

**MANAGEMENT INFORMATION CIRCULAR**

**AND**

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING  
OF SHAREHOLDERS OF**

**NEXCO RESOURCES INC.**

**TO BE HELD ON FEBRUARY 29, 2024**

**Dated: January 25, 2024**

## NEXCO RESOURCES INC.

### Notice of Annual General & Special Meeting of Shareholders

**TAKE NOTICE** that an Annual General & Special Meeting (the “Meeting”) of the Shareholders of Nexco Resources Inc. (the “Corporation”) will be held at 1095 West Pender Street, Suite 750, Vancouver, British Columbia on Thursday, February 29, 2024 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended August 31, 2023, and the report of the auditors thereon;
2. to fix the number of directors for the ensuing year at three (3);
3. to elect directors for the ensuing year;
4. to appoint the auditors for the Corporation for the ensuing year and to authorize the board of directors to fix the auditors' remuneration;
5. to consider and, if thought fit, pass an ordinary resolution approving the continuation of the stock option plan, as more particularly described in the Information Circular under the heading “Particulars of Matters to be Acted Upon - Continuation of Stock Option Plan”; and
6. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice is a Management Proxy Circular, an Instrument of Proxy (or a voting instruction form if you hold common shares through a broker or other intermediary) and a Financial Statement Request Form. The accompanying Management Proxy Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice of Meeting.

To be valid, the accompanying form of Proxy, duly completed, dated and signed, must arrive at the office of the Registrar and Transfer Agent of the Corporation, Endeavor Trust Company, 777 Hornby Street, #702, Vancouver, BC V6Z 1S4 not less than 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment(s) or postponement(s) thereof, or delivered to the Chairperson of the Meeting prior to the commencement of the Meeting.

If you are a non-registered shareholder of the Corporation and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your security on your behalf (the “Intermediary”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia this 25<sup>th</sup> day of January, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ “Zayn Kalyan”

Director and Chief Executive Officer

## **NEXCO RESOURCES INC.**

1095 West Pender Street, Suite 750, Vancouver, B.C. V6E 2M6

### **MANAGEMENT PROXY CIRCULAR**

(as at January 25, 2024 unless otherwise specified)

### **SOLICITATION OF PROXIES**

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Nexco Resources Inc. (the "Corporation") for use at the Annual General & Special Meeting of Shareholders of the Corporation (and any adjournment(s) or postponement(s) thereof) (the "Meeting") to be held on Thursday, February 29, 2024 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Company at nominal cost, or by outside parties. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Management Proxy Circular have been approved by the directors of the Company.

#### **E-DELIVERY**

We encourage you to sign up for future e-delivery of meeting materials. If you wish to do so, please e-mail [stephanie@greystonecorp.com](mailto:stephanie@greystonecorp.com) with your e-mail address.

#### **APPOINTMENT AND REVOCATION OF PROXIES**

The individuals named in the accompanying form of proxy are directors or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT THE SHAREHOLDER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by **ENDEAVOR TRUST COMPANY** of 777 Hornby Street, #702, Vancouver, BC V6Z 1S4 not less than 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time for holding the Meeting or any adjournment(s) or postponement(s) thereof, or delivered to the Chairperson of the Meeting prior to the commencement of the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a company, by a duly authorized officer or attorney of the company, and delivered to the registered office of the Company at 1095 W Pender Street, Suite 750, Vancouver, BC V6E 2M6, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting or, if adjourned or postponed, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their shares in their own name (referred to herein as "Beneficial Shareholders") are advised that only proxies from shareholders of record can be recognized and voted at the Meeting.** Beneficial Shareholders who complete and return an instrument of proxy must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The instrument of proxy supplied to Beneficial Shareholders is identical to that provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder.

