

**QUANTUM BATTERY METALS CORP.**  
**NOTICE OF MEETING**  
**AND**  
**MANAGEMENT INFORMATION CIRCULAR**  
**FOR**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON DECEMBER 20, 2024**

**November 14, 2024**

**QUANTUM BATTERY METALS CORP.**  
**NOTICE OF ANNUAL GENERAL MEETING**  
**OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general meeting (the "Meeting") of shareholders of Quantum Battery Metals Corp. (the "Company") will be held at 400-837 West Hastings, Vancouver, British Columbia, V6C 3N6 on Friday, December 20, 2024, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive the financial statements of the Company for the fiscal year ended January 31, 2022, January 31, 2023 and January 31, 2024 the report of the auditors thereon.
2. To ratify, confirm and approve the delay and postponement of the 2022 annual general meeting to the date of the Meeting.
3. To ratify, confirm and approve the delay and postponement of the 2023 annual general meeting to the date of the Meeting.
4. To elect and set the number of directors to five.
5. To appoint auditors and to authorize the directors to fix the remuneration of the auditors.
6. To consider and, if thought fit, pass by ordinary resolution approving the Company's incentive stock option plan, as more particularly described in the accompanying information circular (the "Circular").
7. To consider other matters, including without limitation such amendments or variations to any of the foregoing resolutions, as may properly come before the Meeting or any adjournment thereof.

Pursuant to the Interim Order, holders of common shares of the Company have been granted the right to dissent against the Arrangement Resolution and to be paid the fair value of their common shares of the Company in respect of the Arrangement Resolution in accordance with the terms of the Interim Order and section 238 of the *Business Companies Act* (British Columbia). This right is described in the Circular under the heading "Rights of Dissent".

Only holders of record of common shares of the Company at the close of business on November 14, 2024, will be entitled to vote in respect of the matters to be voted on at the Meeting or any adjournment thereof.

Your vote is important regardless of the number of common shares of the Company you own. Shareholders who are unable to attend the Meeting in person are asked to sign, date and return the enclosed form of proxy relating to the common shares of the Company held by them in the envelope provided for that purpose.

To be effective, the proxy must be duly completed and signed and then deposited with either the Company's registrar and transfer agent, Endeavor Trust Corporation, 702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4 before 10:00 a.m. (Vancouver time) on December 18, 2024, or if the Meeting is adjourned or

postponed, before 10:00 a.m. (Vancouver time) on the day that is at least two business days preceding the date of the reconvening of any adjourned or postponed meeting.

DATED at Vancouver, British Columbia, this 14<sup>th</sup> day of November, 2024.

**Quantum Battery Metals Corp.**

**By Order of the Board**

*"Marc Momeni"*

Marc Momeni

Chief Executive Officer

**QUANTUM BATTERY METALS CORP.**  
**MANAGEMENT INFORMATION CIRCULAR**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON DECEMBER 20, 2024**

**GENERAL INFORMATION FOR THE MEETING**

**Solicitation of Proxies**

This Information Circular is provided in connection with the solicitation of proxies by the management of Quantum Battery Metals Corp. (the "Company") for use at the annual general meeting of the shareholders of the Company to be held at 400-837 West Hastings Street, Vancouver, British Columbia, V6C 3N6 at 10:00 a.m. on December 20, 2024 (the "Meeting"), for the purposes set out in the accompanying notice of meeting and at any adjournment thereof. The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

**APPOINTMENT AND REVOCATION OF PROXY**

Registered Shareholders

**Registered shareholders may vote their common shares by attending the Meeting in person or by completing the enclosed proxy.** Registered shareholders should deliver their completed proxies to **Endeavor Trust Corporation, Suite 702 - 777 Hornby Street, Vancouver, BC V6Z 1S4** (by mail, telephone or internet according to the instructions on the proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, otherwise the shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the proxy are directors and officers of the Company and are proxyholders nominated by management. **A shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the shareholder at the Meeting. To exercise this right, a shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.**

A registered shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and delivering it to the registered office of the Company, at 400-837 West Hastings Street, Vancouver, British Columbia, V6C 3N6, 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 to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof,
- (c) attending the Meeting or any adjournment thereof and registering with the scrutineer as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by law.

