

**MANAGEMENT INFORMATION CIRCULAR FOR
THE SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON
APRIL 19, 2021**

THIS MANAGEMENT INFORMATION CIRCULAR (THE “CIRCULAR”) CONTAINS INFORMATION AS AT MARCH 17, 2020.

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of International Battery Metals Ltd. (the “**Company**”) for use at the Special Meeting of the holders (the “**Shareholders**”) of common shares in the capital of the Company (the “**Shares**”) to be held via Zoom conference and at Suite 704, 595 Howe Street, Vancouver, British Columbia, Canada on April 19, 2021 at 11:00 a.m. (PDT), or any adjournment thereof.

“**Registered Shareholders**” means Shareholders who hold Shares in their own name. “**Beneficial Shareholders**” means Shareholders who do not hold Shares in their own name and “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers or employees of the Company without special compensation. 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 brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the voting Shares held on record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy are directors, officers or other representatives of the Company. **A Shareholder entitled to vote at the Meeting has the right to appoint as proxyholder a person or company, who need not be a Shareholder, to attend and act for the Shareholder on the Shareholder's behalf at the Meeting, or any adjournment thereof, other than either the persons or company designated in the accompanying form of proxy, and may do so either by inserting the name of that other person or company in the blank space provided in the accompanying form of proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the accompanying form of proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the Shareholder, given in the form of proxy, on any ballot that may be called for. If the Shareholder has specified a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. The proxy confers discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the proxy, the persons named in the accompanying form of proxy will vote the Shares represented by the proxy at their own discretion for the approval of such matter.

As of the date of this Circular, management of the Company is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Company in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

Registered Shareholders must ensure the proxy is received by Computershare at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or any adjournment thereof, unless otherwise provided in the instructions accompanying the proxy.

Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders of the Company, as a substantial number of Shareholders do not hold Shares in their own name. Beneficial Shareholders should note that only proxies deposited by Shareholders, whose names appear on the records of the Company as the registered holders of Shares, or as set out in the following disclosure on the Record Date (as hereafter defined), can be recognized and acted upon at the Meeting.

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

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

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" or "**Objecting Beneficial Owners**") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" or "**Non-Objecting Beneficial Owners**").

The Company, under NI 54-101, is availing itself to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a Voting Instruction Form ("**VIF**") from Computershare. The VIF is to be completed and returned to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 in the envelope provided or by facsimile, or a NOBO has the option to submit their proxy vote either by telephone or via the internet in the manner described on the VIF. Computershare shall tabulate the results of the voting on the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by those VIFs.

These securityholder materials are sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities of the Company, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting.

The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of the form of proxy provided by the Company. The VIF will name the same persons as the proxy to represent the Beneficial Shareholder at the Meeting, and that person may be the Beneficial Shareholder themselves. A Beneficial Shareholder has the right to appoint a person (who need not be a Shareholder of the Company) other than the persons designated in the VIF, to represent the Beneficial Shareholder at the Meeting. To exercise this right, the Beneficial Shareholder should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use it to vote Shares directly at the Meeting - the VIF must be returned to Broadridge, as the case may be, 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 Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, Beneficial Shareholders may request in writing that their broker send to them a legal proxy which would enable them to attend at the Meeting and vote their Shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or at the address of the registered office of the Company at Suite 704, 595 Howe Street, Vancouver, B.C. V6C 2T5, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a proxy may be revoked by the Registered Shareholder personally by attending the Meeting and voting the Registered Shareholder's Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "**Board**") has fixed March 15, 2021 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

As of March 15, 2021, the Company had outstanding 122,373,805 fully paid and non-assessable Shares without par value, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, as at March 15, 2021 no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the voting rights attached to the outstanding Shares of the Company, other than as set out below:

Name	Number of Common Shares Beneficially Owned	Percentage of Issued Share Capital
CDS & Co	40,150,199	32.81%
Sorcía Minerals LLC	25,000,000	20.43%
EVL Holdings LLC	25,000,000	20.43%
Ensorcía Metals Corporation	33,998,819 ⁽¹⁾	27.78%