If common 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 such shareholder's name on the records of the Company. Such shares will more likely be registered under 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 company acts as nominee and custodian for many Canadian brokerage firms). Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the common shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Management Proxy Circular and the proxy to the clearing agencies and intermediaries for onward distribution to non-registered shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive Meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder should a non-registered shareholder receiving such a form wish to vote at the Meeting, the non-registered shareholder should strike out the names of the management proxyholders named in the form and insert the non-registered shareholder's name in the blank provided. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that form to vote common shares directly at the Meeting - the voting instruction form must be returned to Broadridge (or instructions respecting the voting of the common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.** All references to shareholders in this Management Proxy Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

The Company will not pay for intermediaries to deliver the Notice of Meeting, Management Proxy Circular and voting instruction form to objecting Beneficial Shareholders, and objecting Beneficial Shareholders will not receive the Meeting materials unless their intermediary assumes the cost of the delivery.

#### **VOTING OF PROXIES**

**IN THE ABSENCE OF ANY DIRECTION IN THE FORM OF PROXY, IT IS INTENDED IF MANAGEMENT'S PROXYHOLDERS ARE SELECTED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS MANAGEMENT PROXY CIRCULAR.**

The shares represented by proxies will, on any poll where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made.

**SUCH SHARES WILL ON A POLL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.**

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgement on such matters or business. At the time of the printing of this Management Proxy Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

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

Except as disclosed herein, 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 appointment of auditors:

- (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
- each associate or affiliate of any of the foregoing.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended August 31, 2023, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting and are available on SEDAR+.

## **VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized capital of the Company consists of an unlimited number of Shares without par value. As at the date of this Circular, 35,862,666 Shares are issued and outstanding. Each Share of the Company carries the right to one vote, and all Shares may be voted at the Meeting.

To the knowledge of the directors and senior officers of the Company, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company.

Only shareholders of record at the close of business on January 25, 2024, (the "Record Date") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his or her name on the list of shareholders, which is available for inspection during normal business hours at TSX Trust Company and will be available at the Meeting.

To approve a motion for an ordinary resolution, a simple majority of the votes cast in person or by proxy will be required; to approve a motion for a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy will be required.

## **APPOINTMENT OF AUDITORS**

The shareholders will be asked to vote for the appointment of Manning Elliott LLP, Chartered Professional Accountants, as the auditor of the Company to hold office until the next Annual General & Special meeting of shareholders of the Company at a remuneration to be fixed by the directors. Manning Elliott LLP has been the Company's auditor since March 12, 2014.

## **ELECTION OF DIRECTORS**

The board of directors (the "Board") of the Company presently consists of three (3) directors. The term of office of each of the present directors expires at the Meeting. At the Meeting, the shareholders of the Company will be asked to consider and, if thought fit, to approve an ordinary resolution fixing the number of directors to be elected at the Meeting at three (3).

The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next Annual General & Special meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("BCBCA") or the Articles of the Company.

The following table sets out the names of management's nominees for election as directors, the place in which each is ordinarily resident, all offices of the Company now held by each of them, their principal occupations, or employment during the past five years if such nominee is not presently an elected director, the period of time during which each has been a director of the Company, and the number of common shares of the Company beneficially owned by each of them, directly or indirectly, or over which control or direction is exercised, as of the date of this Management Proxy Circular:

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Shares Beneficially Owned <sup>3</sup>
<b>Zayn Kalyan</b> <sup>(2)</sup> <i>Chief Executive Officer, &amp; Director British Columbia, Canada</i>	CEO of the Company since Aug. 4, 2020; Interim CFO of the Company from May 16, 2018 to Aug. 4, 2020; Director & CFO of Tracker Ventures Corp. from Jan. 17, 2018 to July 12, 2021. Director & CEO of Kontakt World Technologies Corp. from July 12, 2021 to present. Mr. Kalyan has served in upper management and on the boards of multiple public companies since 2014. He has hands-on experience in the day-to-day management of small and mid-size organizations.	May 16, 2018	85,000
<b>Geoff Balderson</b> <sup>(2) (3)</sup> <i>Chief Financial Officer &amp; Director British Columbia, Canada</i>	Mr. Balderson has over 20 years' capital market experience. He is the president of Harmony Corporate Services Ltd. and leads a team that provide bookkeeping, accounting, filing and corporate secretarial services to publicly listed companies.	Aug. 4, 2020	Nil
<b>Leighton Bocking</b> <sup>(2) (3)</sup> <i>Director British Columbia, Canada</i>	Mr. Bocking has been working in the capital markets for over 20 years. He has held various CEO and directorship roles. Mr. Bocking has been particularly focused on financing and structuring companies.	October 5, 2023	Nil