### Beneficial Shareholders

**The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their shares in the Company in their own name.** Shareholders holding their shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans or other persons (any one of which is herein referred to as an "Intermediary") or otherwise not in their own name (such shareholders herein referred to as "Beneficial Shareholders") should note that only proxies deposited by shareholders appearing on the records maintained by the Company's transfer agent as registered shareholders will be recognized and allowed to vote at the Meeting. If a shareholder's shares are listed in an account statement provided to the shareholder by a broker, in all likelihood those shares are **not** registered in the shareholder's name and that shareholder is a Beneficial Shareholder. Such shares are most likely registered in the name of the shareholder's broker or an agent of that broker. 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. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a "VIF"), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the "Meeting Materials") directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs. The Company does not intend to pay for Intermediaries to forward the Meeting materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("Broadridge") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to shareholders in this Information Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

The Meeting Materials are being sent to both registered and non-registered owners of the Company's shares. If you are a Beneficial Shareholder and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of the Company's securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

### **Voting of Shares and Exercise of Discretion of Proxies**

If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the Meeting as stated under the headings in the Notice of Meeting to which this Circular is attached. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a Shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

### **Voting Shares and Principal Holders Thereof**

Only those Shareholders of record on the Record Date, November 14, 2024, will be entitled to vote at the Meeting or any adjournment thereof, in person or by proxy. On the Record Date, 7,210,374 Common Shares were issued and outstanding, each Common Share carrying the right to one vote.

To the knowledge of the directors and officers of the Company, as of the date of this document no person or company beneficially owns, directly or indirectly, or exercises control or direction over common shares carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

## **Executive Compensation**

### **Compensation Discussion and Analysis**

#### ***Interpretation***

“Named executive officer” (“NEO”) means:

- (a) a Chief Executive Officer (“CEO”);
- (b) a Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Andrew Sostad (CEO), Quinn Field-Dyde (CFO), and David Greenway (former CFO).

#### ***Compensation Program Objectives***

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Company’s continued success;
- to align the interests of the Company’s executives with the interests of the Company’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company does not anticipate generating significant 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 the Company to be appropriate in the evaluation of the performance of the NEOs.

#### ***Purpose of the Compensation Program***

The Company’s executive compensation program has been designed to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives and for their individual performances.

#### ***Elements of Compensation Program***

The executive compensation program consists of a combination of consulting fees, performance bonus and stock option incentives.

### ***Purpose of Each Element of the Executive Compensation Program***

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to consulting fees, each NEO is eligible to receive a performance-based bonus meant to motivate the NEO to achieve short-term goals. The pre-established, quantitative target(s) used to determine performance bonuses are set each fiscal year. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year.

Stock options are generally awarded to NEOs on an annual basis based on performance measured against set objectives. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Company's performance and in the value of the shareholders' investments.

### ***Determination of the Amount of Each Element of the Executive Compensation Program, Compensation Risk and Compensation Governance***

Compensation of the NEOs of the Company is reviewed annually by the Board, which approves the compensation of the NEOs. The Company does not presently have a compensation committee and the Company has not retained any compensation advisor or compensation consultant in respect of its compensation policies.

The Board intends to review from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Such a review occurred at the time of preparation of this Compensation Discussion & Analysis. Implicit in the Board's mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and its shareholders and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that the majority of the Company's executive compensation will consist of options granted under the Company's Option Plan. Such compensation is both "long term" and "at risk" and, accordingly, is directly linked to the achievement of long term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is limited.

The other two elements of compensation, consulting fees and performance bonuses, represent the remaining portion of an executive's total compensation. While neither salary nor bonus are "long term" or "at risk", as noted above, these components of compensation are not anticipated to form a significant part of total compensation and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to them from the standpoint of their short term compensation when their long term compensation might be put at risk from their actions.