(1) Ensorcía Metals Corporation has direct control over 8,998,819 common shares and indirect control over 25,000,000 common shares beneficially owned by its wholly owned subsidiary Sorcía Minerals LLC.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

EQUITY COMPENSATION PLAN INFORMATION (FOR THE FISCAL YEAR ENDED JANUARY 31, 2020)	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	2,675,000	\$0.30	3,662,116
Equity compensation plans <i>not</i> approved by securityholders	-	-	-
Total	2,675,000	\$0.30	3,662,116

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No Directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end most recently completed financial year or as at the date hereof.

PARTICULAR MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Company's directors, the only matters to be placed before the Shareholders are the following:

1. Amendment to the Stock Option Plan

Summary of the Option Plan

The Board has adopted and the Shareholders have approved the Stock Option Plan. The following is a summary of the material terms of the Stock Option Plan:

- (a) directors, officers, employees and consultants of the Company, or to person engaged in investor relations activities on behalf of the Company or any of its subsidiaries are eligible to receive grants of options under the Stock Option Plan;
- (b) a number of Shares equal to ten (10%) percent of the issued and outstanding Shares in the capital stock of the Company from time to time are reserved for the issuance of stock options;
- (c) the exercise price of any options granted is determined by the Board in its sole discretion as of the date the Board grants the options, and shall not be less than the last closing price of the Shares traded through the facilities of the CSE prior to the grant of the options, less any discount permitted by the CSE, or such other price as may be required by the CSE;
- (d) options granted under the Stock Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;
- (e) an optionee's options expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board) after the date the optionee ceases to be eligible to receive options; and
- (f) notwithstanding the foregoing, if an optionee dies, any vested options held by him or her at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option.

Under the Stock Option Plan, the number of Shares which may be reserved for issue: (i) to any one optionee who is an insider and any associates of such insider, shall not exceed 5% of the outstanding issue; and (ii) to all persons who undertake investor relations activities, shall not exceed 2% of the outstanding issue. "Outstanding issue" is determined on the basis of the number of Shares that are outstanding immediately prior to the Share issuance in question.

Amendment to the Option Plan

At the meeting, Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution approving an amendment to the Option Plan of the Company to provide that the maximum number of Common Shares which may be reserved for issuance to Insiders under the Plan shall no longer be (10%) of the Common Shares issued and outstanding at the time of grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to Insiders under an share compensation plan.

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to approve an ordinary resolution attached hereto as Schedule "B" to approve the amended Option Plan (the "Amended Option Plan"). The full text of the Amended Option Plan is set out in Schedule "B" to this Circular.

In order to be adopted, the resolution approving the Amended Option Plan must be passed by the affirmative vote of at least a majority of the votes cast by Shareholders at the Meeting, whether in person

or by proxy

The Board recommends that Shareholders vote FOR the resolution approving the Amended Option Plan.

2. Financing

Background to the Financing

Sorcia Minerals LLC

Sorcia Minerals LLC (“Sorcia”) is a subsidiary of Ensorcia Metals Corporation (Ensorcia) which holds 6,666,666 common shares. Accordingly, Ensorcia holds a total of 8,998,819 common shares of the Company directly and 25,000,000 common shares of the Company indirectly through Sorcia.

On September 22, 2020, the Company entered into a private placement agreement with Sorcia for the purchase of 25,000,000 common shares at a price of \$0.10 per share for total proceeds of \$2,500,000. Sorcia is a subsidiary of Ensorcia Metals Corporation which is a licensee of the Company’s lithium extraction technology. The private placement completed on October 21, 2020 with the Company issuing 25,000,000 common shares at a price of CAD \$0.10 per share for total proceeds of \$2,500,000. The private placement was approved by Shareholders on December 29, 2020.

As of the date of this Circular, Sorcia are holders of 25,000,000 shares making them a 20.43% shareholder which is a control person and a related party to the Company.

