



**CARLYLE**  
COMMODITIES

NOTICE OF ANNUAL GENERAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

OF

**CARLYLE COMMODITIES CORP.**

*to be held at 10:00 a.m. on Friday, December 29, 2023*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*



**CARLYLE COMMODITIES CORP.**

*#5803 – 1151 West Georgia Street  
Vancouver, BC, V6E 0B3  
Telephone: (604) 715-4751*

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of the shareholders of Carlyle Commodities Corp. (the “**Company**”) will be held via teleconference only, on **Friday, December 29, 2023**, at the hour of 10:00 a.m. (Vancouver time), for the following purposes:

1. To receive the audited consolidated financial statements of the Company, together with the auditor’s report thereon, for the fiscal year ended February 28, 2023;
2. To set the number of directors at three (3);
3. To elect Morgan Good, Jeremy Hanson, and Leighton Bocking as directors of the Company;
4. To appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, as the auditors of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditors; and
5. To transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

An Information Circular and Form of Proxy accompany this Notice. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice.

Registered shareholders as at the close of business on November 21, 2023 are entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

**The Company will not be providing a physical location for shareholders to attend the Meeting in person. Shareholders will be able to attend the Meeting remotely via teleconference only, at 10:00 a.m. (Vancouver Time) on December 29, 2023, by following the instructions below. Please note that shareholders will not be able to vote at the Meeting via the teleconference meeting. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by teleconference.**

**For teleconference access, please refer to the following link and dial-in instructions:**

Link: <https://zoom.us/j/92344075451?pwd=V2lybjllR0lFR3J2Ry84dm9lUzJlQT09>

Meeting ID: 923 4407 5451

Password: 351034

<p>One tap mobile</p> <p>+15873281099,,92344075451#,,,,*351034# Canada  +16473744685,,92344075451#,,,,*351034# Canada</p>	<p>Dial by your location</p> <p>+1 587 328 1099 Canada  +1 647 374 4685 Canada  +1 647 558 0588 Canada  +1 778 907 2071 Canada  +1 780 666 0144 Canada  +1 204 272 7920 Canada  +1 438 809 7799 Canada  +1 669 900 9128 US (San Jose)  • +1 253 215 8782 US (Tacoma)  • +1 301 715 8592 US (Washington DC)  • +1 312 626 6799 US (Chicago)  • +1 346 248 7799 US (Houston)  • +1 646 558 8656 US (New York)</p> <p>Meeting ID: 923 4407 5451  Passcode: 351034</p> <p>Find your local number: <a href="https://zoom.us/j/92344075451">https://zoom.us/j/92344075451</a></p>
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Registered shareholders are requested to read, complete, sign and return or follow the instructions to vote on the internet the Form of Proxy accompanying this Notice in accordance with the instructions set out in the form of Proxy and in the Information Circular accompanying this Notice. Beneficial shareholders who received the form of Proxy accompanying this Notice through an intermediary must deliver the Proxy in accordance with the instructions given by such intermediary.

DATED in Vancouver, British Columbia, this 24<sup>th</sup> day of November, 2023.

BY ORDER OF THE BOARD OF

**CARLYLE COMMODITIES CORP.**

*“Morgan Good”*

**Morgan Good**  
President, Chief Executive Officer  
and Director

**PLEASE VOTE. YOUR VOTE IS IMPORTANT. PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.**



## **CARLYLE COMMODITIES CORP.**

*#5803 – 1151 West Georgia Street  
Vancouver, BC, V6E 0B3  
Telephone: (604) 715-4751*

### **MANAGEMENT INFORMATION CIRCULAR**

*(As at November 24, 2023, except as indicated)*

This management information circular (“**Circular**”) is furnished in connection with the solicitation of proxies by the management (“**Management**”) of Carlyle Commodities Corp. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of the Company to be held at 10:00 a.m. (Vancouver time) on Friday, December 29, 2023, via teleconference only as set forth in the notice of the Meeting (the “**Notice of Meeting**”).

#### **Date and Currency**

The date of this Information Circular is November 24, 2023. Unless otherwise stated, all amounts herein are in Canadian dollars.

