued pursuant to the RSU Plan, and any fractional entitlement arising is to be settled by adjustment such that the Participant will only have the right to receive the next lowest whole number of Common Shares.

Benefits and Perquisites

55 North does not, as of the date of this Circular, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

Risks Associated with 55 North's Compensation Practises

55 North's Board of Directors has not considered the implications of any risks to 55 North associated with decisions

regarding the compensation of 55 North's executive officers.

Hedging by Named Executive Officers or Directors

55 North has not, as yet, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted or awarded as compensation or held, directly or indirectly, by executive officers or directors.

SUMMARY COMPENSATION TABLE

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, our Named Executive Officers during the fiscal years ended December 31, 2023, 2022 and 2021. Amounts reported in the table below are in Canadian dollars.

Name and principal position	Fiscal Year ended Dec 31	Salary/Fee (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Bruce Reid <i>President & Chief Executive Officer</i>	2023	72,000 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	72,000
	2022	72,000 ⁽³⁾	Nil	36,800 ⁽⁴⁾	Nil	Nil	Nil	Nil	108,800
	2021	54,000 ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	54,000
Julio DiGirolamo <i>Chief Financial Officer</i>	2023	60,000 ⁽⁶⁾	Nil	38,000 ⁽⁷⁾	Nil	Nil	Nil	Nil	
	2022	62,500 ⁽⁸⁾	Nil	12,880 ⁽⁹⁾	Nil	Nil	Nil	Nil	75,380
	2021	60,000 ⁽¹⁰⁾	Nil	Nil	Nil	Nil	Nil	Nil	60,000

Notes:

- (1) The Corporation follows the fair value method of accounting for all stock-based compensation arrangements. The values reported represent an estimate of the grant date fair value of the options calculated in accordance with the Black-Scholes option pricing model. Please see the audited annual financial statements of the Corporation for the year ended December 31, 2023 for details regarding the assumptions underlying these Black-Scholes estimates. The Black-Scholes model is a pricing model that may or may not reflect the actual value of the options. The options have not and may never be exercised and the actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise. The Black-Scholes methodology was selected in order to maintain consistency with the Corporation's prior practice and because it is widely used by Canadian public companies for estimating option-based compensation.
- (2) Mr. Reid earned a salary of \$72,000 for the year, of which \$54,000 was accrued at year-end, and \$36,000 was settled in a shares-for-debt settlement at a share price of \$0.015 per share for 2,400,000 common shares.
- (3) Mr. Reid earned a salary of \$72,000 for the year, of which \$18,000 were accrued at year-end, and \$40,629.62 were settled in a shares-for-debt settlement at share prices ranging from \$0.02 to \$0.05 per share for 1,592,895 common shares.
- (4) Grant date fair value of incentive stock options entitling the purchase of 2,000,000 common shares in the capital of the Corporation at a per share price of \$0.02 until July 26, 2027, estimated using the Black-Scholes option pricing model.
- (5) Mr. Reid earned a salary of \$54,000 for the year ended December 2021, of which \$6,000 was accrued at year-end, and \$5,025.88 was settled in a shares-for-debt settlement at share prices of \$0.05 per share for 100,517 common shares.

- (6) Mr. DiGirolamo earned a salary of \$60,000 for the year, of which \$45,000 was accrued at year-end, and \$36,000 was settled in a shares-for-debt settlement at a share price of \$0.015 per share for 2,000,000 common shares.
- (7) Grant date fair value of incentive stock options entitling the purchase of 1,000,000 common shares in the capital of the Corporation at a per share price of \$0.05 until August 29, 2028, estimated using the Black-Scholes option pricing model.
- (8) Mr. DiGirolamo earned a salary of \$62,500 for the year, of which \$15,000 was accrued at year-end, and \$47,500 was settled in a shares-for-debt settlement at share prices ranging from \$0.02 to \$0.05 per share for 1,765,853 common shares.
- (9) Grant date fair value of incentive stock options entitling the purchase of 700,000 common shares in the capital of the Corporation at a per share price of \$0.02 until July 26, 2027, estimated using the Black-Scholes option pricing model.
- (10) Mr. DiGirolamo earned a salary of \$60,000 for the year ended December 2021, of which \$2,000 was accrued at year-end, and \$20,000 was settled in a shares-for-debt settlement at share prices of \$0.05 per share for 400,000 common shares.

Incentive Plan Awards – Outstanding Option-Based Awards and Share-Based Awards

The following table sets out details of option-based awards granted to the Named Executive Officers by 55 North that were outstanding as at the fiscal year ended December 31, 2023.

Named Executive Officer	Option-based Awards outstanding at December 31, 2023				Share-based Awards outstanding at December 31, 2023		
	Number of shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercised in-the-money options (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Bruce Reid	2,000,000	0.02	26-Jul-27	Nil	N/A	N/A	N/A
Julio DiGirolamo	1,000,000	0.05	29-Aug-28	Nil	N/A	N/A	N/A

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise.

Named Executive Officer	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 (\$)
Bruce Reid	Nil	N/A	N/A
Julio DiGirolamo	Nil	N/A	N/A

TERMINATION AND CHANGE OF CONTROL BENEFITS

As of the date of this Circular, 55 North is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to NEOs at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of 55 North or a change in a NEO's responsibilities.

DIRECTOR COMPENSATION

The following table sets forth information concerning the compensation in respect of the directors of the Company, other than the Named Executive Officers who may also serve as directors, during the financial year ended December 31, 2023. For details of the compensation for Bruce Reid, see the disclosure above in the “Summary Compensation Table”.

Name of Director	Director Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation	Pension value (\$)	All other compensation (\$)	Total (\$)
				on (\$)			
William Ferreira	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sandra Jackson	Nil	Nil	19,000 ⁽²⁾	Nil	Nil	Nil	19,000
Herbert Urton	Nil	Nil	19,000 ⁽²⁾	Nil	Nil	Nil	19,000
Alka Singh	Nil	Nil	38,000 ⁽³⁾	Nil	Nil	Nil	38,000

Notes:

- (1) The Corporation follows the fair value method of accounting for all stock-based compensation arrangements. The values reported represent an estimate of the grant date fair value of the options calculated in accordance with the Black-Scholes option pricing model. Please see the audited annual financial statements of the Corporation for the year ended December 31, 2023 for details regarding the assumptions underlying these Black-Scholes estimates. The Black-Scholes model is a pricing model that may or may not reflect the actual value of the options. The options have not and may never be exercised and the actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise. The Black-Scholes methodology was selected in order to maintain consistency with the Corporation’s prior practice and because it is widely used by Canadian public companies for estimating option-based compensation.
- (2) Grant date fair value of incentive stock options entitling the purchase of 500,000 stock options in the capital of the Corporation at a per share price of \$0.05 until August 29, 2028, estimated using the Black-Scholes option pricing model.
- (3) Grant date fair value of incentive stock options entitling the purchase of 1,000,000 stock options in the capital of the Corporation at a per share price of \$0.05 until August 29, 2028, estimated using the Black-Scholes option pricing model.

Incentive Plan Awards - Outstanding Option-Based Awards

The following table sets out details of option-based awards granted to non-executive directors by 55 North that were outstanding at the fiscal year ended December 31, 2023.