- (1) The information as to province or state and country of residence, principal occupation and number of shares beneficially owned or over which a nominee exercises direct or indirect control or direction, is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Denotes member of Audit Committee.
- (3) Denotes member of Compensation & Corporate Governance Committee.

You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**

#### Corporate Cease Trade Orders and Bankruptcies

Other than as noted below, no proposed director:

- (a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:
- (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings,

arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (c) 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; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Zayn Kalyan was subject to a Management Cease Trade Order (MCTO) imposed by the BCSC from December 31, 2021 to March 18, 2022 for failure to file annual financial statements in the time required by Infinity Stone Ventures Corp. (previously Kontakt World Technologies Inc.)

Geoff Balderson is an officer and director of multiple publicly traded companies. Mr. Balderson has been subject to the following Management Cease Trade Orders (MCTO) or Cease Trade Orders (CTO) imposed by the BCSC for failure to file annual financial statements in the time required.

- Mr. Balderson previously served as President and Chief Executive Officer of Argentum Silver Corp. ("Argentum") from August 2014 to May 2017. The British Columbia Securities Commission (the "BCSC") issued a management cease trade order to Argentum and its insiders on November 2, 2015 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended June 30, 2015 in the required time. Argentum subsequently filed its annual financial statements, management's discussion and analysis, and certification of annual filings for the year ended June 30, 2015 and the BCSC issued a revocation order on December 16, 2015 for the November 2, 2015 management cease trade order. On November 3, 2016, the BCSC and Ontario Securities Commission issued a cease trade order against Argentum for failure to file its annual audited financial statements, management's discussion and analysis, and certification of annual filings for the year ended June 30, 2016 in the required time. Argentum's audited annual financial statements, management's discussion and analysis, and certification of annual filings for the year ended June 30, 2016 were subsequently filed and the BCSC issued a revocation order on December 5, 2016 for the November 3, 2016 cease trade order.
- Mr. Balderson is CFO and Secretary of Core One Labs Inc. ("Core"). Core is a company publicly trading on the CSE. A management cease trade order was issued to Core and its insiders on June 16, 2020 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2019 in the required time. On July 15, 2020 a cease trade order was issued to Core for continued failure to file its annual audited financial statements, management's discussion and analysis, and certification of annual filings for the year ended December 31, 2019 in the required time. Core's financial statements, management's discussion and analysis, and certification of annual filings were subsequently filed and the BCSC issued a revocation order on August 26, 2020 for the June 16, 2020 management cease trade order and the July 15, 2020 cease trade order. A further management cease trade order was issued to Core and its insiders on May 3, 2021 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2020 in the required time. Core's annual financial statements and management's discussion and analysis were subsequently filed and the BCSC issued a revocation order on June 29, 2021 for the May 3, 2021 management cease trade order. A further management cease trade order was issued to Core and its insiders on May 3, 2022 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2021 in the required time. Core's annual financial statements were subsequently filed and the BCSC issued a revocation order on July 11, 2022 for the May 3, 2022 management cease trade order.
- Mr. Balderson was previously the CFO and Corporate Secretary of Thoughtful Brands Inc. ("Thoughtful"). Thoughtful was previously a publicly traded company on the CSE. A management cease trade order was issued to Thoughtful and its insiders on May 4, 2021 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended December 31, 2020 in the required time. A cease trade order was issued to Thoughtful on July 7, 2021 for failure to file its annual audited financial statements, management's discussion and analysis, and certification of annual and interim filings for the year ended December 31, 2020, and its interim financial report for the period ended March 31, 2021 in the required

time. Neither the May 4, 2021 management cease trade order nor the July 7, 2021 cease trade order have been revoked. The common shares of Thoughtful were delisted from the CSE on July 15, 2022 and the cease trade order has not been revoked.