Due to the small size of the Company, and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which, financial and other information of the Company are reviewed, and which includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

NEOs and directors of the Company are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.



### *Consulting Fees*

Consulting Fees for NEOs are expected to continue to be set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is to be given to such factors as level of responsibility, experience and expertise. Subjective factors such as leadership, commitment and attitude are also to be considered. The Company has not established performance goals for its NEOs.

### *Performance Bonuses*

Given the size and nature of the Company's operations, the Company has not paid NEOs performance bonuses to date.

### *Stock Options*

The Company has established the Option Plan under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Option Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price. Under the Option Plan, the Company may issue options equal to 10% of the outstanding common shares of the Company from time-to-time. The Option Plan was approved by Shareholders of the Company and 721,037 common shares are reserved under the Option Plan.

The Board makes these determinations subject to the provisions of the existing Option Plan and, where applicable, the policies of the Exchange.

Previous grants of option-based awards are taken into account when considering new grants.

### ***Link to Overall Compensation Objectives***

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

### Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs and directors by the Company for services in all capacities to the Company during the two most recently completed financial years:

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Marc Momeni <sup>(2)</sup> CEO and Director	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	5,000	Nil	Nil	Nil	Nil	5,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Quinn Field-Dyte <sup>(4)</sup> CFO and Director	2024	6,000	Nil	Nil	Nil	Nil	6,000
	2023	6,000	Nil	Nil	Nil	Nil	6,000
	2022	8,300	Nil	Nil	Nil	Nil	8,300
David Greenway <sup>(3)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Von Torres <sup>(5)</sup> Corporate Secretary and Director	2024	72,500	Nil	Nil	Nil	Nil	72,500
	2023	91,450	Nil	Nil	Nil	Nil	91,450
	2022	83,550	Nil	Nil	Nil	Nil	83,550
David Jenkins <sup>(6)</sup> Director	2024	15,405	Nil	Nil	Nil	Nil	15,405
	2023	18,000	Nil	Nil	Nil	Nil	18,000
	2022	15,100	Nil	Nil	Nil	Nil	15,100
Andrew Sostad <sup>(7)</sup> Former CEO and Former Director	2024	N/A	N/A	N/A	N/A	N/A	N/A
	2023	7,500	Nil	Nil	Nil	Nil	7,500
	2022	30,500	Nil	Nil	Nil	Nil	30,500

### Notes

1. The table above outlines the financial year ended January 31, 2020, and January 31, 2021.
2. Mr. Momeni was appointed as director and CEO on August 29, 2022.
3. Mr. Field-Dyte was appointed as a director on August 6, 2010, and as CFO on March 11, 2021.
4. Mr. Greenway was appointed as CEO and a director on April 16, 2019. He resigned as CEO on April 23, 2021.
5. Mr. Torres was appointed as a director on July 14, 2017.
6. Mr. Jenkins was appointed as a director on December 13, 2019.
7. Mr. Sostad was appointed as the CEO and a director on April 23, 2021. Mr. Sostad resigned as CEO and Director on August 29, 2022

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

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ending in January 31, 2022 to the NEOs and Directors of the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(11)</sup>	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Quinn Field-Dyte CFO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Greenway Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Von Torres Corporate Secretary and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Jenkins Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Andrew Sostad Former CEO and Former Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ending in January 31, 2023 to the NEOs and Directors of the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(11)</sup>	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Marc Momeni CEO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Quinn Field-Dyte CFO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Greenway Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Von Torres Corporate Secretary and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Jenkins Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Andrew Sostad Former CEO and Former Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ending in January 31, 2024 to the NEOs and Directors of the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(11)</sup>	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Marc Momeni CEO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Quinn Field-Dyte CFO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Greenway Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
Von Torres Corporate Secretary and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
David Jenkins Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A

#### Pension Plan Benefits – Defined Benefits Plan

The Company does not have a Defined Benefits Pension Plan nor a Defined Contribution Pension Plan.

#### Pension Plan Benefits – Defined Contribution

The Company does not have a Defined Contribution Pension Plan.

#### Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreement, plans or arrangements for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

### Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out, as of the end of the financial year ending January 31, 2022 all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	Nil	1,810,204
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	1,810,204

The following table sets out, as of the end of the financial year ending January 31, 2023 all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	Nil	2,899,315
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	2,899,315

The following table sets out, as of the end of the financial year ending January 31, 2024 all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	Nil	4,222,844
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	4,222,844

## Corporate Governance

### ***Board of Directors***

The Board of Directors presently has 5 directors, three of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of National Instrument 52-110 *Audit Committees* ("NI 52-110"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of NI 52-110.

Von Torres, David Greenway, and David Jenkins are considered to be independent directors. Marc Momeni, and Quinn Field-Dyte are not considered to be independent as they are senior officers of the Company.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board's responsibilities will include strategic planning, appointing and overseeing management, succession planning, risk identification and management, environmental oversight, communications with other parties and overseeing financial and corporate issues. Directors are involved in the supervision of management.

Pursuant to the *Business Companies Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board of Directors meet independently of management members when warranted.

### *Other Directorships*

The directors of the Company are also directors of the following other reporting issuers:

<b>Current Director/Nominee</b>	<b>Other Directorships of Other Reporting Issuers</b>
David Greenway	Montego Resources Inc. Bam Bam Resources Corp.
Quinn Field-Dyte	Vantex Resources Ltd Plantx Life Inc. Fort St. James Nickel Corp. The Yummy Candy Company Inc. GGX Gold Corp. Intact Gold Corp. Stamper Oil and Gas Corp. Margaret Lake Diamonds Inc. New Destiny Mining Corp.
Marc Momeni	N/A
David Jenkins	Boundary Gold and Copper Mining Ltd. Montego Resources Inc.
Von Torres	N/A

### *Orientation and Continuing Education*

The Company has not yet developed an official orientation or training program for directors. If and when new directors are added, however, they have the opportunity to become familiar with the Company by meeting with other directors and with officers and employees of the Company. As each director has a different skill set and professional background, orientation and training activities are and will continue to be tailored to the particular needs and experience of each director. The Company's financial and legal advisers are also available to the Company's directors.

### *Nomination of Directors*

The Company does not have a formal process or committee for proposing new nominees for election to the Board of Directors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

### *Compensation*

The Board has not established a compensation committee. The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling these responsibilities, the Board evaluates the performance of the Company's chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations.

### *Other Board Committees*

The Board has not established any committees other than the Audit Committee.



### *Assessments*

The Board has not, as of the present time, taken any formal steps to assess whether the Board, its committees and its individual directors are performing effectively.

### **Audit Committee and Relationship with Auditors**

#### *General*

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

#### *Audit Committee Charter*

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The Audit Committee Charter is attached as Schedule A to this information circular.

#### *Composition*

The Audit Committee consists of the following three directors. Also indicated is whether they are 'independent' and 'financially literate'.

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Von Torres	Yes	Yes
David Jenkins	Yes	Yes
David Greenway	Yes	Yes

#### **Notes:**

- (1) A member of the Audit Committee is independent if he 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 member's independent judgment. An executive officer of the Company, such as the President or Secretary, is deemed to have a material relationship with the Company.
- (2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Because the shares of the Company are listed on the Exchange, it is categorized as a venture issuer. As a result, National Instrument 52-110 *Audit Committees* ("NI 52-110") exempts the members of the Company's Audit Committee from being independent.

#### *Relevant Education and Experience*

All of the members of the Company's audit committee have gained their education and experience by participating in the management of private and publicly traded companies and all member are "financially literate", meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can be reasonably expected to be raised by the Company's financial statements.

### *Audit Committee Oversight*

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### *Reliance on Certain Exemptions*

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

### *Pre-Approval Policies and Procedures*

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services, however, as provided for in NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

### *External Auditor Service Fees (By Category)*

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
January 31, 2022	30,000	Nil	Nil	Nil
January 31, 2023	26,565	Nil	Nil	Nil
January 31, 2024	27,900	Nil	Nil	Nil

#### **Notes:**

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

### *Exemption*

Pursuant to section 6.1 of NI 52-110, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110 because it is a venture issuer.