EVL Holdings, LLC

On November 2, 2020, the Company announced a private placement with EVL Holdings, LLC (“EVL”) for the purchase of 25,000,000 common shares at a price of CAD \$0.10 per share for total proceeds of \$2,500,000. The private placement completed on December 15, 2020 with the Company issuing 25,000,000 common shares at a price of CAD \$0.10 per share for total proceeds of \$2,500,000. The private placement was approved by Shareholders on December 29, 2020.

As of the date of this Circular, EVL are holders of 25,000,000 shares making them a 20.43% shareholder which is a control person and a related party to the Company.

Terms of the Financing

On February 9, 2021, the Company announced a private placement with existing shareholders Sorcia and EVL for the purchase of up to 17,250,000 units of the Company at a price of \$0.58 per unit for proceeds of up to \$10,005,000. Each unit will consist of one common share and one share purchase warrant whereby each warrant will be exercisable to purchase an additional common share at a fixed price of \$0.58 per share for a period of two years from closing (the “Units”). 50% of the Units will be purchased by Sorcia Minerals LLC and 50% will be purchased by EVL. Sorcia and EVL are not acting jointly and in concert (the “Financing”).

Under the terms of the private placement agreements the placees will be granted a pre-emptive right for two years from closing, in respect of any equity securities issuance by the Company, to purchase at fair market value the amount of securities required to maintain their percentage holding of the Company. The placees have agreed to vote their shares with management on general meeting matters during the two-year period. The purpose of the financing is to fund final engineering and continued fabrication of the mobile lithium extraction unit of the Company and also for general corporate purposes.

Disinterested Shareholder Approval for the Financing

Pursuant to *Multilateral Instrument 61-101 – Protection of Minority Shareholders in Special Transactions*

(“MI-101”) the financing is subject to the approval by an ordinary resolution (the “**Disinterested Shareholder Approval**”) of the shareholders of the Company, excluding the votes attached to the Shares owned or controlled by the related parties and their joint actors (the “**Disinterested Shareholders**”). The financing will involve the issuance of shares and warrants of the Company to Sorcia and EVL who are designated as related parties because they are control persons of the Company holding more than 20% of the shares of the Company. Due to the Sorcia and EVL being control persons the financing is considered to be a “related party transaction.” In addition, because Ensorcia is the parent company of Sorcia, it is also an interested party with indirect control of more than 20% of the shares of the Company. Therefore, the related parties whose votes will be excluded are Sorcia, EVL, and Ensorcia.

The following table sets out information regarding the related parties that will participate in the Financing and the shares that are excluded from voting on the Disinterested Shareholder Approval:

Related Party	Position Prior to Completion of the Financing	Number of Units subscribed for in the Related Party Financing ⁽²⁾	Position Following Completion of the Financing	Position Following Completion of the Financing and Exercise of Warrants
Sorcia Minerals LLC ⁽¹⁾	25,000,000 Shares (20.43%)	8,625,000 (7.05%)	33,625,000 Shares (24.08%)	42,250,000 Shares (26.93%)
EVL Holdings LLC	25,000,000 Shares (20.43%)	8,625,000 (7.05%)	33,625,000 Shares (24.08%)	42,250,000 Shares (26.93%)
Ensorcia Metal Corporation	33,998,819 Shares ⁽³⁾ (27.78%)	Nil	40,291,666 Shares ⁽⁴⁾ (34.83%)	48,916,666 Shares ⁽⁵⁾ (41.88%)

(1) Sorcia Minerals LLC is a wholly owned subsidiary Ensorcia Metal Corporation.

(2) Each Unit consists of one common share and one share purchase warrant.

(3) 8,998,819 held directly and 25,000,000 held indirectly through Sorcia Minerals LLC.

(4) 8,998,819 held directly and 33,625,000 held indirectly through Sorcia Minerals LLC.

(5) 8,998,819 held directly and 42,250,000 held indirectly through Sorcia Minerals LLC.