Name	Option-based Awards outstanding at December 31, 2023				Share-based Awards outstanding at December 31, 2023		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
William Ferreira	Nil	N/A	N/A	Nil	N/A	N/A	N/A
Sandra Jackson	500,000	0.05	29-Aug-28	Nil	N/A	N/A	N/A
	500,000	0.02	26-Jul-27	Nil	N/A	N/A	N/A
Herbert Urton	500,000	0.05	29-Aug-28	Nil	N/A	N/A	N/A
	500,000	0.02	26-Jul-27	Nil	N/A	N/A	N/A

Name	Option-based Awards outstanding at December 31, 2023			Share-based Awards outstanding at December 31, 2023			
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value of unexercise d in-the- money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share- based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Alka Singh	1,000,000	0.05	29-Aug-28	Nil	N/A	N/A	N/A
	500,000	0.02	26-Jul-27	Nil	N/A	N/A	N/A

Notes:

(1) William Ferreira resigned from the Board effective August 10, 2023.

Incentive Plan Awards – Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date. The value of options exercised is the difference between the option exercise price and the market price of the underlying security on the date of exercise. No value vested or was earned by 55 North’s executive officers or directors during 55 North’s year ended December 31, 2023, as a result of stock options vesting or being exercised.

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 (\$)
William Ferreira ⁽¹⁾	Nil	N/A	N/A
Sandra Jackson	Nil	N/A	N/A
Alka Singh	Nil	N/A	N/A
Herbert Urton	Nil	N/A	N/A

Notes:

(1) William Ferreira resigned from the Board effective August 10, 2023.

BUSINESS OF THE MEETING

I. Approval of Audited Financial Statements

The Company’s audited financial statements for the fiscal year ended December 31, 2023, and the report of the auditors thereon, have been filed on www.sedarplus.ca and have been sent to registered and beneficial shareholders who have requested copies thereof using the request form accompanying this Circular and will be submitted to the meeting of Shareholders. Receipt at the Meeting of the auditors’ report and the Company’s financial statements for this fiscal period will not constitute approval or disapproval of any matters referred to therein, and no action is required to be taken by Shareholders thereon.

II. Election of Directors

Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution to elect four (4) directors at the Meeting. Each director elected will hold office until the close of the next annual meeting of the Shareholders or until his successor is appointed or elected.

Advance Notice Provisions

The Company’s Articles include advance notice provisions (the “**Advance Notice Provisions**”) with respect to the election of directors. The Advance Notice Provisions provide shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special

meeting of shareholders and sets forth the minimum information that a Shareholder must include in such notice to the Company for the notice to be in proper written form.

As of the date hereof, the Company has not received notice of any additional director nomination in compliance with the Advance Notice Provisions of the Company's Articles. If no nominations are received by the Company in compliance with these provisions prior to the Meeting, any nominations which are not nominations by or at the direction of the Board, or an authorized officer of the Company, will be disregarded at the Meeting.

Management Director Nominees

The following table and the notes thereto set out the names of each nominee for election as a director of the Company as well as their province of residence, principal occupation, business or employment, the year they first became a director of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof.

Name, Position, Province of Residence	Director Since	Principal Occupation during the Past Five Years	# of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction
Sandra Jackson Winnipeg, MB Canada	02/2022	Independent Management Consultant providing advice and assistance to resource sector companies and Indigenous communities on building relationships that are mutually beneficial. (since 2001).	Nil
Bruce Reid Toronto, ON, Canada ⁽¹⁾	01/2018 Also 8/2015 to 5/2016	Chairman of Idaho Champion Gold Mines Canada Inc (since 2018), President, CEO and Chairman of Bunker Hill Mining Corp. (2017-2018); President and CEO/Chairman of Carlisle Goldfields Limited (2009-2016); President and CEO of Satori Resources Inc. (2015-2016).	29,738,214
Alka Singh Toronto, ON, Canada ⁽¹⁾	06/2021	Business consultant providing research and analysis to the mining industry including project valuation and investment analysis.	1,499,999
Herbert Urton Duck Lake, Saskatchewan, Canada ⁽¹⁾	02/2022	President & CEO of Resortco Properties Inc., developing and managing resort-based properties in the hospitality and tourism sector.	Nil

(1) Member of Audit Committee

Director Profiles

Further biographical information with respect to each nominee for election as a director is set forth below:

Sandra Jackson

Sandra Jackson is a member of the Sagkeeng First Nation. She graduated from the University of Manitoba majoring in Economics. Sandra has over thirty years of experience working in the areas of community, economic, institutional and self-governance development with First Nations. Prior to venturing into the business sector, Sandra held various positions with the Department of Indian Affairs. Her experience includes negotiating land claims, resettlement benefit agreements, multilateral funding arrangements and other business development agreements with governments and industry partners.

Sandra was the Federal Negotiator for the Northern Flood Agreement and was instrumental in the successful negotiation of agreements involving Canada, Manitoba, Manitoba Hydro, and four northern Manitoba First Nations. She was the Federal Negotiator for Self-Government discussions that resulted in an agreement in principle among the Sioux Valley Dakota Nation, the Province of Manitoba, and the Government of Canada. Sandra continues to work with First Nations, Indigenous communities and their business organizations, governments, and industry partners to establish relationships, build bridges and create opportunities for investment, employment, training, and business development. Sandra has served as Chair of the Indigenous Chamber of Commerce and as a Board member of

Animikii Ozoson Child and Family Services. She is a member of the Manitoba Chambers of Commerce and the Industry Advisory Group for First Peoples Development Inc.

Bruce Reid

Mr. Reid is the President and Chief Executive Officer of 55 North Mining Inc., as well as a Director. Mr. Reid was previously the Chairman, President and Chief Executive Officer of Carlisle Goldfields from January 2010 until January 2016 when the Company was purchased by Alamos Gold Inc. Mr. Reid is also currently a Director of The Canadian Chrome Company, formerly KWG Resources Inc., and several other public mining companies. Mr. Reid was also the Founder, President and Chief Executive Officer of U.S. Silver Corp. from June 2005 to November 2008. Prior to this, Mr. Reid was intimately involved in the start-up and successful build and sale of numerous mining companies such as Western Goldfields, Patricia Mining, and High Plains Uranium. Mr. Reid also has extensive experience in corporate finance and mining investment research, having a 20-year career in the investment business with firms such as Nesbitt Thomson, Loewen Ondaatje McCutcheon, and Yorkton Securities. Mr. Reid combines all this with direct practice as an Exploration Geologist working on projects in the Canadian North during the 1970s and early 1980s. His background of more than 35 years of direct and indirect experience in the mining and mineral exploration industry follows graduation with a B.Sc. in Geology from the University of Toronto in 1979 and a finance degree from the University of Windsor in 1982.

Alka Singh

Ms. Singh is an independent business analyst providing project valuation and investment analysis with a focus on mining assets. Ms Singh was granted a B.Sc. by Benaras Hindu University in India and holds an M.B.A. granted by the Schulich School of Business at York University. Ms. Singh has more than 16 years of experience in capital markets and the mining industry. She has held senior positions as a mining equity research analyst with leading brokerage firms in both Toronto and New York City. Ms. Singh is a member of the Prospectors and Developers Association of Canada.

Herbert Urton

Mr. Urton has a wealth of experience in the development of businesses at a regional, national and international level. Herbert has demonstrated the skill, leadership and ability required to build a successful team and develop, manage and grow a diversified corporate base. He is currently the President & CEO of Resortco Properties Inc., developing and managing resort-based properties in the hospitality and tourism sector. Herbert is also the founding Partner of One Sky Group, which is involved in the Forestry Industry and Service Sectors of Saskatchewan.

Additional Information Regarding the Directors

Each of the Directors has consented to being named as a nominee in this Circular. It is not contemplated that any of the nominees will be unable to stand for election to the Board of Directors of the Company or to serve as a director, if elected. If for any reason, any of the nominees do not stand for election or are unable to serve as such, proxies in favour of the nominees will be voted for another nominee in the discretion of the persons named in the enclosed form of proxy or VIF unless the Shareholder has specified in his proxy that his Common Shares are to be withheld from voting in the election of the directors.