### **Indebtedness of Directors and Senior Officers**

None of the directors or executive officers of the Company or any subsidiary thereof, or any associate or affiliate of the above, is or has been indebted to the Company at any time since the beginning of the last completed financial year of the Company.

### **Interest of Certain Persons or Companies in Matters to be Acted Upon**

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the approval of the Plan:

- (a) Each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;

- (b) Each proposed nominee for election as a director of the Company; and
- (c) Each associate or affiliate of any of the foregoing.

### Interest of Informed Persons in Material Transactions

Unless otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction or proposed transaction since the commencement of the Company's most recently completed financial year, which has materially affected or will materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein.

## ANNUAL MEETING BUSINESS

### Financial Statements

The Financial Statements will be presented to Shareholders at the Meeting. The Financial Statements have been filed on SEDAR and are available at [www.sedar.com](http://www.sedar.com).

### Appointment of Auditor

**It is the intention of the management designees, if named as proxy, to vote FOR the re-appointment of Brunet Roy Dubé, CPA as auditor for the Company to hold office until the next annual general meeting of Shareholders, at a remuneration to be fixed by the Board of Directors.**

### Election of Directors

The Board of Directors presently consists of five directors, and it is anticipated that four directors will be elected for the coming year. The term of office for persons elected at the Meeting will expire at the next annual general meeting of Shareholders, unless a director resigns or is otherwise removed in accordance with the BCA.

**The persons named below will be presented at the Meeting for election as directors as nominees of management. It is the intention of the management designees, if named as proxy, to vote FOR the election of the persons listed in the table below to the Board of Directors.**

It should be noted that the names of further nominees for election as director may come from the floor during the Meeting. The following table sets out the names of the persons to be presented for election as director as nominees of management, all other positions and offices with the Company now held by them, their principal occupation or employment, the year in which they became a director of the Company and the number of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them, if any, as at the date hereof:

Name, Municipality of Residence, and Position(s) with the Company	Principal Occupation	Period Served as Director or Officer	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly
<b>David Greenway</b> British Columbia, Canada <i>Director</i>	Chief Executive Officer and Director of numerous Public Companies	April 16, 2019 to present	Nil shares

<b>Name, Municipality of Residence, and Position(s) with the Company</b>	<b>Principal Occupation</b>	<b>Period Served as Director or Officer</b>	<b>Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly</b>
<b>David Jenkins</b> British Columbia, Canada <i>Director</i>	Commerical and Luxury Relator	December 13, 2021 to present	Nil shares
<b>Von Torres</b> British Columbia, Canada <i>Corporate Secretary and Director</i>	Corporate Secretary	July 14, 2017 to present	525 shares
<b>Quinn Field-Dyte</b> British Columbia, Canada <i>CFO and Director</i>	Director of numerous Public Companies	August 6, 2010 to present	Nil shares
<b>Marc Momeni</b> British Columbia, Canada <i>CEO and Director</i>	Chief Executive Officer and Director of the Company	August 29, 2022 to present	Nil shares

Unless otherwise stated, each of the above proposed directors has held the principal occupation or employment indicated for the past five years.

The above information has been furnished by the respective directors individually.

No proposed director with the exception of below:

- (a) Is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity,
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (b) Has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

- (c) Has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

In late November 2018, Staff of the BC Securities Commission issued a Notice of Hearing and Temporary Order against Mr. Torres. The Temporary Order prevented Mr. Torres from trading in or purchasing shares of nine issuers that trade on the CSE (not Quantum Battery Metals Corp.) (the “First Order”) and from relying on section 2.24 of National Instrument 45-106 for the distribution of shares to Torres as a consultant (the “Second Order”). On January 15, 2019, a Panel of the Commission reduced the First Order (the “Amended First Order”) such that Mr. Torres was only prevent from trading in or purchasing shares of four issuers. In the January 2019 decision, the Panel extended the Amended First Order and the Second Order until April 2019. Following a hearing in April 2019, the Commission Panel further extended the Amended First Order and the Second Order until May 27, 2020. In its decision, the Panel described the Amended First Order and the Second Order as very narrow in scope and limited to prohibiting very specific conduct. On May 27, 2020, the BC Securities Commission did not extend the temporary orders against Mr. Torres and as such the temporary order against Mr. Torres expired.