At the Meeting, disinterested Shareholders will be asked to consider, and if deemed advisable, to approve an ordinary resolution attached hereto as Schedule “C” to approve the Financing.

In order to be adopted, the resolution approving the financing must be passed by the affirmative vote of at least a majority of the disinterested votes cast by Shareholders at the Meeting, whether in person or by proxy.

3. Increase Number of Directors

At the Meeting, Shareholders will be asked to increase the number of directors to six (6). At the Meeting, the Shareholders will not be asked to elect any directors. Management of the Company expects to appoint persons to fill the vacancies created by the increase prior to the next annual general meeting.

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

Except as set out herein, no 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, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means (a) a Director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Company's financial statements for the financial year ended January 31, 2020, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

AUDITOR

The auditor's of the Company are Davidson & Company LLP. The auditor was first appointed on April 12, 2017.

MANAGEMENT CONTRACTS

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

ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's audited comparative financial statements for the year ended January 31, 2020 and the prior fiscal year, the auditor's report and related management discussion and analysis. Copies of such statements and the Company's most current interim financial statements and related management discussion and analysis, and additional copies of this proxy circular, may be obtained from SEDAR at www.sedar.com and upon written request to the Company's Secretary at 1140 – 625 Howe Street, Vancouver, B.C. V6C 2T6.

OTHER MATTERS

The Directors are not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Circular.

DATED March 17, 2021

BY ORDER OF THE BOARD OF DIRECTORS

“Logan B. Anderson”

Logan Anderson
CFO and Director

SCHEDULE "A"

AMENDED OPTION PLAN RESOLUTION

The text of the Amended Option Plan Resolution which the Shareholders will be asked to pass at the Meeting is as follows:

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The stock option plan of the Company dated August 17, 2017 be amended by deleting Section 1.5(a) are replacing with the following:
 - 1.5 Limits with Respect to Insiders
 - (a) The maximum number of Common Shares which may be reserved for issuance to Insiders under the Plan shall be ten (10%) of the Common Shares issued and outstanding at the time of grants (on a non-diluted basis).
2. Any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.
3. Notwithstanding the approval of the shareholders of the Company as herein provided the board of directors of the Company may, in its sole discretion, revoke this resolution before it is acted upon, without further approval of the shareholders of the Company.

SCHEDULE "B"
AMENDED STOCK OPTION PLAN

See attached.

INTERNATIONAL BATTERY METALS LTD.

ROLLING

INCENTIVE SHARE OPTION PLAN

Section 1. General Provisions

1.1 Interpretation

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

“Board” means the board of directors of the Company;

“Common Shares” means the Common Shares without par value of the Company as currently constituted;

“Company” means **International Battery Metals Ltd.**

“Consultant” means an individual (including an individual whose services are contracted through a personal holding corporation) with whom the Company or a subsidiary has a contract for substantial services and who falls within the definition of an “employee” under the rules and policies of the applicable stock exchanges and the B.C. Securities Commission;

“CSE” means the Canadian Stock Exchange;

“Eligible Person” means, subject to all applicable laws, any director, officer, employee, part-time employee, Consultant or person engaged in investor relations activities on behalf of the Company or any of its Subsidiary companies;

“Insider” means an insider as defined under the *Securities Act* (British Columbia);

“Option” means an option to purchase Common Shares granted to an Eligible Persons pursuant to the terms of the Plan;

“Participant” means Eligible Persons to whom Options have been granted;

“Plan” means this Incentive Share Option Plan;

“Post-Termination Exercise Period” means the period after the Termination Date which shall not exceed a maximum of one year during which a Participant’s Options shall be exercisable as determined by the Board or the Chief Executive Officer or President of the Company and in the event the Participant is an Eligible Person, and their employment or contractual relationship with the Company is terminated for cause, the Options held such Participant shall be exercisable as determined by the Board or the Chief Executive Officer or President of the Company;

“Subsidiary” has the meaning ascribed to that term under the *Business Corporations Act* (British Columbia);

“Tax Obligations” means the Company’s withholding, remittance and other funding liabilities under applicable tax law;

“Termination Date” means the date on which a Participant ceases to be an Eligible Person; and

“TSXV” means the TSX Venture Exchange.