### **PROXIES AND VOTING RIGHTS**

#### **Management Solicitation**

The solicitation of proxies by Management will be conducted by mail and may be supplemented by telephone or other personal contact and such solicitation will be made without special compensation granted to the directors, regular officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining, from the principals of such persons, authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this Circular and related proxy materials to their customers. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

#### **Registered Shareholders**

If you are a registered Shareholder, you may wish to vote by proxy whether or not you attend the Meeting. If you submit a proxy, you must complete, date and sign the proxy, and return it to **Odyssey Trust Company**, United Kingdom Building, #350 – 409 Granville St., Vancouver, BC V6C 1T2 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.

### **Non-Registered Shareholders**

Only directly registered Shareholders or duly appointed proxyholders are entitled to vote at the Meeting. Most Shareholders are non-registered Shareholders ("**Non-Registered Shareholders**") because the common shares of the Company ("**Common Shares**") they own are not registered in their names but are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESSPs and similar plans); or (b) in the name of a clearing agency such as The Canadian Depository for Securities Limited in Canada or the Depository Trust Company in the United States, of which the Intermediary is a participant.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless the Non-Registered Shareholders have waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- a) Be given a proxy which **has already been signed by an Intermediary** (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. This form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and **return it in accordance with the instructions provided in the proxy; or**
- b) More typically, be given a voting instruction form which **is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "**Voting Instruction Form**" or "**VIF**"), which the Intermediary must follow.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. However, without specific voting instructions, Intermediaries and their agents and nominees are prohibited from voting shares for their clients. **Accordingly, each Non-Registered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Should a Non-Registered Shareholder who receives either a proxy or a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Non-Registered Shareholder should strike out the names of the persons named in the Proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs.

These Meeting Materials are being sent to both registered and non-registered owners of the Common Shares. If you are a Non-Registered Shareholder, and the Company or its agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.

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

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless the Intermediary assumes the cost of delivery.

### **Appointment and Revocation of Proxies**

**The persons named in the accompanying form of proxy are directors and/or officers of the Company. A Shareholder has the right to appoint a person or company (who need not be a Shareholder) other than the persons whose names appear in such form of proxy, to attend and act for and on behalf of such Shareholder at the Meeting and any adjournment(s) or postponement(s) thereof. Such right may be exercised either by striking out the names of the persons specified in the form of proxy and inserting the name of the person or company to be appointed in the blank space provided in the form of proxy, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to Odyssey Trust Company, United Kingdom Building, #350– 409 Granville St., Vancouver, BC V6C 1T2, not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting, or any adjournment(s) or postponement(s) thereof.**

A registered Shareholder of the Company who has given a proxy may revoke the proxy by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the registered Shareholder is a corporation, by an officer or attorney thereof properly authorized, either: (i) at the principal office of the Company at any time prior to 5:00 p.m. (Vancouver time) on the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, (ii) with the said office Odyssey Trust Company Attn: Proxy Department at any time prior to 5:00 p.m. (Vancouver time) on the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or (iii) with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; (b) transmitting, by telephone or electronic means, a revocation that complies with paragraphs (i), (ii) or (iii) above and that is signed by electronic signature, provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such Shareholder or by or on behalf of his or her attorney, as the case may be; or (c) in any other manner permitted by law including attending the Meeting in person.

A Non-Registered Shareholder who has submitted a proxy or VIF may revoke a VIF or proxy that has been given to an Intermediary or to the service company that the Intermediary uses by following the instructions of the Intermediary respecting the revocation of proxies, provided that an Intermediary is not required to act on a revocation of a proxy or VIF which is not received by the Intermediary at least seven days prior to the Meeting.

### **Voting and Discretion of Proxies**

The Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment or postponement thereof, in accordance with the instructions of the Shareholder thereon. **In the absence of instructions, such Common Shares will be voted in favour of each of the matters referred to in the Notice of Meeting as specified thereon.**

**The quorum required for the transaction of business at the Meeting is one person who is, or who represents by Proxy, a shareholder entitled to vote at the Meeting.**

**The enclosed form of proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters identified in the accompanying Notice of Meeting and on other matters, if any, which may properly come before the Meeting or any adjournment**

or postponement thereof. At the date of this Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum but will not be counted as affirmative or negative on the matter to be voted upon.

#### NOTICE AND ACCESS

The Company is not sending the Meeting Materials to registered Shareholders or Non-Registered Shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”).