### **Ratification of the delay and postponement of the 2022 annual general meeting**

The Business Corporations Act (British Columbia) (the “**Act**”) and the policies of the Canadian Securities Exchange (the “**Exchange**”) require that a reporting issuer hold a meeting of shareholders within 15 months of its last annual meeting. The Corporation last held an annual meeting of shareholders on August 3, 2021

Due to ongoing volatility in the Battery Metals Market and lingering operational challenges from the COVID-19 pandemic, the Corporation prioritized directing its resources toward strategic, profitable transactions rather than incurring the costs associated with convening a shareholder meeting. This focus on resource allocation has been essential to positioning the Corporation for sustainable growth and long-term shareholder value.

#### *Shareholder Approval of the Ratification Resolution*

At the Meeting, or any adjournment or postponement thereof, shareholders will be asked to consider and, if thought fit, pass, with or without variation, a resolution ratifying deficiencies relating to 2022 annual general meeting of the Corporation (the “**Ratification Resolution**”). The approval of the Ratification Resolution will require the affirmative vote of a majority of the votes cast by shareholders at the Meeting, either in person or by proxy.

#### *Form of Ratification Resolution*

Shareholders will be asked to pass the following resolution:

**BE IT RESOLVED**, as an ordinary resolution, that:

1. notwithstanding (i) any failure or deficiency to properly call, convene, constitute, proceed with, hold or record any meeting of the shareholders of the Corporation for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with the requirements of the *Business Corporations Act* (British Columbia) and the Canadian Securities Exchange, have a quorum present at a meeting, elect directors at a meeting, sign the minutes of a meeting; or (ii) any failure to pass any resolution of the shareholders of the Corporation for any reason whatsoever; all approvals, appointments, elections, resolutions, acts and proceedings enacted, passed, made, done or taken, or intended or purporting to have been enacted, passed, made, done or taken since the incorporation of the Corporation as set forth or referred to in the minutes of the meetings of shareholders of the Corporation or other documents contained in the minute book of the Corporation, or in the financial statements of the Corporation, and all actions heretofore taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, approved and confirmed; and
2. without limiting the generality of paragraph 1 above, all approvals, appointments, resolutions, contracts, acts and proceedings of the board of directors of the Corporation enacted, passed, made, done or taken by resolution of the director of the Corporation as may be set forth or referred to in the minutes of such meeting are hereby sanctioned, ratified, approved and confirmed.”

**Management of the Corporation recommends that shareholders vote in favour of the Ratification Resolution. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the Ratification Resolution.**

#### **Ratification of the delay and postponement of the 2023 annual general meeting**

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2. without limiting the generality of paragraph 1 above, all approvals, appointments, resolutions, contracts, acts and proceedings of the board of directors of the Corporation enacted, passed, made, done or taken by resolution of the director of the Corporation as may be set forth or referred to in the minutes of such meeting are hereby sanctioned, ratified, approved and confirmed."

**Management of the Corporation recommends that shareholders vote in favour of the Ratification Resolution. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the Ratification Resolution.**

#### **Approval of Incentive Stock Option Plan**

The Option Plan is a "rolling" stock option plan, which makes a maximum of 10% of the issued and outstanding Common Shares available for issuance thereunder. The policies of the Exchange require that a rolling plan such as the Option Plan be approved by the Shareholders on an annual basis.

The purpose of the Option Plan is to provide directors, officers and key employees of, and certain other persons who provide services to, the Company with an opportunity to purchase Common Shares of the Company at a specific price, and subsequently benefit from any appreciation in the value of the Common Shares. This provides an incentive for such persons to contribute to the future success of the Company and enhances the ability of the Company to attract and retain skilled and motivated individuals, thereby increasing the value of the Common Shares for the benefit of all Shareholders.