Other Boards of Reporting Issuers

The following directors of the Company presently serve as directors of other reporting issuers as follows:

Director	Reporting Issuer
Bruce Reid	Canuc Resources Corp., Canadian Chrome Company (formerly KWG Resources Inc.), Altair Resources Inc.

Cease Trade Orders and Bankruptcies

Other than as disclosed below, to the knowledge of the Company, no director is, as at the date of this Proxy Circular, or has been, within 10 years before the date of this Circular:

- I. a director, chief executive officer or chief financial officer of any corporation that:
 - i) was subject to an order that was issued while a director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - ii) was subject to an order that was issued after a director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- II. a director or executive officer of any corporation that, while such person was acting in that capacity, or

within a year of such 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

- III. someone who became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such shareholder nominee.

For the purposes of section (a) above, the term “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, except as otherwise noted below:

Bruce Reid

Mr. Reid is a director of the Company. The Company did not file its annual financial statements and annual MD&A for the fourth quarter ended December 31, 2015 on time. As a result, on May 9, 2016, the Manitoba Securities Commission (“MSC”) issued a Cease Trade Order for failing to file the documents within the required time period. On December 22, 2017, the Company announced the revocation of Cease Trade Order. The Company’s shares resumed trading on the TSXV on August 14, 2019, trading for ten days before being delisted at the request of Management. In April 2021, the shares started trading on the Canadian Securities Exchange.

Penalties and Sanctions

Alka Singh

Ms. Singh is a director of the Company. On June 19, 2012, Ms Singh signed a letter of Acceptance, Waiver and Consent in relation to allegations brought by the Financial Industry Regulatory Authority (“FINRA”) related to the allegation that Ms. Singh had attempted to procure a research fee from a publicly traded company. In 2014, Ms. Singh entered into a settlement with the Ontario Securities Commission by agreeing to a trading ban as a result of her failure to disclose her financial interest in entities on which she wrote research reports. The trading ban expired in 2017.

Except as described above, to the knowledge of the Company, as of the date of this Circular, no proposed director 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 securityholder in deciding whether to vote for a proposed director.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management does not contemplate that any of the nominees will be unable to serve as a director of the Company for the ensuing year, however, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR OF THE COMPANY FOR ANY REASON AT OR PRIOR TO THE MEETING OR ANY ADJOURNMENT THEREOF, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR THE ELECTION OF ANY PERSON OR PERSONS IN PLACE OF ANY NOMINEES UNABLE TO SERVE AT THE DISCRETION OF THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

III. Appointment of Auditors

Shareholders are being asked to re-appoint Scarrow & Donald LLP to act as auditors of the Company until the next annual meeting of Shareholders and to authorize the Board to fix their remuneration. **PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPOINTMENT OF SCARROW & DONALD LLP, AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE AUDITORS’ REMUNERATION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER**

SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE APPOINTMENT OF SCARROW & DONALD LLP.

Scarrow & Donald LLP were first appointed as auditors for the Company in 2010.

SPECIAL BUSINESS

IV. Re-approval of Stock Option Plan

At the Meeting, the Shareholders will be asked to re-approve the Stock Option Plan. The following is a summary of the material terms of the Stock Option Plan. A copy of the Stock Option Plan is attached hereto as Schedule "B".

The Stock Option Plan is administered by the Board and all option issuances are approved by the Board. The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging participants in the Stock Option Plan ("Participants") to acquire Common Shares thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and providing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

Pursuant to the Stock Option Plan, the Company may grant options to purchase Common Shares to a Director or a director of a subsidiary of the Company, a senior officer of the Company or a subsidiary of the Company, an employee of the Company or a subsidiary of the Company, management company employees of the Company or a subsidiary of the Company and consultants retained by the Company, including investor relations consultants. The Directors will set the exercise price at the time that an option is granted under the Stock Option Plan. The options will have a maximum term of five years from the date of grant. 10% of the issued and outstanding Common Shares may be reserved for issuance pursuant to the Stock Option Plan.

The Stock Option Plan provides that the number of Common Shares reserved for issuance pursuant to the Stock Option Plan in respect of all options granted to any one Participant, other than a consultant or a person employed in investor relations, together with any other previously established or proposed security compensation arrangement of the Company, at any one time shall not exceed 5% of the issued and outstanding Common Shares in the capital of the Company from time to time. The number of Common Shares reserved for issuance pursuant to the Stock Option Plan in respect of all options granted to any one Participant that is a consultant or a person involved in investor relations at any one time shall not exceed 2% of the issued and outstanding Common Shares in the capital of the Company from time to time. The Stock Option Plan also provides that the number of Common Shares reserved for issuance pursuant to the Stock Option Plan together with any other previously established or proposed security compensation arrangement of the Company, at any one time shall not exceed 10% of the issued and outstanding Common Shares in the capital of the Company from time to time.

The exercise price of the Common Shares subject to each option shall be determined by the Board at the time that the option is granted. In no event shall such exercise price be lower than the last daily closing price of the Common Shares on the day before the grant of the options. Once the exercise price has been determined by the Board, the exercise price of an option may be reduced upon receipt of the approval of the Board, provided that in the case of options held by insiders of the Company, the exercise price of an option may be reduced only if disinterested Shareholder approval is obtained.

The number of Common Shares issuable to insiders of the Company, at any time, under the Stock Option Plan and all other security-based compensation arrangements of the Company, cannot exceed 10% of the issued and outstanding Common Shares (calculated on a non-diluted basis). The number of Common Shares issued to insiders of the Company within any one year period, under the Stock Option Plan and all other security-based compensation arrangements of the Company, cannot exceed 10% of the issued and outstanding Common Shares (calculated on a non-diluted basis).

If a Participant shall cease to be a Director, a director of a subsidiary of the Company, a senior officer of the Company or a subsidiary of the Company, an employee of the Company or a subsidiary of the Company, a management company employee of the Company or a subsidiary of the Company or a consultant for any reason (other than death), such Participant may then only exercise his or her option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to hold such office.

In the event of the death of a Participant, the options previously granted to him or her shall be exercisable only within the first year after such death and then only: (a) by the person or persons to whom the Participant's rights under the options shall pass by the Participant's will or the laws of descent and distribution; and (b) if and to the extent that such Participant was entitled to exercise the option at the date of his or her death.

Subject to any vesting restrictions imposed by the relevant exchange upon which the Common Shares are listed or applicable securities laws, the Board may, in its sole discretion, determine the time period(s) during which options shall vest and the method of vesting, or that no vesting restriction shall exist.

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Stock Option Plan shall not be transferable or assignable. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

The Board has the power to amend, modify, suspend or terminate the Stock Option Plan, subject to any necessary regulatory and Shareholder approvals. Subject to the receipt of any necessary regulatory or Shareholder approvals, the Board may also at any time amend or revise the terms of any options granted under the Stock Option Plan from time to time. The Board has the authority to make amendments to the Stock Option Plan without requiring Shareholder approval that: (i) are regarded as "housekeeping" in nature; (ii) change the vesting provisions of an option or the Plan; or (iii) change the termination provisions of an option or the Stock Option Plan so long as such change does not extend the expiry date of any option.

Notwithstanding the foregoing, the following amendments to the Stock Option Plan may not be made without the approval of the Shareholders: (i) an increase to the maximum number of options that may be granted or reserved for granting pursuant to the Stock Option Plan; (ii) a change to the amendment provisions of the Stock Option Plan; (iii) a reduction of the exercise price of options held by insiders of the Company; (iv) an extension to the term of options held by insiders of the Company; and (v) a change to the insider participation limits of the Stock Option Plan.