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

No director or executive officer of the Company who was a director or executive officer since the beginning of the Company’s last financial year, no proposed nominee of Management 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 of securities or otherwise, in matters to be acted upon at the Meeting, other than the election of directors.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without par value. As of the record date, determined by the Board of Directors of the Company (the “Board”) to be the close of business on November 21, 2023 (the “Record Date”), a total of 42,056,662 Common Shares were issued and outstanding. Each Common Share entitles the Shareholder of record to one vote at the Meeting. The Company has no other classes of voting securities. Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment(s) or postponement(s) of the Meeting.

To the knowledge of the Company’s directors and executive officers, as at the Record Date, no person or company beneficially owns, directly or indirectly, or controls or directs Common Shares carrying 10% or more of the voting rights attached to all of the Company’s Common Shares, other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares <sup>(1)</sup>
CDS & Co.	26,158,212	62%

<sup>(1)</sup> Based on 42,056,662 Shares issued and outstanding as of November 21, 2023.

#### MATTERS TO BE ACTED UPON AT THE MEETING

TO THE KNOWLEDGE OF THE COMPANY’S DIRECTORS, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

#### 1. Financial Statements

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The Board has approved the audited consolidated financial statements for the fiscal year ended February 28, 2023, together with the auditor’s report thereon. Copies of the financial statements have been sent to those Shareholders who had requested receipt of the same and are also available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

## 2. Set Numbers of Directors

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At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at three (3). The number of directors will be approved if the affirmative vote of at least a majority of Common Shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at three (3).

**The shares represented by proxy will be voted FOR the resolution to set the number of directors for the ensuing year at three (3), unless the Shareholder has specified in the form of proxy that the Shareholder's Common Shares are to be voted against the resolution. Management recommends the approval of setting the number of directors of the Company at three (3).**

## 3. Election of Directors

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Management of the Company does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of Proxy reserve the right to vote for other nominees in their discretion.

Management of the Company proposes to nominate the following three persons as further described in the table below, for election by the Shareholders as directors of the Company to hold office until the next annual meeting. Information concerning such persons, as furnished by the individual nominees, as at the Record Date, is as follows:

Name, Jurisdiction of Residence and Position With the Company	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years	Served as a Director Continuously Since	Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(1)</sup>
<b>Morgan Good</b> <sup>(2)</sup> British Columbia, Canada <i>CEO, President, and Director</i>	Venture capitalist with nearly 20 years of experience as a capital markets professional. Has served on various boards assisting in M&A transactions and has been directly and indirectly responsible for raising in excess of \$100M CAD over his career.	October 18, 2017	398,194 <sup>(3)</sup>
<b>Leighton Bocking</b> <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Mr. Bocking has been working in the capital markets for over 18 years. He has held various director roles. In addition, he has worked in Corporate Development roles at Gold Standard Ventures Corp. and Timmins Gold Corp. (now Argonaut Gold).	October 18, 2017	343,392 <sup>(4)</sup>



Name, Jurisdiction of Residence and Position With the Company	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years	Served as a Director Continuously Since	Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(1)</sup>
<b>Jeremy Hanson<sup>(2)</sup></b> British Columbia, Canada  <i>Director and VP of Exploration</i>	Mr. Hanson is a professional geoscientist with over a decade of experience in Canadian mineral exploration. Founder of Hardline Exploration Corp., Director & VP Exploration for Garibaldi Resources Corp., Technical Advisor for Nickel Rock Resources Inc., and Director of the Smithers Exploration Group.	January 20, 2022	364,971 <sup>(5)</sup>

<sup>(1)</sup> Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the record date, as furnished by the respective nominees individually.

<sup>(2)</sup> Member of Audit Committee.

<sup>(3)</sup> Comprised of 11,429 Shares held directly and 386,785 Shares held indirectly through Patriot Capital Corp., a company controlled by Mr. Good, the President, Chief Executive Officer and a director of the Company. Does not include: (i) 1,092,500 Shares to be issued on exercise of stock options (each, an "Option"), of which 25,000 are exercisable at a price of \$1.50 until May 25, 2025, 17,500 are exercisable at a price of \$1.40 until February 19, 2026, 300,000 are exercisable at a price of \$0.215 until November 14, 2027; 250,000 are exercisable at a price of \$0.145 until March 22, 2028, and 500,000 are exercisable at a price of \$0.125 until September 12, 2028, and (ii) 150,000 Shares to be issued on exercise of Share purchase warrants exercisable at a price of \$0.30 until November 10, 2025.