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

1.2 Purpose

The purpose of the Plan is to advance the interests of the Company by (i) providing Eligible Persons with additional incentive, (ii) encouraging stock ownership by such Eligible Persons, (iii) increasing the proprietary interest of Eligible Persons in the success of the Company, and (iv) encouraging the Eligible Person to remain with the Company or its Subsidiary companies.

1.3 Administration

- (a) This Plan shall be administered by the Board or a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three (3) directors. If a committee is appointed for this purpose, all references to the Board will be deemed to be references to the committee.
- (b) In the event that the Common Shares are listed for trading on the TSXV, the Plan must be approved by the shareholders at the Company's annual shareholder meetings and approved by the TSXV annually.
- (c) Subject to the limitations of the Plan, the Board shall have the authority
 - (i) to grant options to purchase Common Shares to Eligible Persons;
 - (ii) to determine the terms, limitations, restrictions and conditions respecting such grants;
 - (iii) to interpret the Plan and to adopt, amend and rescind such administrative guidelines and any other rules and regulations relating to the Plan as it shall from time to time deem advisable;
 - (iv) to make all other determinations and to take all other actions in connection with the implementation and administration of the Plan including, without limitation, for the purpose of ensuring compliance with Section 1.7 hereof, as it may deem necessary or advisable. The Board's guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Company and all other persons.

1.4 Shares Reserved

- (a) Under the Plan, the maximum number of Common Shares which may be reserved for issuance shall be ten percent (10%) of the issued and outstanding Common Shares. Further, provided that disinterested shareholder approval has been obtained, it shall be permissible under the Plan to issue a number of shares to insiders upon the exercise of stock options, taken together with any outstanding options granted under any previous stock option plans or grants within a one year period that exceeds 10% of the outstanding listed shares (the "Additional Options") (provided that the number of outstanding options at any time does not exceed 10% of the issued shares);

- (b) If there is a change in the outstanding Common Shares by reason of any stock dividend or any recapitalization, amalgamation, subdivision, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the relevant stock exchanges, appropriate substitution or adjustment in:
 - (i) the number or kind of shares or other securities reserved for issuance pursuant to the Plan, and
 - (ii) the number and kind of shares subject to unexercised Options theretofore granted and in the options price of such shares;

provided, however, that no substitution or adjustment shall obligate the Company to issue or sell fractional shares. If the Company is reorganized, amalgamated with another corporation or consolidated, the Board shall make such provisions for the protection of the rights of Participants as the Board in its discretion deems appropriate.

1.5 Limits with Respect to Insiders

- (a) The maximum number of Common Shares which may be reserved for issuance to Insiders under the Plan shall be ten (10%) of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).
- (b) Disinterested shareholder approval shall be obtained for any reduction in the exercise price of the Option, where the Eligible Person is an Insider of the Company.

1.6 Amendment and Termination

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable legislation, and subject to shareholder and regulatory approval. No such amendment, suspension or termination shall alter or impair any Options or any rights pursuant thereto granted previously to any Participant without the consent of any such Participant. If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations adopted by the Board and in force at the time of the Plan shall continue in effect during such time as an Option or any rights pursuant thereto remain outstanding.
- (b) With the consent of the affected Participants, the Board may amend or modify any outstanding Option in any manner to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which an Option becomes exercisable, subject to the prior approval of the relevant stock exchanges.

1.7 Compliance with Legislation

The Plan, the grant and exercise of Options hereunder and the Company's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and regulations, of any stock exchange on which the Common Shares are listed for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would require registration of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any

Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. Common Shares issued and sold to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws. In particular, if Options are granted to any resident or citizen of the United States, the Board and the Company will use their best efforts to ensure that all matters pertaining to such Options shall be made in compliance with applicable United States securities laws.