If approval of the Stock Option Plan or a modified version thereof is not obtained, the Company will not proceed to grant options under the Stock Option Plan. The Stock Option Plan will be available for inspection at the Meeting. As the Stock Option Plan is intended to align the interests of management, employees and the Directors with the interests of the Shareholders and to provide added incentive to the optionees, the Directors recommend that the Shareholders re-approve the Stock Option Plan.

Shareholder Approval of the Stock Option Plan

BE IT RESOLVED THAT:

1. The Stock Option Plan of the Company as more particularly described in the Company's Information Circular dated May 6, 2024, be and the same is hereby approved; and
2. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company (whether under corporate seal or otherwise) to execute and deliver such document as may be necessary or useful to effect the foregoing resolution and all other documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolutions and the matter authorized hereby, such determinations to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of any such action.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STOCK OPTION PLAN UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION. In the event shareholder approval is not given, the stock option plan will be terminated. In order to approve the stock option plan, at least a majority of the votes cast at the meeting by holders of Common Shares must be voted in favour of the resolution.

AUDIT COMMITTEE

NI 52-110 requires that certain information regarding the audit committee of a "venture issuer" (as that term is defined in NI 52-110) be included in this Circular sent to shareholders in connection with this annual Meeting.

Audit Committee Charter

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

Composition of the Audit Committee

The members of the Audit Committee are Bruce Reid, Herbert Urton and Alka Singh, all of whom are considered financially literate pursuant to NI 52-110 – *Audit Committees* ("NI 52-110"). Mr. Reid has not been determined by the Board of Directors to be "independent" as such term is defined by NI 52-110. See Business of the Meeting-Election of Directors for a summary biography of each member of the Audit Committee.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Audit Committee and, where applicable, the Company's Board, on a case-by-case basis.

Auditor Service Fees

The following table provides detail in respect of audit, audit related, tax and other fees billed to the Company by the external auditors for professional services provided to the Company and its subsidiaries:

	2023	2022
<u>Audit fees</u>	23,625	26,500
<u>Audit-related fees</u>	Nil	Nil
<u>Tax fees</u>	2,875	2,500
<u>Other fees</u>	823	Nil
<u>Total</u>	27,323	29,000

Audit Fees: Audit fees were paid for professional services rendered by the auditors for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees: Audit-related fees were paid for professional services rendered by the auditors and were comprised primarily of the reading of quarterly financial statements.

Tax Fees: Tax fees were paid for tax compliance, tax advice and tax planning professional services. These services included preparing and/or reviewing tax returns.

All Other Fees: Fees such as those payable for professional services which include bookkeeping, accounting advice, primarily relating to preparation of IFRS compliant financial statements, and preparation of management's discussion and analysis, and due diligence.

Exemption

The Company is relying on the exemption from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) as set out in section 6.1 of NI 52-110.

CORPORATE GOVERNANCE

The Company's disclosure of corporate governance practices pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") is set out below in the form required by Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

Board of Directors

The Board of Directors is responsible for the stewardship of the Company and for the supervision of management to protect shareholder interests. The Board oversees the development of the Company's strategic plan and the ability of management to continue to deliver on the corporate objectives.

The board of directors is presently comprised of four (4) members: Sandra Jackson, Alka Singh, Bruce Reid and Herbert Urton. All of the directors of the Company except Bruce Reid are considered to be independent directors of the Company. Bruce Reid is the Chief Executive Officer of the Company. Therefore, Mr. Reid is not considered to be independent. NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the

view of the board of directors, reasonably interfere with the exercise of a director's independent judgment. As disclosed above, the Board is comprised of a majority of independent directors. The independent judgment of the Board in carrying out its responsibilities is the responsibility of all directors. The Board facilitates independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board has free access to the Company's external auditors, external legal counsel and to any of the Company's officers.

Directorships

The directors of the Company are also directors of other reporting issuers, see Business of Meeting- Election of Directors-Other Boards of Reporting Issuers above.

Orientation and Continuing Education

At present, each new director is given an outline of the nature of the Company's business, its strategy, and present issues with the Company. New directors would also be expected to meet with management of the Company to discuss and better understand the Company's business and would be advised by the Company's legal counsel of their legal obligations as directors of the Company.

Ethical Business Conduct

The entire Board is responsible for developing the Company's approach to governance issues. The Board has reviewed this Corporate Governance disclosure and concurs that it accurately reflects the Company's activities.

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

In addition, each nominee for director of the Company must disclose to the Company all interests and relationships of which the director is aware of at the time of consideration which will or may give rise to a conflict of interest. If such an interest or relationship should arise while the individual is a director, the individual shall make immediate disclosure of all relevant facts to the Company.

The Board is in the process of developing a written Code of Business Conduct and Ethics (the "Code") that applies to all directors, officers, employees, and consultants of the Company.

Board of Directors Tenure

The Board has not adopted policies imposing an arbitrary term or retirement age limit in connection with individuals nominated for election as directors as it does not believe that such a limit is in the best interests of the Company at this time. Directors are elected for a period of one year and remain in place until the next annual general meeting of Shareholders at which time their mandates terminate. The Board strives to achieve a balance between the desirability to have a depth of experience from its members and the need for renewal and new perspectives. The Board has determined that the Board is highly effective and well composed and that no appreciable benefit would be derived from the introduction of term or retirement age limits at this time.

Board and Senior Management Diversity

The *Canadian Business Corporations Act* (the "CBCA") defines members of designated groups ("**Designated Group Members**") to mean women, Aboriginal peoples, persons with disabilities and members of visible minorities. The Board has not adopted a written policy or targets relating to the identification and nomination of Designated Group Members as directors or members of senior management, as it does not believe that it is necessary in the case of the Company to have such measures giving the Corporation is a junior exploration company involved in the exploration of mining projects which are early stage and do not generate revenues. The Corporation has a limited number of employees, choosing to use the services of consultants almost exclusively. Whenever possible, the Corporation chooses to use the services of local persons or locally owned businesses, especially those of First Nations when available. The Board is committed to nominating the best individuals to fulfill director roles and senior management positions. The Board recognizes that Designated Group Members contribute significantly to diversity and acknowledges the important role that Designated Group Members with appropriate and relevant skills and experience can play in contributing to diversity of perspective in the boardroom and in senior management roles.

The Board reviews the general and specific criteria applicable to candidates to be considered for nomination to the Board. The Board aims to maintain the composition of the Board in a way that provides the best mix of skill and

experience to guide the Company's long-term strategy and ongoing business operations. Accordingly, in searches for new directors or members of senior management, the Board considers the level of Designated Group Member representation and diversity within its leadership ranks when considering making director or officer appointments and this is just one of several factors used in such search process. The Corporation currently has no targets for the level of representation of members of the Designated Groups on the board and senior management. The table below show the current number and proportion (expressed as a percentage) of Designated Group Members who hold positions on the board of directors and who are members of senior management:

	Directors		Senior Management	
	#	%	#	%
Women	2 of 4	50	0 of 2	0
Aboriginal Peoples	1 of 4	25	0 of 2	0
Persons with Disabilities	1 of 4	25	2 of 2	100
Members of Visible Minorities	1 of 4	25	0 of 2	0

The board of directors of the Corporation considers diversity in identifying and nominating candidates for election or re-election to the Board as well as for making senior management appointments, by carefully evaluating necessary competencies, skills and other qualifications of each candidate as a whole and taking into account the track record in general business management and the ability to devote the time required.