<sup>(4)</sup> Shares held indirectly through Bocking Financial Corp., a company controlled by Mr. Bocking, a director of the Company. Does not include: (i) 607,500 Shares to be issued on exercise of Options, of which 15,000 are exercisable at a price of \$1.50 until May 15, 2025, 17,500 are exercisable at a price of \$1.40 until February 19, 2026, 175,000 are exercisable at a price of \$0.215 until November 14, 2027; 250,000 are exercisable at a price of \$0.145 until March 22, 2028, and 150,000 are exercisable at a price of \$0.125 until September 12, 2028, and (ii) 100,000 Shares to be issued on exercise of Share purchase warrants exercisable at a price of \$0.30 until November 10, 2025.

<sup>(5)</sup> Comprised of 64,971 Shares held directly and 300,000 Shares held indirectly through Hardline Exploration Corp., a company controlled by Mr. Hanson, a director of the Company. Does not include: (i) 575,000 Shares to be issued on exercise of Options, of which 175,000 Options are exercisable at a price of \$0.215 until November 14, 2027; 250,000 are exercisable at a price of \$0.145 until March 22, 2028, and 150,000 are exercisable at a price of \$0.125 until September 12, 2028, and (ii) 150,000 Shares to be issued on exercise of Share purchase warrants exercisable at a price of \$0.30 until November 10, 2025.

**Management recommends the election of each of the nominees listed above as a director of the Company.**

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies

To the best of managements knowledge, no proposed director of the Company:

- a) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director, Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") of any company (including the Company), that:
  - (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or

- (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; 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, except as set forth below; 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.

**Shareholders can vote for all of the proposed nominees for directors of the Company, vote for some of the proposed nominees and withhold for others, or withhold from voting for all or any of the proposed nominees. Unless the Shareholder directs that his or her shares be otherwise voted or withheld from voting in connection with the election of directors, the persons named in the enclosed Proxy will vote FOR the election of the three nominees whose names are set forth above.**

#### **4. Appointment of Auditors**

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At the Meeting, Shareholders will be asked to vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, to serve as auditor of the Company for the ensuing year, and to authorize the directors to fix the auditor's remuneration. Dale Matheson Carr-Hilton LaBonte LLP was appointed as the Company's auditor on April 12, 2019.

**Management recommends that Shareholders vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants as the Company's auditors for the ensuing year and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors.**

#### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

#### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

##### ***General***

The Company's board of directors believes that good corporate governance improves corporate performance and

benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices (“**NI 58-101**”) prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

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

The Company’s board of directors facilitates its exercise of independent supervision over the Company’s management through meetings of the board of directors.

The Company’s board of directors is comprised of three directors, of whom Leighton Bocking is independent for the purposes of NI 58-101. Morgan Good is a member of the Company’s management and is not independent as he serves as President and CEO of the Company. Jeremy Hanson is a member of the Company’s management and is not independent as he serves as VP of Exploration of the Company.

### ***Directorships***

Certain of the Company’s directors are also currently directors of other reporting issuers as follows:

<b>Name of Director of the Company</b>	<b>Names of Other Reporting Issuers</b>	<b>Securities Exchange</b>
Morgan Good	Miramis Mining Corp.	N/A
	Lightning Ventures Inc.	CSE
	Alset Capital Inc.	NEX
Jeremy Hanson	Garibaldi Resources Corp.	TSXV
	Miramis Mining Corp.	N/A
Leighton Bocking	Miramis Mining Corp.	N/A
	Nexco Resources Inc.	CSE
	Alset Capital Inc.	NEX

### ***Orientation and Continuing Education***

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

### ***Ethical Business Conduct***

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

### ***Nomination of Directors***

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be

reviewed.

### **Compensation**

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

Due to the minimal size of the Corporation's board of directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

## **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 – *Audit Committees ("NI 52-110")*, NI 41-101 and Form 52-110F2 require the Company, as a venture issuer, to disclose certain information relating to the Company's audit committee (the "**Audit Committee**") and its relationship with the Company's independent auditors.

### **Audit Committee Charter**

The text of the Audit Committee's charter is attached as Schedule A.