1.8 Effective Date

The Plan shall be effective upon the approval of the Plan by the CSE or TSXV, if and as applicable. Upon the Plan's acceptance by the CSE or the TSXV, if and as applicable, the Plan will supersede and replace all previous stock option plans of the Company.

1.9 Miscellaneous

- (a) Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.
- (b) Nothing contained in the Plan nor in any Option granted thereunder shall be deemed to give any Participant any interest or title in or to any Common Shares 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.
- (c) The Plan does not give any Participant or any employee of the Company or any of its Subsidiary companies the right or obligation to or to continue to serve as a director, officer or employee, as the case may be, of the Company or any of its Subsidiary companies. The awarding of Options to any Eligible Person 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 Common 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.
- (d) No fractional Common Shares shall be issued upon the exercise of options granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Common Share upon the exercise of an Option, such Participant shall only have the right to purchase the next lowest whole number of Common Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 2. Options

2.1 Grants

Subject to the provisions of the Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to those set forth in Section 2.3 hereof, applicable to the exercise of an Option, including, without limitation, the nature and duration of the restrictions, if any, to be imposed upon the exercise of the Options or the sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon exercise of an Option may be forfeited, with the discretion in the Board to modify or rescind such restrictions in the event of certain corporate developments such as a takeover bid, reorganization, merger, change in capital or amalgamation. An Eligible Person may receive Options on more than one occasion under the Plan and may receive separate Options on any one occasion; however, no more than 5% of the issued shares of the Company may be issued to any Eligible Person in any 12 month period unless disinterested shareholder

approval has been obtained and no more than 5% of the issued shares of the Company may be reserved for issuance to any Eligible Person at any given time. No more than 2% of the issued shares of the Company may be issued to any one Consultant in any 12 month period. In the event that the Common Shares are listed for trading on the CSE, no more than 1% of the issued shares of the Company may be issued to all employees in the aggregate conducting investor relations activities (as defined in the policies of the CSE) or any Eligible Person providing investor relations services in any 12 month period, calculated as at the date the Options are granted to any Eligible Person. In the event that the Common Shares are concurrently listed for trading on both the CSE and the TSXV, subject to the approval of the CSE, no more than 2% of the issued shares of the Company in the aggregate may be issued to all Employees or Consultants conducting investor relations activities (as defined in the policies of the TSXV) in any 12 month period, calculated as at the date the Options are granted to any Eligible Person. If the Common Shares are only listed for trading on the TSXV, no more than 2% of the issued shares of the Company may be issued to all Employees or Consultants in the aggregate conducting investor relations activities (as defined in the policies of the TSXV) in any 12 month period, calculated as at the date the Options are granted to any Eligible Person. The Company is required to issue a news release at the time of the grant for options granted to Insiders and any Eligible Person providing investor relations services.

2.2 Option Price

- (a) The Board shall establish the option price at the time each Option is granted, which shall not be less than (i) the greater of the closing market prices of the Common Shares on (A) the trading day prior to the date of grant of the Options; and (B) the date of grant of the Options, if the Common Shares are listed for trading on the CSE; and (ii) the Discounted Market Price as calculated and defined in accordance with the policies of the TSXV, if the Common Shares are listed for trading on the TSXV.
- (b) In the event that the Common Shares are concurrently listed for trading on both the CSE and the TSXV, the regulations relating to the Common Shares being listed on the TSXV shall apply, subject to CSE approval.
- (c) The option price shall be subject to adjustment in accordance with the provisions of Section 1.4(b) hereof.
- (d) A minimum exercise price cannot be established for any Option unless the Option is allocated to an Eligible Person.