The diversity information disclosed reflects the Corporation's situation as of the date of this Circular.

Other Board Committees

The Company has no committees other than the Audit Committee.

Assessments

The Board does not feel it is necessary at this time to establish a committee to assess the effectiveness of individual Board members. Each Board member has considerable experience in the guidance and management of public companies, and this is sufficient to meet the current needs of the Company.

OTHER BUSINESS

As at the date hereof, management of the Company knows of no amendments, variations, or other matters to be presented for action at the Meeting. If, however, any amendments, variations or other matters properly come before the Meeting or any postponement(s) or adjournment(s) thereof, or if any other matters, which are not now known to management of the Company should properly come before the Meeting or any postponement(s) or adjournment(s) thereof, the form of proxy or VIF confers discretionary authority on the person voting the proxy to vote on such amendments or variations or such other matters in the discretion of such person, whether or not the amendments, variations or other matters that come before the Meeting are or are not routine, and whether or not the amendments, variations or other matters that come before the Meeting are contested, the Company reserves the right to amend or supplement this Proxy Circular, form of proxy and VIF, as the case may be, as it sees fit in order to solicit proxies for any business to be transacted at the Meeting which is in addition to or a variation of the resolutions set out in the Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. Shareholders of the Company may contact the Company at 55 North Mining Inc., 401 Bay Street, Suite 2702, Toronto, Ontario, M5H 4Y2, to request copies of the Company's financial statements and management's discussion and analysis. Financial information regarding the Company is provided in the Company's financial statements and management discussion and analysis for the most recently completed financial year.

APPROVAL

The contents of this Circular and the sending thereof to each director of the Company, the auditor of the Company and to the Shareholders of the Company have been approved by the Board.

DATED at Toronto, Ontario, this 6th day of May, 2024.

“Bruce Reid”

Bruce Reid
Chief Executive Officer

**SCHEDULE “A”
55 NORTH MINING INC.
AUDIT COMMITTEE CHARTER**

The Audit Committee (the “Committee”) of the board of directors (the “Board”) of 55 North Mining Inc. (the “Company”) will carry out the procedures, responsibilities and duties set out below, to ensure that the Company maintains financial controls in strict adherence with applicable regulatory standards.

Role and Objective

The Committee is a committee of the Board to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Company and related matters;
2. To provide better communication between directors and external auditors appointed by the Company;
3. To enhance the external auditors' independence; and
4. To increase the credibility and objectivity of financial reports.

Membership of Committee

1. The Committee shall be comprised of at least three (3) directors of the Company.
2. The Board shall have the power to appoint the Committee Chairman.
3. All of the members of the Committee shall be "financially literate". The Board of the Company has adopted the definition for "financial literacy" used in National Instrument 52-110 – Audit Committees.

Meetings

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
2. A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting, and adjourning meetings of the Committee shall be the same as those governing the Board.
3. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken.
4. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board.
5. The Committee shall meet with the external auditors at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditors and the Committee consider appropriate.

Mandate and Responsibilities of Committee

1. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting and the external auditors shall report directly to the Committee and shall at any time have direct access to the Committee.
2. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Company's internal control system to:
 - a. identify, monitor, and mitigate business risks; and
 - b. ensure compliance with legal, ethical, and regulatory requirements.
3. It is a responsibility of the Committee to review the annual financial statements of the Company prior to their submission to the Board for approval. The process should include but not be limited to:
 - a. reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
 - b. reviewing significant accruals or other estimates such as the ceiling test calculation;
 - c. reviewing accounting treatment of unusual or non-recurring transactions;
 - d. ascertaining compliance with covenants under loan agreements;

- e. reviewing disclosure requirements for commitments and contingencies;
 - f. reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - g. reviewing unresolved differences between management and the external auditors; and
 - h. obtaining explanations of significant variances within comparative reporting periods.
4. The Committee is to review the financial statements (and make a recommendation to the Board with respect to their approval), prospectuses, management discussion and analysis and all public disclosure containing audited or unaudited financial information before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Company's disclosure of all other financial information and shall periodically assess the accuracy of those procedures.
 5. With respect to the appointment of external auditors by the Board, the Committee shall:
 - a. recommend to the Board the appointment of the external auditors;
 - b. recommend to the Board the terms of engagement of the external auditors, including the compensation of the external auditors and a confirmation that the external auditors shall report directly to the Committee; and
 - c. when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
 6. The Committee shall review with external auditors (and the internal auditor if one is appointed by the Company) their assessment of the internal controls of the Company, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and upon completion of the audit, their reports on the financial statements of the Company and its subsidiaries.
 7. The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries by the external auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) complies with such other procedures as may be established by the Committee from time to time.
 8. The Committee shall review risk management policies and procedures of the Company (i.e. hedging, litigation and insurance).
 9. The Committee shall be responsible generally for administering the Whistleblower Policy of the Company and for generally establishing procedures for:
 - a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
 10. The Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
 11. The Committee shall have the authority to investigate any financial activity of the Company. All employees of the Company are to cooperate as requested by the Committee.

The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at the expense of the Company without any further approval of the Board.

SCHEDULE "B"
55 NORTH MINING INC.
ROLLING STOCK OPTION PLAN

[See attached]

ROLLING STOCK OPTION PLAN

55 North Mining Inc. (the “**Company**”) hereby implements this Stock Option Plan, for the benefit of the respective directors, officers and full-time employees of the Company, its subsidiaries and affiliates, as well as any other person or company engaged to provide ongoing management or consulting services to the Company or to its subsidiaries and affiliates (collectively, the “**Service Providers**”, individually, a “**Service Provider**”), which plan is hereafter referred to as the “**Plan**”.

1. DEFINITIONS

As used herein, the following terms shall have the following meanings:

- (a) “**Associate**” shall have the meaning ascribed to that term in the *Securities Act* (Ontario);
- (b) “**business day**” means a day other than a Saturday, Sunday or any other day which is a statutory holiday in the Province of Ontario;
- (c) “**Common Shares**” means the common shares in the capital of the Company;
- (d) “**Insider**” will mean:
 - (i) an insider as defined in the *Securities Act* (Ontario), other than a person who falls within that definition solely by virtue of being a director or senior officer of a subsidiary of the Company; and
 - (ii) an Associate of any person who is an insider by virtue of (i);
- (e) “**Outstanding Issue**” means the aggregate number of Common Shares that are outstanding immediately prior to the share issuance in question;
- (f) “**Securities Act (Ontario)**” means the *Securities Act*, R.S.O. 1990, c. S.5, as amended;
- (g) “**senior officer**” shall have the meaning ascribed to that term in the *Securities Act* (Ontario);
- (h) “**Share Compensation Arrangements**” means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares from treasury to one or more Service Providers, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise; and
- (i) “**subsidiary**” shall have the meaning ascribed to that term in the *Securities Act* (Ontario).

2. PURPOSE OF THE PLAN

The purpose of the Plan is to provide the Company and its subsidiaries with a share-related mechanism designed to develop and increase the interest in the growth and development of the Company and its subsidiaries of those Service Providers as may from time to time be granted options under the Plan by providing to them the opportunity to acquire a proprietary interest in the Company through the purchase of Common Shares.

3. IMPLEMENTATION

The establishment of the Plan was approved by the board of directors of the Company (the “**Board**”).