- Mr. Balderson is CFO of Vinergy Capital Inc. ("Vinergy"), a company publicly trading on the CSE. A management cease trade order was issued to Vinergy and its insiders on June 29, 2021 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended February 28, 2021 in the required time. Vinergy's annual financial statements and management's discussion and analysis were subsequently filed and the BCSC issued a revocation order on August 3, 2021.
- Mr. Balderson is CFO and director of Lida Resources Inc. ("Lida"), a company publicly trading on the CSE. A management cease trade order was issued to Lida and its insiders on December 30, 2021 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended August 31, 2021 in the required time. Lida's annual audited financial statements and management's discussion and analysis were subsequently filed and the BCSC issued a revocation order on March 4, 2022.
- Mr. Balderson is CFO and Secretary of New Wave Holdings Inc. ("New Wave"), a company publicly trading on the CSE. A management cease trade order was issued to New Wave and its insiders on July 30, 2021 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended March 31, 2021 in the required time. A cease trade order was issued to New Wave on October 7, 2021 for failure to file its annual audited financial statements, management's discussion and analysis, certification of annual and interim filings for the year ended March 31, 2021, and its interim financial report and certification of interim filings for the period ended June 30, 2021 in the required time. New Wave's annual financial statements, management's discussion and analysis, and certification of annual and interim filings were subsequently filed and the BCSC issued a revocation order on October 29, 2021 for the June 30, 2021 management cease trade order and the October 7, 2021 cease trade order.
- Mr. Balderson was previously CFO of Lords & Company Worldwide Holdings Inc. ("Lords"), a company publicly trading on the CSE. A management cease trade order was issued to Lords and its insiders on March 31, 2022 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended November 30, 2021 in the required time. Lords' annual financial statements and management's discussion and analysis were subsequently filed and the BCSC issued a revocation order on May 10, 2022 for the March 31, 2022 management cease trade order. A management cease trade order was issued to Lords on March 31, 2023 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended November 30, 2022 in the required time. The March 31, 2023 management cease trade order has not been revoked. Mr. Balderson ceased acting as the CFO of Lords in May 2023.
- Mr. Balderson is CFO, Corporate Secretary and a director of bettermoo(d) Food Corporation ("Bettermoo(d)"), a company publicly trading on the CSE. A management cease trade order was issued to Bettermoo(d) and its insiders on November 29, 2022 for failure to file its financial statements and management's discussion and analysis for the seven months ended July 31, 2022 in the required time. Bettermoo(d)'s financial statements and management's discussion analysis were subsequently filed and the BCSC issued a revocation order on January 16, 2023.
- Mr. Balderson is the CFO and a director of Goldeneye Resources Corp. ("Goldeneye"), a company publicly trading on the CSE. A cease trade order was issued to Goldeneye on September 2, 2022 for failure to file its annual audited financial statements, management's discussion and analysis, and certification of annual filings for the year ended April 30, 2022 in the required time. The September 2, 2022 cease trade order has not been revoked.
- Mr. Balderson is the CFO and a director of Grounded People Apparel Inc. ("Grounded"), a company publicly traded on the CSE. A management cease trade order was issued to Grounded and its insiders on June 29, 2023 for failure to file its annual audited financial statements and management's discussion and analysis for the year ended February 28, 2023 in the required time. Grounded's annual audited financial statements and management's discussion and analysis were subsequently filed and the BCSC issued a revocation order on August 8, 2023.



## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Circular:

"**Compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries; and

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, 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 or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

### **Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in two most recently completed financial years ended August 31, 2021 and August 31, 2023:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
<b>Zayn Kalyan</b> <sup>(1)</sup> CEO & Director	2023	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$120,000
	2022	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$120,000
<b>Geoffery Balderson</b> CFO & Director	2023	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2022	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<b>Leighton Bocking</b> <sup>(2)</sup> Director	2023	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2022	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
<b>Brandon Rook</b> <sup>(2)</sup> Previous Director	2023	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2022	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

(1) Mr. Kalyan resigned as Interim CFO and was appointed CEO on August 4, 2020, at which time Mr. Geoffrey Balderson was appointed CFO.

(2) On October 5, 2023, Mr. Rook resigned as a director and Mr. Bocking was appointed a director.

### **Stock Options and Other Compensation Securities**

No stock options or other compensation securities were issued to the directors and Named Executive Officers of the Company during the financial year ended August 31, 2023. As of August 31, 2023, there were no outstanding stock options issued by the Company.

## **Stock Option Plans and Other Incentive Plans**

### **Stock Option Plan**

The Company has adopted a 10% rolling incentive stock option plan (the “Stock Option Plan”), which provides that the Board of Directors of the Company (the “Board”) may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options (“Options”) to purchase up to 10% of the issued and outstanding common shares of the Company (the “Common Shares”) at the date of grant of such Options. In addition, no Options may be granted under the Stock Option Plan if the number of Common Shares, calculated on a fully diluted basis, issued within 12 months to (i) Related Persons (as defined in the policies of the Canadian Stock Exchange (the “Exchange”)), exceeds 10% of the outstanding Common Shares of the Company, or (ii) a Related Person and the Associates of the Related Person, exceeds 5% of the outstanding Common Shares of the Company. The Board will determine the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Options, subject to the rules of the Exchange, when such Options are granted. Options must be exercised within 90 days of termination of employment or cessation of the option holder’s position with the Company, subject to the expiry date of such Option and certain other provisions of the Stock Option Plan. The price per Common Share set by the Board, provided that the Common Shares are traded on an organized trading facility, shall not be less than the closing trading price of the Common Shares on the last day prior to the date on which such Option is granted, less the applicable discount permitted (if any) by such applicable exchange or market.

As at January 25, 2024 there were no outstanding stock options.

### **Employment, Consulting and Management Agreements**

The Company is not party to any employment, consulting or management agreement with a Named Executive Officer or a person performing services of a similar capacity.

There are no arrangements for compensation with respect to the termination of Named Executive Officers, included in the event of a change of control.

### **Oversight and Description of Director and Named Executive Officer Compensation**

Compensation of directors is recommended by the Compensation & Corporate Governance Committee (the “CCG Committee”) to the board of directors. Stock options are granted from time to time, based on an existing complement of long-term incentives, corporate performance and to be competitive with other companies of similar size and scope.

The directors and officers of the Company, including the Named Executive Officers, may be granted, from time to time, incentive stock options in accordance with the Stock Option Plan. See *“Option Plans and Other Incentive Plans”* for a summary of the terms of the Stock Option Plan. Given the Company’s size and its stage of development, the Company has appointed a Compensation and Corporate Governance Committee to oversee compensation. The CCG Committee is responsible to recommend objectives, criteria and analysis to determine compensation payable.

### **Named Executive Officer Compensation**

#### *Philosophy*

Compensation paid to the Named Executive Officers is based on the size and stage of development of the Company and reflects the need to provide incentive and compensation for the time and effort expended by the Named Executive Officers, while taking into account the financial and other resources of the Company, as well as increasing shareholder value.

The Company is a junior mineral exploration company without revenue and therefore certain compensation factors were considered and not included within the compensation structure and philosophy. Some of the factors not considered were target share ownership guidelines, pension plans, specific target weightings, and percentage of compensation at risk.

The Company’s executive compensation currently consists of long-term incentives in the form of participation in the Stock Option Plan. The Board reviews the compensation of Named Executive Officers and will make adjustments, if appropriate, to ensure that the compensation of the Named Executive Officers is commensurate with the services they provide.

### *Base Salary*

Base salary is the principal component of executive compensation and the base salary for each executive officer will be based on the position held, the related responsibilities and functions performed by the executive and salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.