The exercise price of stock options granted under the Option Plan will be determined by the Board and will be priced in accordance with the policies of the Exchange, and will not be less than the closing price of the Common Shares on the Exchange on the date prior to the date of grant less any allowable discounts. All options granted under the Plan will have a maximum term of five years.

The Option Plan provides that it is solely within the discretion of the Board of Directors to determine who should receive options and how many they should receive. The Board may issue a majority of the options to insiders of the Company. However, the Option Plan provides that in no case will the Option Plan or any existing share compensation arrangement of the Company result, at any time, in the issuance to any option holder, within a one year period, of a number of Common Shares exceeding 5% of the Company's issued and outstanding Common Share capital.

The full text of the Option Plan is available for review by any Shareholder up until the day preceding the Meeting at the Company's head office, located at Suite 400, 837 West Hastings Street, Vancouver, BC, V6C 3N6 and will also be available at the Meeting.

Upon the approval of the Option Plan by Shareholders, Shareholder approval will not be required or sought on a case-by-case basis for the purpose of the granting of options and the exercise of options under the Option Plan.

At the Meeting, Shareholders will be asked to approve an ordinary resolution approving the Option Plan. The text of the resolution to be considered and, if thought fit, approved at the Meeting is as follows:

BE IT RESOLVED THAT:

2. Subject to the approval of the Canadian Securities Exchange, the Company's incentive stock option plan, which makes a total of 10% of the issued and outstanding shares of the Company available for issuance thereunder as described in the Company's Information Circular dated November 14, 2024, be and is hereby ratified, confirmed and approved.
3. Any one director or officer of the Company be and is hereby authorized and directed to perform all such acts, deeds and things and execute all such documents and other instruments as may be required to give effect to the true intent of this resolution."

Approval of the resolution will require the affirmative vote of a majority of the votes cast at the Meeting in respect thereof.

**Management of the Company recommends that Shareholders vote in favour of the approval of the Option Plan, and if named as proxy, the management designees intend to vote the Common Shares represented by such proxy FOR approval of the Option Plan, unless otherwise directed in the form of proxy.**

#### **Additional Information**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Financial Statements and MD&A for its most recently completed financial year. Shareholders may also contact the Company at 400 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6 (Phone no. (604) 629-2936) to request copies of the Company's financial statements and MD&A for its most recently completed financial year.



**SCHEDULE A**  
**AUDIT COMMITTEE CHARTER**

**QUANTUM BATTERY METALS CORP.**  
**(THE “COMPANY”)**  
**AUDIT COMMITTEE CHARTER**

***MANDATE***

The primary mandate of the audit committee (the “Audit Committee”) of the Board of Directors of the Company (the “Board”) is to assist the Board in overseeing the Company’s financial reporting and disclosure. This oversight includes:

- a) reviewing the financial statements and financial disclosure that is provided to shareholders and disseminated to the public;
- b) reviewing the systems of internal controls to ensure integrity in the financial reporting of the Company; and
- c) monitoring the independence and performance of the Company’s external auditors and reporting directly to the Board on the work of the external auditors.

***COMPOSITION AND ORGANIZATION OF THE COMMITTEE***

- 1. The Audit Committee must have at least three directors.
- 2. The majority of the Audit Committee members must be independent. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with an issuer. A material relationship means a relationship which could, in the view of the issuer’s board of directors, reasonably interfere with the exercise of a member’s independent judgment.<sup>1</sup>
- 3. Every Audit Committee member must be financially literate. Financial literacy is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer’s financial statements.<sup>2</sup>
- 4. The Board will appoint from themselves the members of the Audit Committee on an annual basis for one year terms. Members may serve for consecutive terms.
- 5. The Board will also appoint a chair of the Audit Committee (the “Chair of the Audit Committee”) for a one year term. The Chair of the Audit Committee may serve as the chair of the committee for any number of consecutive terms.
- 6. A member of the Audit Committee may be removed or replaced at any time by the Board. The Board will

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1 National Instrument 52-110 *Audit Committees* section 1.4

2 National Instrument 52-110 *Audit Committees* section 1.5

fill any vacancies in the Audit Committee by appointment from among members of the Board.