### **Composition of Audit Committee**

The members of the Company's Audit Committee are:

<b>Name of Audit Committee Member</b>	<b>Independence</b>	<b>Financial Literacy</b>
Leighton Bocking	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Morgan Good	Not Independent	Financially literate <sup>(2)</sup>
Jeremy Hanson	Not Independent	Financially literate <sup>(2)</sup>

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's board of directors, reasonably interfere with the exercise of a member's independent judgment.

<sup>(2)</sup> An individual is financially literate if they have the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

For the purposes of NI 52-110, a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An individual 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***

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of their responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

**Morgan Good:** Mr. Good is a Venture Capitalist with nearly 20 years of experience as a capital markets professional focusing in areas of finance, corporate restructuring & development, as well as marketing. Mr. Good has served on various boards assisting in M&A transactions and has been directly and indirectly responsible for raising in excess of \$100M CAD over his career.

**Jeremy Hanson:** Mr. Hanson is a professional geoscientist with over a decade of experience in Canadian mineral exploration, and a B.Sc. (Hons) with distinction from Simon Fraser University. He is founder of Hardline Exploration Corp., Director & VP Exploration for Garibaldi Resources Corp., Technical Advisor for Nickel Rock Resources Inc., and Director of the Smithers Exploration Group.

**Leighton Bocking:** Mr. Bocking has been working in the capital markets for over 18 years and has been particularly focused on financing and structuring companies. He has held various director roles. In addition, he has worked in Corporate Development roles at Gold Standard Ventures Corp. and Timmins Gold Corp. (now Argonaut Gold).

### ***Audit Committee Oversight***

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's 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 exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation), the exemption in subsection 6.1.1(5) (Events Outside of Control of Member), or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (Exemptions) of NI 52-110.

The Company has relied on the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer) to be exempt from the requirement in subsection 6.1.1(3) which requires a majority of the members of an audit committee of a venture issuer to not be executive officers, employees or control persons of the venture issuer or of an affiliate of the venture issuer. The Company remains offside NI 52-110 as it only has one member of its Audit Committee that is not an executive officer. The Company is in the process of appointing an additional independent member to the Audit Committee, to satisfy the composition of the Audit Committee requirement in subsection 6.1.1(3)

### **Pre-Approval Policies and Procedures**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

### **External Auditor Service Fees**

The aggregate fees billed by the Company's external auditors in the the last two fiscal years, by category, are as follows:

<b>Fiscal 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>
February 28, 2023	\$30,000	\$366	\$Nil	\$Nil
February 28, 2022	\$24,999	\$299	\$Nil	\$Nil

(1) "Audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year.

(2) "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 review of the Company's financial statements.

(3) "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning.

(4) "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

### **Exemption for Venture Issuers**

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Statement of Executive Compensation:

"**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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO,
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO,

- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the 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 for that financial year, and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange, or exercise of compensation securities.

#### Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Fiscal Year Ended February 28	Salary, Consulting Fee, Retainer, Commission or Director Fees (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Morgan Good <i>CEO and Director</i>	2023	160,000 <sup>(2)</sup>	103,781 <sup>(2)</sup>	Nil	Nil	Nil	263,781 <sup>(2)</sup>
	2022	157,000 <sup>(2)</sup>	18,312 <sup>(2)</sup>	Nil	Nil	Nil	175,812 <sup>(2)</sup>
Inar Kamaletdinov <sup>(3)</sup> <i>CFO</i>	2023	42,500 <sup>(11)</sup>	Nil	Nil	Nil	Nil	42,500 <sup>(11)</sup>
	2022	22,140 <sup>(11)</sup>	Nil	Nil	Nil	Nil	22,140 <sup>(11)</sup>
Bennett Liu <sup>(4)</sup> <i>Former CFO</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	18,900 <sup>(5)</sup>	Nil	Nil	Nil	Nil	18,900 <sup>(5)</sup>

Name and Position	Fiscal Year Ended February 28	Salary, Consulting Fee, Retainer, Commission or Director Fees (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Jeremy Hanson <sup>(6)</sup> <i>VP of Exploration and Director</i>	2023 2022	30,000 <sup>(10)</sup> N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	30,000 <sup>(10)</sup> N/A
Leighton Bocking <i>Director</i>	2023 2022	30,000 <sup>(7)</sup> 30,000 <sup>(7)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	30,000 <sup>(7)</sup> 30,000 <sup>(7)</sup>
Michael Blady <sup>(8)</sup> <i>Former Director</i>	2023 2022	Nil 27,500 <sup>(9)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 27,500 <sup>(9)</sup>

(1) “Perquisites” include perquisites provided to a NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director’s total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director’s salary for the financial year if the NEO or director’s total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director’s total salary for the financial year is \$500,000 or greater.