4. ADMINISTRATION

The Plan will be administered by the Board or the Compensation Committee or other committee or persons appointed by the Board (the “**Committee**”). References herein to the “*Board*” are deemed to be references to the “*Board*” or the “*Committee*”, as the case may be. Subject to the provisions of the Plan, the Board is authorized in its sole discretion to make such determinations under, and such interpretations of, and to take such steps and actions in connection with the proper administration of the Plan and to impose, amend or revoke such rules and regulations concerning the granting of options pursuant to the Plan as it, in its sole discretion, may deem necessary or advisable. No member of the Board will be liable for any action or determination taken or made in good faith with respect to the Plan or any options granted thereunder and each such member shall be entitled to indemnification by the Company with respect to any such action or determination in the manner provided for by the Board. Any determination approved by a majority of the members of the Board will be deemed to be a determination of that matter by the Board. Members of the Board may be granted options under the Plan.

5. NUMBER OF SHARES DEDICATED TO THE PLAN

Options shall not be granted under the Plan with respect to any class of shares in the capital of the Company other than Common Shares. The aggregate number of Common Shares subject to options under the Plan shall not exceed 10% of the Outstanding Issue at the time of grant of any options. All options granted under the Plan will conform to all applicable provisions prescribed by the Plan and to such specific terms and conditions as may be determined by the Board at the time of making each such grant. The granting of any option must, in order to become effective and binding on the Company, be authorized or approved by the Board. Common Shares in respect of which an option is granted under the Plan, but not exercised prior to the termination of such option, whether through lapse of time or otherwise, shall be available for options thereafter granted by the Board under the Plan. All Common Shares issued pursuant to the due exercise of options granted under the Plan will be so issued as fully paid and non-assessable shares.

6. ELIGIBILITY FOR OPTIONS

The persons who will be eligible to be granted options pursuant to the Plan (“**Eligible Participants**”) will be such Service Providers as the Board shall from time to time determine, in its sole discretion, or the personal holding corporation wholly-owned by any such Service Provider, the issued and outstanding voting shares of which are, and will continue to be, beneficially owned, directly or indirectly, by such individual Eligible Participant, or the registered retirement savings plan established for the sole benefit of any such Service Provider. In determining the options to be granted to Eligible Participants under the Plan, the Board will give due consideration to the value of each such person’s present potential contribution to the Company’s (or any subsidiary of the Company’s) success and to the recommendation, if any, in that regard of the compensation committee, if any, of the Board.

7. GRANTING OF OPTIONS

Subject to the provisions herein set forth and after reviewing any recommendations from time to time made by the Committee, if any, of the Board, the Board shall, in its sole discretion, select the Eligible Participants to whom options under the Plan may be granted (herein sometimes referred to as the “**Optionees**”), the number of Common Shares to be optioned to each of them, the date or dates on which such options should be granted and the terms and conditions within the limits prescribed in Section 8 hereof attaching to each such option. The aggregate number of Common Shares reserved for issuance pursuant to all options granted

to any one Optionee shall not exceed 5% of the number of Common Shares outstanding on a non-diluted basis at the time of such grant. In addition: (i) the number of securities issued to any one individual pursuant to the Plan and all other Share Compensation Arrangements, within any 12 month period, shall not exceed 5% of the Outstanding Issue; (ii) the number of securities issuable to Insiders, at any time, pursuant to the Plan and all other Share Compensation Arrangements, shall not exceed 10% of the Outstanding Issue; (iii) the number of Options which can be granted to Insiders, in any 12 month period, shall not exceed 10% of the number of issued Common Shares (iv) the number of securities issuable to any one consultant pursuant to the Plan in a 12 month period shall not exceed 2% of the Outstanding Issue; and (v) the aggregate number of securities granted to persons employed to provide investor relations services shall not exceed 2% of the Outstanding Issue in any 12 month period.

The granting of an option under the Plan to an Eligible Participant shall neither entitle nor preclude such Eligible Participant from being subsequently granted one or more additional options to purchase Common Shares under the Plan.

8. TERMS AND CONDITIONS OF THE OPTIONS

The terms and conditions of each option granted under the Plan shall be set forth in an option agreement (an “**Option Agreement**”) to be entered into between the Company and each Optionee, such agreement to be in such form as may from time to time be approved by the Board. To the extent that the terms of the Plan and any Option Agreement are inconsistent, the terms of the Plan shall govern. The Option Agreement shall include the following terms and conditions as well as such other terms and conditions not inconsistent with the Plan as may be deemed advisable by the Board:

- (a) Number of Shares - The Board shall, in its sole discretion, fix the aggregate number of Common Shares which are the subject of the option so granted.
- (b) Option Price - The Board shall fix the option price per Common Share which shall not be less than the market price in Canadian dollars at the time of the granting of such option. For the purposes of this subparagraph 8(b), “**market price**” of the Common Shares shall mean the closing market price on the TSX Venture Exchange one trading day prior to the effective date on which the option is granted by the Board and if there is no sale on such trading day, then the last closing market price on the TSX Venture Exchange prior to the effective date on which the option is granted. If the Common Shares are not then traded on the TSX Venture Exchange, “**market price**” of the Common Shares shall mean the closing market price on such public market on which the Common Shares are then traded, as selected by the Board, in its sole discretion, one trading day prior to the effective date on which the option is granted by the Board and if there is no sale on such trading day, then the last closing price on such public market prior to the effective date on which the option is granted. If the Common Shares are not then traded on any public market, the Board in its sole discretion shall determine the “**market price**” at the time of grant.
- (c) Payment - The full purchase price of the Common Shares purchased upon the exercise of the option shall be paid for in cash or by certified cheque or bank draft upon the exercise thereof. An Optionee who is not already a Shareholder of the Company shall have none of the rights of a Shareholder of the Company until Common Shares issuable pursuant to the exercise of an option granted to an Optionee are issued to such Optionee.
- (d) Vesting - Subject to subsection 8(i) of this Section 8, the Board shall determine, at the time of granting an option to an Optionee pursuant to the Plan, the maximum number of

Common Shares that may be exercised by such Optionee in each year or other period during the term of the option.

- (e) Term of Option - The term of the option shall not be for less than one year and not more than 5 years (unless the Corporation becomes or is permitted by the stock exchange on which it is listed to have a longer term in which case the maximum term shall be that which is permitted by the relevant stock exchange) from the date the option is granted, subject always to subsections (f), (g), (h) and (i) of this Section 8; provided that, notwithstanding the foregoing or anything else to the contrary in the Plan, if the term of any option granted under the Plan ends on a day occurring within a Blackout Period (as defined below) or within seven business days thereafter, such option shall continue to be exercisable under the terms of the Plan up to 5:00 p.m. (Toronto time) on the seventh business day following the end of such Blackout Period.

For the purposes hereof, “**Blackout Period**” means the time period, referred to as the “blackout period”, determined by the Company under its Confidentiality of Material Information and Restrictions on Trading Securities of the Company Policy (or any successor thereto or replacement thereof) pursuant to which Insiders will be prohibited from trading in the securities of the Company, which policy currently provides for a Blackout Period: (A) commencing on the first day of the month following the end of a quarter and ending on the day after the issuance of the press release in respect of the financial results for such quarter; and (B) of one business day after the issuance of any other press release by the Company. For greater certainty, Blackout Period shall not include any period in which there is a prohibition on trading in securities of the Company as a result of a cease trade or other order of any securities commission or regulatory authority.