### *Option-based Awards*

The Company believes that encouraging its officers and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Stock Option Plan. Options will be granted to management and employees taking into account a number of factors, including, base salary and bonuses and competitive factors.

The stock option component of compensation provided by the Company is intended to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company to acquire shares, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. Grants under the Stock Option Plan are intended to provide long term awards linked directly to the market value performance of the Company's shares. The Board will review management's recommendations for the granting of stock options to management, directors, officers and other employees and consultants of the Company and its subsidiaries. Stock options are granted according to the specific level of responsibility of the particular executive. The number of outstanding Options is also considered by the Board when determining the number of Options to be granted in any particular year due to the limited number of Options which are available for grant under the Stock Option Plan.

### **Director Compensation**

The Board determines director compensation for the Company from time to time. Except as otherwise disclosed herein, there were no standard arrangements, or other arrangements in addition to or in lieu of standard arrangements, under which the directors were compensated by the Company for services in their capacity as a director (including any additional amounts payable for committee participation or special assignments), during the most recently completed financial year ended August 31, 2023. No directors' fees are expected to be paid by the Company. All directors are also entitled to be reimbursed for reasonable expenses incurred on behalf of the Company. There are no arrangements for compensation with respect to the termination of directors in the event of a change or control of the Company.

### **Compensation Risk Assessment and Mitigation**

The Board has considered the implications of the risks associated with the Company's compensation policies and practices. The Board is responsible for setting and overseeing the Company's compensation policies and practices. The Board does not provide specific monitoring and oversight of compensation policies and practices, but does review, consider and adjust these matters annually. The Company does not use any specific practices to identify and mitigate compensation policies that could encourage a Named Executive Officer or individual at a principal business unit or division to take inappropriate or excessive risks. These matters are dealt with on a case-by-case basis. The Company currently believes that none of its policies encourage its Named Executive Officers to take such risks. The Company has not identified any risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

There are no restrictions on Named Executive Officers or directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officers or directors. For the year ended August 31, 2018, no Named Executive Officer or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

### **Recent Significant Changes to the Company's Compensation Policies**

There have been no significant changes to the Company's compensation policies during the financial year ended August 31, 2023 that could or will have an effect on director or Named Executive Officer compensation.

### **Pension Plan Benefits**

The Company does not provide retirement benefits for directors or executive officers.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

### **Equity Compensation Plan Information**

The following table provides information regarding the number of securities authorized for issuance under the Company's Stock Option Plan, as at the end of the Company's most recently completed financial year ended August 31, 2023:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	0 options 16,736,006 warrants	N/A	3,586,266 options
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

See "Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans" for a summary of the Stock Option Plan.

## **STATEMENT OF CORPORATE GOVERNANCE**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, ("**NI 58-101**") of the Canadian Securities Administrators requires each reporting issuer to disclose its corporate governance practices on an annual basis.

Set out below is a description of the Company's approach to corporate governance.

### **Board of Directors**

NI 58-101 defines "independence" with reference to the definition of independence contained in 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, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

As of January 25, 2024, the Board consisted of three (3) directors: Zayn Kalyan, Chief Executive Officer, Geoffrey Balderson, Chief Financial Officer, and Leighton Bocking. Of the current Board, Leighton Bocking is independent. The following members are not independent: Zayn Kalyan and Geoff Balderson.

The Board meets t on an ad hoc basis where necessary to provide input and guidance to management.

Only Leighton Bocking is independent of management. The operations of the Company do not support a large Board, and the Board has determined that the current size and constitution of the Board is appropriate for the Company's current stage of development. In the event of a conflict of interest at a meeting of the Board, the conflicted director will, in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Company, disclose the nature and extent of his interest to the meeting and abstain from voting on or against the approval of such participation.