(2) Comprised of compensation paid through Patriot Capital Corporation, a management company wholly owned by Mr. Good.

(3) Mr. Kamaletdinov was appointed as CFO on August 23, 2021.

(4) Mr. Liu resigned as the CFO on August 23, 2021.

(5) Comprised of compensation paid through Red Fern Consulting Ltd., a management company, of which Mr. Liu is an employee.

(6) Mr. Hanson was appointed a director on January 19, 2022.

(7) Comprised of compensation paid through Bocking Financial Corp., a management company wholly owned by Mr. Bocking.

(8) Mr. Blady resigned as a director on January 19, 2022.

(9) Comprised of compensation paid through Tank Enterprises Ltd., a management company wholly owned by Mr. Blady.

(10) Comprised of compensation paid for services provided as VP of Exploration.

(11) Comprised of compensation paid through Imperium Consulting LLP, a professional services firm of which Mr. Kamaletdinov is a partner.

### Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and directors of the Company for the fiscal year ended February 28, 2023, for services provided, directly or indirectly, to the Company.



Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(5)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Morgan Good, CEO and Director <sup>(1)</sup>	Options	300,000 1.23%	November 14, 2022	\$0.215	\$0.215	\$0.19	November 14, 2027
Jeremy Hanson, Director <sup>(2)</sup>	Options	175,000 0.72%	November 14, 2022	\$0.215	\$0.135	\$0.19	November 14, 2027
Leighton Bocking, Director <sup>(3)</sup>	Options	175,000 0.72%	November 14, 2022	\$0.215	\$0.215	\$0.19	November 14, 2027
Inar Kamaletdinov, CFO <sup>(4)</sup>	Options	50,000 0.20%	November 14, 2022	\$0.215	\$0.215	\$0.19	November 14, 2027

<sup>(1)</sup> Mr. Good held 398,194 common shares and 345,358 options as at February 28, 2023.

<sup>(2)</sup> Mr. Hanson held 364,971 common shares and 175,000 options as at February 28, 2023.

<sup>(3)</sup> Mr. Bocking held 343,392 common shares and 460,357 options as at February 28, 2023.

<sup>(4)</sup> Mr. Kamaletdinov held no common shares and 50,000 options as at February 28, 2023.

<sup>(5)</sup> The percentage of the class of compensation securities is calculated based on the aggregate of 24,233,703 common shares outstanding as of February 28, 2023.

### Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by directors and NEOs during the year ended February 28, 2023.

### Stock Option Plans and Other Incentive Plans

The Company adopted a “rolling” stock option plan (the “**2022 Plan**”) on November 28, 2022, which was approved by the shareholders of the Company at the Company’s annual general and special meeting held on December 29, 2022. The 2022 Plan provides flexibility to the Company to grant equity-based incentive awards in the form of Options, restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and deferred share units (“**DSUs**”). The purpose of the 2022 Plan is to, among other things, provide the Company with a share related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and to reward such of those directors, officers, employees and consultants as may be granted awards under the 2022 Plan by the Board from time to time for their contributions toward the long-term goals and success of the Company and to enable and encourage such directors, employees and consultants to acquire Shares as long term investments and proprietary interests in the Company. The 2022 Plan provides that, subject to the requirements of the Canadian Securities Exchange, the aggregate maximum number of Shares that may be issued upon the exercise or settlement of awards granted under the 2022 Plan shall not exceed 20% of the Company’s issued and outstanding Shares from time to time. The 2022 Plan is considered an “evergreen” plan, since the Shares covered by awards which have been

exercised, settled or terminated shall be available for subsequent grants under the 2022 Plan and the number of awards available to grant increases as the number of issued and outstanding Shares increases.