- (f) Death of Optionee - In the event of the death of an Optionee while a Service Provider prior to 5:00 p.m. (Toronto time) on the expiry date of the option (the “**Expiry Date**”), the option may be exercised, as to all or any of the Common Shares forming the subject matter of such option in respect of which such Optionee would have been entitled to exercise the option hereunder at the time of the death of such Optionee if such Optionee had survived, by the legal representatives of such Optionee at any time up to and including, but not after, 5:00 p.m. (Toronto time) on the date which is the first anniversary of the date of death of such Optionee or the Expiry Date, whichever is the earlier, after which the option shall in all respects cease and terminate and be of no further force or effect whatsoever as to such of the Common Shares in respect of which such option had not been previously exercised. The provisions of this subsection 8(f) shall apply, in the case of an Optionee that is the personal holding corporation controlled by, or a registered retirement savings plan established by, a Service Provider, in the event of the death of such Service Provider, *mutatis mutandis*.

- (g) Discharge of Optionee - In the event of the discharge of an Optionee as an employee of the Company or a subsidiary of the Company by reason of a wilful and substantial breach of such Optionee’s employment or service duties prior to 5:00 p.m. (Toronto time) on the Expiry Date, all options granted to such Optionee under the Plan shall in all respects forthwith cease and terminate and be of no further force or effect whatsoever as to such of the Common Shares in respect of which such option had not previously been exercised, upon notice of such discharge being given by the Company or subsidiary of the Company to such Optionee. For the purposes of the Plan, the determination by the Company that such Optionee was discharged as an employee of, or service provider to, the Company or a subsidiary of the Company by reason of a wilful and substantial breach of such

Optionee's employment or service duties shall be binding upon such Optionee. The provisions of this subsection 8(g) shall apply, in the case of an Optionee that is the personal holding corporation controlled by, or a registered retirement savings plan established by, a Service Provider, in the event of the discharge of such Service Provider, *mutatis mutandis*.

- (h) Resignation, Removal or Termination of Employment of Optionee - In the event of the resignation, removal or termination of employment or service of an Optionee other than in the circumstances referred to in subsections (f) and (g) above, such that the Optionee is no longer an Eligible Participant, such Optionee may exercise each option then held by such Optionee under the Plan to the extent that such Optionee was entitled to do so at the time of such resignation, removal or termination of employment or service, at any time up to and including, but not after, 5:00 p.m. (Toronto time) on the 90th day (or such later day as the Board in its sole discretion may determine) following the effective date of resignation, removal or termination of employment or service, or the Expiry Date, whichever is earlier, after which the option shall in all respects cease and terminate and be of no further force or effect whatsoever as to such of the Common Shares in respect of which such option had not been previously exercised. The provisions of this subsection 8(h) shall apply, in the case of an Optionee that is the personal holding corporation controlled by, or a registered retirement savings plan established by, a Service Provider, in the event of the resignation, removal or termination of employment or service of such Service Provider other than in circumstances referred to in subsections (f) and (g) above, *mutatis mutandis*.
- (i) Sale, Arrangement and Take-over Bid - As used in this subsection 8(i):
- (i) “**Arrangement**” means any merger, arrangement, amalgamation or other similar form of business combination transaction involving the Company, other than with a wholly-owned subsidiary of the Company, under circumstances such that, following the completion of such transaction, there is a Change in Control of the Company;
 - (ii) “**Change in Control**” means, in relation to the Company or any successor or resulting company or other entity, circumstances under which Control of the Company or any successor or resulting company or other entity is changed from one person or group of persons to another person or group of persons, other than to a person or persons not dealing at arm's length with the person(s) exercising Control of the Company immediately prior to such circumstances occurring;
 - (iii) “**Control**” means the possession, directly or indirectly, through one or more intermediaries or otherwise, of the power to elect a majority of directors and/or to direct or cause the direction of the management or policies of the Company, whether through the ownership of voting securities, by contract or in any other manner whatsoever;
 - (iv) “**offeror**” has the meaning ascribed to that term in the *Securities Act* (Ontario);
 - (v) “**Take-over Bid**” means a take-over bid, as defined in the *Securities Act* (Ontario), which is a “**formal bid**” as defined in such Act, and which is made:
 - (A) for all of the issued and outstanding Common Shares in the capital of the Company; or

(B) for all of the issued and outstanding Common Shares in the capital of the Company other than:

- (1) those Common Shares in the capital of the Company which are then owned by the offeror under such Take-over Bid; and/or
- (2) those Common Shares in the capital of the Company which the offeror under such Take-over Bid then otherwise has, directly or indirectly, the right to acquire; and

(vi) “**Sale**” means the sale of all or substantially all of the assets of the Company as an entirety or substantially as an entirety to any person or entity (other than a wholly-owned subsidiary of the Company) under circumstances such that, following the completion of such sale, the Company will cease to carry on an active business, either directly or indirectly through one or more subsidiaries.

If:

- (1) the Company shall enter into an agreement providing for a Sale or an Arrangement; or
- (2) a Take-over Bid shall be made,

the Board may, at any time thereafter, authorize the Company to give a notice in writing to each Optionee advising such Optionee that, notwithstanding any other provision of the Plan, all options granted to such Optionee under the Plan will expire on the date determined by the Board as specified in such notice (provided that the date determined by the Board as specified in such notice shall not increase the term of any option granted under the Plan), which date shall in no event be later than the earlier of:

- a. 60 days following the date of such notice; and
- b. in the case of the Company having entered into an agreement providing for a Sale or an Arrangement, one business day prior to the date on which the Sale or Arrangement provided for in such agreement is completed, or, in the case of a Take-over Bid having been made, one business day prior to the date on which there shall have been taken up by the offeror thereunder at least 90% of the total number of the issued and outstanding Common Shares in the capital of the Company in respect of which such Take-over Bid is being made and, for this purpose, all Common Shares in the capital of the Company in respect of which such Take-over Bid is made which are owned by the offeror at the expiry of such Take-over Bid shall be deemed to have been taken up pursuant to such Take-over Bid.

In the event that such a notice is given by the Company (the “**Company Notice**”), each Optionee shall have the right, on such terms and conditions as may be prescribed in such notice, to exercise up to the time that such Optionee’s option expires, after giving effect to such notice, all options then held by such Optionee under the Plan in respect of up to all of the Common Shares which could have been purchased by such Optionee on a full exercise of all such options. Notwithstanding any other provision contained in the Plan, if such Optionee so elects to exercise such Optionee’s option in accordance with this subsection, the Optionee shall have the right (which right may be exercised by the Optionee in its sole discretion) to elect to have the Company pay to any such Optionee on the payment date set

out in the Company Notice cash (in lieu of the Common Shares which the Company would otherwise be required to issue) in an amount equal to the result obtained by multiplying the amount, if any, by which the market price per Common Share in Canadian dollars on the date of completion of the Sale, Arrangement or Take-over Bid, as the case may be, exceeds the option price, by the number of Common Shares then remaining unsubscribed for under all options then held by such Optionee under the Plan which could have been purchased by such Optionee on a full exercise of all such options; and, if a Sale, Arrangement or Take-over Bid is completed, the market price for the purposes of calculating the amount of such cash payment to be made by the Company shall be the same as the value of the consideration paid per Common Share under the Sale, Arrangement or Take-over Bid, as applicable. The payment of cash by the Company pursuant to this subparagraph 8(i) shall be net of any applicable withholding taxes or other deductions required by law.

In the event that the Board determines, in good faith, that the Sale, Arrangement or Take-over Bid, as the case may be, will not be completed, the exercise of any option hereunder (whether resulting in the issuance of Common Shares or the payment of cash by the Company in satisfaction thereof) shall be terminated and, in such event, any cash paid by (or to) the Optionee to (or from) the Company in respect thereof will be returned to the payor and the option shall thereafter continue to be exercisable by the Optionee in accordance with its terms (including vesting).