## Other Directorships

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Zayn Kalyan	None
Geoff Balderson	Nordique Resources Inc. (formerly Brascan Gold Inc.), Alerio Gold Corp., Goldeneye Resources Corp., Gambier Gold Corp., Four Nines Gold Inc., Lida Resources Inc., New Wave Holdings Corp., Plant Veda Foods Ltd., Shooting Star Acquisition Corp., Grounded People Apparel Inc., Bettermoo(d) Food Corporation., Core One Labs Inc., Plantable Health Inc., and Spectre Capital Corp.
Leighton Bocking	Carlyle Commodities Corp., Miramis Mining Corp., Alset Capital Inc., Atelier Meats

## Orientation and Continuing Education

The Company does not provide a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with the Company, the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

## Ethical Business Conduct

The Board has adopted a formal written Code of Conduct. The Code of Conduct allows the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained.

## Nomination of Directors

The Board selects new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the CEO. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

## Other Board Committees

The Company has an Audit Committee (please refer to the "Audit Committee" section) and a Compensation & Corporate Governance Committee.

## Assessments

The Board relies on experts such as financial advisors and external legal counsel and forms special committees on an ad hoc basis as necessary. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers an external formal assessment process to be inappropriate at this time. The entire Board is responsible for selecting new directors and assessing current directors. A proposed director's credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director's nomination and in camera sessions are available at every Board meeting.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

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. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

## The Audit Committee's Charter

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

## Composition of the Audit Committee

The following are members of the Audit Committee as at January 25, 2024:

	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Zayn Kalyan	N	Y
Geoff Balderson	N	Y
Leighton Bocking	Y	Y

- (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, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the CEO, 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

## Relevant Education and Experience

Each audit committee member has gained financial literacy through their years of experience serving as directors of several mining and mineral exploration companies as financial industry executives and serving on numerous other audit committees. In these positions, each member would be responsible for receiving financial information relating to their company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Company and its operating results. Each member has significant understanding of the mineral exploration business which the Company engages in and has an appreciation for the relevant accounting principles for that business.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

## Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "External Auditors Service Fees (By Category)".

## External Auditor Service Fees (By Category)

The table below sets out all fees billed by the Company's external auditor in each of the last two fiscal years. In the table "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's financial statements for the fiscal year. "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax Fees" are fees billed by the Company's external auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the external auditor for products and services not included in the foregoing categories:

<b>Financial Year Ended</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>
August 31, 2023	\$24,400	\$Nil	\$Nil	\$Nil
August 31, 2022	\$19,500	\$Nil	\$Nil	\$Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

## **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

As at August 31, 2023 there was no indebtedness outstanding with any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

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

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Company.

## **APPOINTMENT AND REMUNERATION OF AUDITOR**

Management of the Company proposes to nominate Manning Elliott LLP, Chartered Accountants, of Vancouver, British Columbia as auditors of the Company to hold office until the next Annual General & Special Meeting of Shareholders, at a remuneration to be fixed by the directors.

## **MANAGEMENT CONTRACTS**

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

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

### **Continuation of Stock Option Plan**

The Board proposes to continue its 10% rolling plan (the “Plan”), subject to shareholder and regulatory approval. The Plan is consistent with the requirements of the Canadian Stock Exchange (the “Exchange”) and provides as follows:

- (a) the maximum aggregate number of Shares that can be issued pursuant to the exercise of options granted under the Current Plan, the Plan or otherwise, is 10% of the Company’s current issued and outstanding share capital (on a non-diluted basis);
- (b) stock options granted under the Plan will have an expiry date not to exceed ten years from the date of grant;
- (c) any stock options granted that expire or terminate for any reason without having been exercised will again be available under the Plan;
- (d) stock options will vest as required by the Exchange and as may be determined by the administrator of the Plan, or in the absence of such body, the Board;
- (e) the minimum exercise price of any stock options issued under the Plan will be determined by the Board at the time of grant, subject to the requirements of the Exchange;
- (f) stock options granted will expire 90 days after an optionee ceases to be involved with the Company, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Company;
- (i) the Company cannot grant options to any one consultant in any 12-month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding Shares of the Company;
- (j) the Company cannot grant options in any 12-month period to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Company and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three-month period;
- (k) in connection with the exercise of an option, as a condition to such exercise the Company may require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option; and
- (l) if a change of control, as described in the Plan, occurs, all unvested options shall immediately become vested and may thereon be exercised in whole or in part by the option holder, subject to any required approval by the Exchange.