The Plan Administrator (as defined in the 2022 Plan) is determined by the Board, and is initially the Board. The 2022 Plan may in the future continue to be administered by the Board itself or delegated to a committee of the Board. The Plan Administrator determines which directors, officers, consultants and employees are eligible to receive awards under the 2022 Plan, the time or times at which awards may be granted, the conditions under which awards may be granted or forfeited to the Company, the number of Shares to be covered by any award, the exercise price of any award, whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, or waiver of termination regarding any award, based on such factors as the 2022 Plan Administrator may determine. In addition, the Plan Administrator interprets the 2022 Plan and may adopt guidelines and other rules and regulations relating to the 2022 Plan, and make all other determinations.

Awards of Options, RSUs, PSUs and DSUs may be made under the 2022 Plan. All of the awards are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the 2022 Plan, and will generally be evidenced by an award agreement. In addition, subject to the limitations provided in the 2022 Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, and waive any condition imposed with respect to awards or Shares issued pursuant to awards.

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

Other than as set out herein, the Company has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or NEO.

On November 22, 2018, the Company entered into a consulting services agreement with Red Fern Consulting Ltd., a management company, of which Mr. Liu is an employee, (the “**Consulting Agreement**”) providing for annual compensation of \$36,000. Under the terms of the Consulting Agreement, if the Company terminated the consultant’s engagement without cause, the consultant is entitled at least 30 days prior written notice of the effective date of such termination, or pay in lieu of a sum equivalent to three months of services based on the average of the preceding three months. If a change of control occurs and the Consulting Agreement is terminated by the Company or its successor prior to the end of the term, the Company or its successor will pay to the consultant a sum equivalent to twelve months of services based on the average of the preceding three months, not to be less than \$3,000.00 CDN per month. Any options granted to the consultant prior to such termination will be exercisable for such number of months after such termination as is equal to the number of months the consultant has provided the consulting services under the Consulting Agreement and any predecessor agreement, to a maximum of twelve months. The consulting agreement was terminated on the resignation of Mr. Liu. No payments were made to Red Fern Consulting Ltd. on termination of the consulting agreement.

On April 1, 2019, the Company entered into a consulting services agreement with Patriot Capital Corporation, a company controlled by Mr. Good, providing for an annual compensation of \$150,000. Under the terms of the consulting agreement, if the Company terminated the consultant engagement without cause, the consultant is entitled to at least 30 days prior written notice of the effective date of such termination.

On May 1, 2021, the Company entered into a consulting services agreement with Bocking Finance Corp., a company controlled by Mr. Bocking, providing for an annual compensation of \$30,000. Under the terms of the consulting agreement, the consulting agreement shall automatically terminate in the event that any of the following occur: (i) Mr. Bocking fails to provide the services required; (ii) the parties agree in writing to terminate the consulting agreement; or (iii) 7 days pass after either party delivers notice in writing that it wishes to terminate the consulting agreement. The terms of the consulting agreement state that the Company may elect to settle any or all fees in

Shares in its sole discretion, and the consultant agrees to accept such Shares as full and final settlement of any fees then-owing to it.

On May 1, 2021, the Company entered into a consulting services agreement with Mr. Blady providing for an annual compensation of \$30,000. Under the terms of the consulting agreement, the consulting agreement shall automatically terminate in the event that any of the following occur: (i) Mr. Blady fails to provide the services required; (ii) the parties agree in writing to terminate the consulting agreement; or (iii) 7 days pass after either party delivers notice in writing that it wishes to terminate the consulting agreement. The terms of the consulting agreement state that the Company may elect to settle any or all fees in Shares of the Company in its sole discretion, and the consultant agrees to accept such Shares as full and final settlement of any fees then-owing to him. On January 19, 2022, the consulting agreement was terminated on the resignation of Mr. Blady.

On August 23, 2021, the Company entered into a consulting agreement with Imperium Consulting LLP, a professional services company of which Mr. Kamaletdinov is a partner. The agreement provides for annual compensation of \$42,000. Under the terms of the consulting agreement, if the Company terminated the consultant engagement without cause, the consultant is entitled to at least 30 days prior written notice of the effective date of such termination.

On October 1, 2021, the Company entered into a consulting service agreement with Jeremy Hanson providing for an annual compensation of \$30,000. Under the terms of the consulting agreement, the consulting agreement shall automatically terminate in the event that any of the following occur: (i) Mr. Hanson fails to provide the services required; (ii) the parties agree in writing to terminate the consulting agreement; or (iii) 7 days pass after either party delivers notice in writing that it wishes to terminate the consulting agreement. The terms of the consulting agreement state that the Company may elect to settle any or all fees in Shares of the Company in its sole discretion, and the consultant agrees to accept such Shares as full and final settlement of any fees then-owing to him.