- (j) Non-Assignability of Option - Each option granted under the Plan shall be non-assignable and non transferable by the Optionee.
- (k) Exercise of Option - Subject to the provisions of the Plan, an option granted under the Plan shall be exercised from time to time by the Optionee, or in the event of death by his legal representatives, by giving notice in writing addressed to the Company at its registered and principal office in the City of Toronto, to the attention of the Secretary of the Company, specifying the number of Common Shares forming the subject matter of such option in respect of which such notice is being given, together with payment (by cash, certified cheque or bank draft) in full of the purchase price of the Common Shares being purchased.
- (l) Withholding Tax - If the Company is required under the *Income Tax Act* (Canada) or any other applicable law to make source deductions in respect of employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Common Shares on exercise of Options, then the Optionee shall:
 - (i) pay to the Company, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance;
 - (ii) authorize the Company, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Corporation determines a portion of the Common Shares being issued upon exercise of the Options to realize cash proceeds to be used to satisfy the required tax remittance; or
 - (iii) make other arrangements acceptable to the Company to fund the required tax remittance.

9. ADJUSTMENTS IN EVENT OF CHANGE IN STRUCTURE OF CAPITAL

Appropriate adjustments in the number of Common Shares and in the option price per Common Share, relating to options granted or to be granted, shall be made by the Board in its sole discretion to give effect to adjustments in the number of Common Shares resulting, subsequent to the approval of the Plan, from any subdivisions, consolidations or reclassifications of the Common Shares, the payment of stock dividends by the Company or other relevant changes in the capital structure of the Company. Any such adjustments shall be subject to the approval thereof, to the extent required, by such stock exchanges on which the Common Shares are then listed for trading.

10. AMENDMENT OR DISCONTINUANCE OF PLAN

- (a) Subject to regulatory approval, the approval of any stock exchange on which the Common Shares are then listed for trading and the limitations set out in subsections 10(b) and (c) hereof, the Board may, by resolution, amend, vary or discontinue the Plan, or any agreement or entitlement subject to the Plan, at any time without notice to or approval of the Shareholders of the Company, including, without limitation, for the purpose of:
- (i) changing the class of persons who will be eligible to be granted options pursuant to the Plan (other than as provided for in subsection 10(b) hereof) and the authority of the Board in respect of the grant of options under the Plan;
 - (ii) ensuring continuing compliance with applicable laws and regulations and the requirements or policies of any governmental or regulatory authority, securities commission or stock exchange having authority over the Company or the Plan;
 - (iii) changes of a “housekeeping”, clerical, technical or stylistic nature, including, without limitation, eliminating any ambiguity, error or defect, supplying any omission or correcting or supplementing any provision contained in the Plan or in any agreement subject to the Plan which may be incorrect or incompatible with any other provision of the Plan or such agreement;
 - (iv) changing the method of determining the option price for options granted pursuant to the Plan, provided that the option price shall not in any case be lower than the “market price” of a Common Share, as that term (or any successor term) is interpreted and applied by the TSX Venture Exchange and any other stock exchange or market having authority over the Company or the Plan;
 - (v) changing the following terms governing options under the Plan: (A) vesting terms (including the acceleration of vesting); (B) exercise and payment method and frequency; (C) transferability or assignability, other than as provided for in subsection 10(b) hereof; (D) to fairly or properly take into account a Sale, Arrangement or Take-over Bid; (E) adjustments required in the circumstances of one of the events referred to in Section 9 hereof; and (F) the effect of termination (for whatever reason) of the Optionee’s employment or service;
 - (vi) determining that any of the provisions of the Plan or any agreement subject to the Plan concerning the effect of termination (for whatever reason) of the Optionee’s employment, service or consulting agreement/arrangement or cessation of the Optionee’s directorship or office, shall not apply for any reason acceptable to the Board;

- (vii) changing the terms and conditions of any financial assistance which may be provided by the Company to the Optionees to facilitate the purchase of Common Shares, or adding or removing any provisions providing for such financial assistance;
 - (viii) adding a cashless exercise feature, payable in cash or securities, provided same includes a full deduction of the number of underlying Common Shares from the Plan reserved under Section 5 hereof (notwithstanding the foregoing it is noted that the TSX Venture does not permit cashless exercise features in option plans);
 - (ix) providing for the granting of non-equity based kinds of awards under the Plan, including, without limitation, stock-appreciation rights;
 - (x) adding or amending provisions necessary for options under the Plan to qualify for favourable tax treatment to Optionees and/or the Company under applicable tax laws;
 - (xi) changing any terms relating to the administration of the Plan; and
 - (xii) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law (including, without limitation, the rules and policies of the TSX Venture Exchange and of any other stock exchange or market having authority over the Company or the Plan).
- (b) Subject to regulatory approval, the approval of any stock exchange on which the Common Shares are then listed for trading and the limitations set out in subsection 10(c) hereof, the Board may, by resolution, amend, vary the Plan, or any agreement or entitlement subject to the Plan, at any time for the following purposes, provided that any such amendment or variance will not become effective unless and until approved by a majority of the votes cast by Shareholders of the Company, in person or by proxy, at a meeting of Shareholders:
- (i) any increase in the maximum number of Common Shares issuable under the Plan as provided for in Section 5 hereof;
 - (ii) any reduction in the option price of an outstanding option held by an Insider except for the purpose of maintaining option value in connection with an adjustment provided for under Section 9 hereof (for this purpose, the cancellation or termination of an option of an Optionee prior to expiry of the option term for the purpose of reissuing an option to the same Optionee with a lower exercise price shall be treated as an amendment to reduce the option price of an option);
 - (iii) any extension of the option term of an option held by an Insider (except where the date of the expiry of the option term would have fallen within a Blackout Period (as defined in subsection 8(e) hereof));
 - (iv) any increase to the limit on the numbers of securities issued or issuable to Insiders set out in section 7 hereof; and
 - (v) any other amendment requiring Shareholder approval under applicable law (including, without limitation, under the rules and policies of the TSX Venture Exchange and of any other stock exchange or market having authority over the Company or the Plan);

provided further that, in the case of any amendment or variance referred to above, Insiders who directly benefit from such amendment or variance will not have the votes attaching to the Common Shares or other securities of the Company held, directly or indirectly, by them counted in respect of the required approval of the Shareholders of the Company.

- (c) Notwithstanding anything herein to the contrary, no amendment, variance or discontinuance of the Plan, or any agreement or entitlement subject to the Plan, may be made, without the prior written consent of the Optionee, if the Board determines that the effect thereof is to impair, derogate from or otherwise materially and adversely affect any option previously granted to such Optionee under the Plan.

11. MISCELLANEOUS

Nothing contained in the Plan nor in any option granted thereunder shall be deemed to give any Optionee any interest or title in or to any shares of the Company or any rights as a Shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the exercise of any option.

The Plan does not give any Optionee or any employee of, or service provider to, the Company or any of its subsidiaries the right or obligation to or to continue to serve as a Service Provider. The awarding of options to any Eligible Participant is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any shares or any other securities in the capital of the Company or any of its subsidiaries other than as specifically provided for in the Plan.

No fractional Common Shares shall be issued upon the exercise of options granted under the Plan and, accordingly, if an Optionee would otherwise become entitled to a fractional Common Share upon the exercise of an option, such Optionee shall only have the right to purchase the next lowest whole number of Common Shares and no payment or other adjustment shall be made with respect to the fractional interest so disregarded.

The Issuer represents that, for stock options granted to employees, consultants or management company Employees, the Optionee is a bona fide employee, consultant or Management Company Employee, as the case may be.

12. BINDING EFFECT

The Company and every Optionee shall be bound by the terms and conditions of the Plan.

13. COMPLIANCE WITH APPLICABLE LAW

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.