### **MEETINGS**

1. The Audit Committee will meet at least four (4) times per year. Special meetings may be called by the Chair of the Audit Committee as required.
2. Quorum for a meeting of the Audit Committee will be two (2) members in attendance.
3. Members may attend meetings of the Audit Committee by teleconference, videoconference, or by similar communication equipment by means of which all persons participating in the meeting can communicate with each other.
4. The Audit Committee Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to Audit Committee members for members to have a reasonable time to review the materials prior to the meeting.
5. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee. Minutes of each meeting must be distributed to members of the Board, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

### **RESPONSIBILITIES OF THE COMMITTEE**

The Audit Committee will perform the following duties:

#### **External Auditor**

- a) select, evaluate and recommend to the Board, for shareholder approval, the external auditor to examine the Company's accounts, controls and financial statements;
- b) evaluate, prior to the annual audit by external auditors, the scope and general extent of their review, including their engagement letter, and the compensation to be paid to the external auditors and recommend such payment to the Board;
- c) obtain written confirmation from the external auditor that it is objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs;
- d) recommend to the Board, if necessary, the replacement of the external auditor;
- e) meet at least annually with the external auditors, independent of management, and report to the Board on such meetings;
- f) pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services;

#### **Financial Statements and Financial Information**

- g) review and discuss with management and the external auditor the annual audited financial statements of the Company and recommend their approval by the Board;
- h) review and discuss with management, the quarterly financial statements and recommend their approval by the Board;

- i) review and recommend to the Board for approval the financial content of the annual report;
- j) review the process for the certification of financial statements by the Chief Executive Officer and Chief Financial Officer;
- k) review the Company's management discussion and analysis, annual and interim earnings or financial disclosure press releases, and audit committee reports before the Company publicly discloses this information;
- l) review annually with external auditors, the Company's accounting principles and the reasonableness of managements judgments and estimates as applied in its financial reporting;
- m) review and consider any significant reports and recommendations issued by the external auditor, together with management's response, and the extent to which recommendations made by the external auditors have been implemented;

#### **Risk Management, Internal Controls and Information Systems**

- n) review with the external auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls;
- o) review adequacy of security of information, information systems and recovery plans;
- p) review management plans regarding any changes in accounting practices or policies and the financial impact thereof;
- q) review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- r) discuss with management and the external auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure;
- s) assisting management to identify the Company's principal business risks;
- t) review the Company's insurance, including directors' and officers' coverage, and provide recommendations to the Board;

#### **Other**

- u) review Company loans to employees/consultants; and
- v) conduct special reviews and/or other assignments from time to time as requested by the Board.

#### **PROCESS FOR HANDLING COMPLAINTS REGARDING FINANCIAL MATTERS**

The Audit Committee shall establish a procedure for the receipt, retention and follow-up of complaints received by the Company regarding accounting, internal controls, financial reporting, or auditing matters.

The Audit Committee shall ensure that any procedure for receiving complaints regarding accounting, internal controls, financial reporting, or auditing matters will allow the confidential and anonymous submission of concerns by employees.

#### **REPORTING**

The Audit Committee will report to the Board on:

- a) the external auditor's independence;
- b) the performance of the external auditor and the Audit Committee's recommendations;
- c) regarding the reappointment or termination of the external auditor;
- d) the adequacy of the Company's internal controls and disclosure controls;
- e) the Audit Committee's review of the annual and interim financial statements;
- f) the Audit Committee's review of the annual and interim management discussion and analysis;
- g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- h) all other material matters dealt with by the Audit Committee.

#### ***AUTHORITY OF THE COMMITTEE***

The Audit Committee will have the resources and authority appropriate to discharge its duties and responsibilities. The Audit Committee may at any time retain outside financial, legal or other advisors at the expense of the Company without approval of management.

The external auditor will report directly to the Audit Committee.