#### **Oversight and Description of Director and NEO Compensation**

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board. The Company's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account. The Company's directors have not established any benchmark or performance goals to be achieved or met by the Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company. The satisfactory discharge of such duties is subject to ongoing monitoring by the Company's directors. Payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers. The goal of the Company's executive compensation philosophy is to attract, motivate, retain and reward an energetic, goal driven, highly qualified and experienced management team and to encourage them to meet and exceed performance expectations within a calculated risk framework. The Board has not considered the implications of the risk associated with the Company's compensation policies and practices. The compensation program is designed to reward each executive based on individual, business and corporate performance and is also designed to incent such executives to drive the annual and long-term business goals of the organization. Under the Company's compensation policies and practices, Named Executive Officers and directors are not prevented from purchasing 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 Officer or director. However, the Board does not believe that the Company's compensation policies and practices encourage executive officers to take unnecessary or excessive risk. For executive officers who are offered compensation, such compensation will primarily and initially be comprised of a base salary or consulting fees, as applicable, and later stock options to purchase Shares. Manner and amount of compensation of the NEOs is reviewed, recommended and approved by the Board from time to time.

## Pension

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance in effect as of the end of the Company's most recently completed financial year ended February 28, 2023:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options<sup>(3)</sup></b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity compensation plans<sup>(2)</sup> (excluding securities reflected in column (a))</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	3,160,970 <sup>(1)</sup>	\$0.61 <sup>(1)</sup>	1,685,770
Equity compensation plans not approved by security holders	Nil	Nil	N/A
<b>Total</b>	<b>3,160,970<sup>(1)</sup></b>	<b>\$0.61<sup>(1)</sup></b>	<b>1,685,770</b>

<sup>(1)</sup> Option number and exercise price reflects share consolidation on a 10:1 basis, effective September 6, 2022.

<sup>(2)</sup> The issued and outstanding capital of the Company was 24,233,703 on February 28, 2021.

<sup>(3)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness no current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person 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 any of its subsidiaries.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (each, an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

## MANAGEMENT CONTRACTS

No management functions of the Company or any of its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Company or subsidiaries, except as disclosed herein, at any time since the beginning of the Company's most recently completed financial year.

## ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at #5803 – 1151 West Georgia Street, Vancouver, BC, V6E 0B3, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

## APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved, and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

**DATED** at Vancouver, British Columbia, this 24<sup>th</sup> day of November 2023.

**ON BEHALF OF THE BOARD OF DIRECTORS OF**

**CARLYLE COMMODITIES CORP.**

*"Morgan Good"*

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**Morgan Good**

President, Chief Executive Officer  
and Director

## SCHEDULE "A"

### CARLYLE COMMODITIES CORP. (the "Company")

#### AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

#### 1. Composition

- (a) **Number of Members.** The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) **Chair.** If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) **Financially Literacy.** All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

#### 2. Meetings

- (a) **Quorum.** The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) **Agenda.** The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) **Notice to Auditors.** The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) **Minutes.** Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by

#### 3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee will include the following:

##### **External Auditor**

The Audit Committee will:

- (a) **Selection of the external auditor.** Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) **Scope of Work.** Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) **Compensation.** Recommend to the Board the compensation to be paid to the external auditors.
- (d) **Replacement of Auditor.** If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) **Approve Non-Audit Related Services.** Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) **Direct Responsibility for Overseeing Work of Auditors.** Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) **Resolution of Disputes.** Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

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

The Audit Committee will:

- (a) **Review Audited Financial Statements.** Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) **Review of Interim Financial Statements.** Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) **MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.** Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) **Auditor Reports and Recommendations.** Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

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

The Audit Committee will:

- (a) **Internal Control.** Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) **Financial Management.** Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.

- (c) **Accounting Policies and Practices.** Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) **Litigation.** Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) **Other.** Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### **Complaints**

- (f) **Accounting, Auditing and Internal Control Complaints.** The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (g) **Employee Complaints.** The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **4. Authority**

- (a) **Auditor.** The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) **To Retain Independent Advisors.** The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **5. Reporting**

The Audit Committee will report to the Board on:

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