The above summary is subject to the full text of the Plan which will be available for review at the Meeting. The Plan, and any material amendments thereto, must be approved by a majority of the votes cast by shareholders. The Plan is subject to approval by the Exchange. If the Plan is approved by shareholders, a total of 921,400 Shares will be reserved for issuance pursuant to the exercise of options to be granted pursuant to the Plan. As of January 25, 2024, there were 100,000 options issued and outstanding.

All options to acquire Shares of the Company previously issued by the Company to directors, officers, employees and consultants of the Company and currently outstanding shall be deemed to have been granted and issued under the Plan and otherwise be governed by the terms and conditions of the Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such options.

At the Meeting, shareholders will be asked to pass the following resolution:

“IT IS RESOLVED, as an ordinary resolution that the 10% rolling stock option plan is hereby approved and confirmed and the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to this resolution.”

### **Recommendation of the Directors**

The Board of Directors of the Company has reviewed the proposed resolution and concluded that it is fair and reasonable to the Shareholders and in the best interests of the Company.



The Board of Directors of the Company recommends that Shareholders vote in favour of the resolution to approve the Stock Option Plan of the Company.

Shareholder approval of the Option Plan is required by the terms of the Option Plan and the rules of the Exchange.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). Shareholders may contact the Company at 1095 West Pender Street, Suite 750, Vancouver, British Columbia V6E 2M6 or call the Company at (778) 938-3367 to request copies of the Company's financial statements and management discussion and analysis.

Financial information for the Company is provided in the Company's audited financial statements and management discussion and analysis for financial year ended August 31, 2023 which is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

DATED at Vancouver, British Columbia, this 25<sup>th</sup> day of January 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

/s/ "Zayn Kalyan"

Director and Chief Executive Officer

**Schedule "A"**  
**to the Information Circular of Nexco Resources Inc.**  
**AUDIT COMMITTEE CHARTER**

**A. PURPOSE**

The overall purpose of the Audit Committee (the "Committee") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

**B. COMPOSITION, PROCEDURES AND ORGANIZATION**

1. The Committee shall consist of at least three members of the Board, the majority of whom are "independent" as defined in NI 52-110 *Audit Committees* ("NI 52-110").
2. All members of the Committee shall be "financially literate" as defined in NI 52-110.
3. The Board, at its organizational meeting held in conjunction with each Annual General & Special meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
  - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

**C. ROLES AND RESPONSIBILITIES**

1. The overall duties and responsibilities of the Committee shall be as follows:
  - (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and interim consolidated financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and

- (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (c) review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to review with the external auditors, upon completion of their audit:
    - (i) contents of their report;
    - (ii) scope and quality of the audit work performed;
    - (iii) adequacy of the Corporation's financial and auditing personnel;
    - (iv) co-operation received from the Corporation's personnel during the audit;
    - (v) internal resources used;
    - (vi) significant transactions outside of the normal business of the Corporation;
    - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - (viii) the non-audit services provided by the external auditors;
  - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and
  - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:
- (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
  - (b) review and approve the internal audit plan; and
  - (c) review significant internal audit findings and recommendations, and management's response thereto.
4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
- (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
  - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
5. The Committee is also charged with the responsibility to:

- (a) review and approve the Corporation's interim financial statements and related Management's Discussion & Analysis ("MD&A"), including the impact of unusual items and changes in accounting principles and estimates;
- (b) review and approve the financial sections of:
  - (i) the annual report to shareholders;
  - (ii) the annual information form;
  - (iii) annual MD&A;
  - (iv) prospectuses;
  - (v) news releases discussing financial results of the Corporation; and
  - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
- (c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Corporation's consolidated financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;
- (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each Annual General & Special meeting of shareholders.