2.3 Exercise of Options

- (a) Options granted must be exercised no later than ten (10) years commencing from the later of the date of grant or such lesser period as may be determined by the Board.
- (b) If the Common Shares are listed for trading on the TSXV, in addition to any resale restrictions under any applicable laws, all Options with an exercise price less than the Market Price as calculated and defined in accordance with the policies of the TSXV are subject to a four (4) month hold period from the date the Options are granted to the Eligible Persons.
- (c) The Board may determine when any Option will become exercisable and may determine that the Option shall be exercisable in installments.
- (d) If the Common Shares are listed for trading on the TSXV, Options granted to an Eligible Person conducting investor relations activities must vest in stages over a period of not less than 12 months with no more than $\frac{1}{4}$ of the Options vesting in any three month period.

No acceleration of the vesting provisions on options granted in regards to investor relations activities is allowed without prior TSXV and CSE approval, as applicable.

- (e) Options granted under the Plan shall not be transferable or assignable, whether absolutely or by way of mortgage, pledge or other charge, by the Participant other than by will or by testamentary instrument or the laws of succession, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representative.
- (f) A four (4) month hold period (commencing on the date the Options are granted) is required for options granted to Insiders or granted at any discount to the Market Price, as calculated and defined in accordance with the policies of the TSXV.
- (g) Except as otherwise determined by the Board, upon the death of a Participant, the legal representative of the Participant may exercise any outstanding portion of the Participant's Options within one year after the date of the Participant's death.
- (h) If a Participant ceases to be an Eligible Person for any reason whatsoever other than death, each Option held by the Participant will cease to be exercisable after the expiry of the Post-Termination Exercise Period. Without limitation, and for greater certainty only, this provision will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or as entitled to a period of notice or termination. Upon expiration of such Post-Termination Exercise Period all unexercised option rights of that Participant shall immediately terminate and shall lapse notwithstanding the original term of the option granted to such Participant under the Plan.
- (i) If the expiry date of an Option falls within a period during which the Company has formally imposed a blackout period whereby the Company prohibits Optionees from exercising their Options, then conditional upon the Company's securities not being subject to a cease trade order (or similar order under securities law), the Board, Chief Executive Officer or President of the Company may extend the exercise period of Options up to ten business days, provided that the blackout period expires upon the general disclosure of the undisclosed material information for which the blackout was imposed.
- (j) Options that have been cancelled or that have expired without being exercised continue to be issuable under the Plan.
- (k) Each Option shall be confirmed by an option agreement executed by the Company and by the Participant.
- (l) The exercise price of each Common Share purchased under an Option shall be paid in full in cash or by bank draft or certified cheque at the time of such exercise, and upon receipt of payment in full, but subject to the terms of the Plan, the number of Common Shares in respect of which the Option is exercised shall be duly issued as fully paid and non-assessable.
- (m) The exercise of an Option will be subject to the policies, procedures and conditions adopted by the Company from time to time to comply with its obligations imposed under applicable tax law, including, without limitation, the Tax Obligations.
- (n) As a condition of exercise of an Option, the Company may require the Participant to deliver, in addition to the subscription price in respect of which an Option is exercised, a

certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on the account of the Tax Obligations.

2.4 Company's Representation

Options granted to employees, consultants or management company employees shall be accompanied by a Company representation of the Company and the Eligible Person that the Eligible Person is a bona fide employee, consultant or management company employee as the case may be of the Company or its Subsidiary companies.

This Plan dated for reference this ____ day of _____, 2021.

SCHEDULE "C"

FINANCING RESOLUTION

The text of the Financing Resolution which the Shareholders will be asked to pass at the Meeting is as follows:

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

4. The issuance of a total of 17,250,000 units of the Company to Sorcia Minerals LLC as to 8,625,000 units and EVL Holdings, LLC as to 8,625,000 units at a price of \$0.58 per unit for proceeds of up to \$10,005,000 is approved. Each unit will consist of one common share and one share purchase warrant whereby each warrant will be exercisable to purchase an additional common share at a fixed price of \$0.58 per share for a period of two years from closing (the "Units").
5. Any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.
6. Notwithstanding the approval of the shareholders of the Company as herein provided the board of directors of the Company may, in its sole discretion, revoke this resolution before it is acted upon, without further approval of the shareholders of the Company.