



## HERBAL DISPATCH INC.

### MANAGEMENT INFORMATION CIRCULAR

#### GENERAL INFORMATION

##### Annual Meeting Date

Herbal Dispatch Inc. (the “**Company**”), will be holding an annual general and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares in the Company (the “**Common Shares**”) on Monday, December 16, 2024, at 10:00 am (Pacific Standard Time) virtually via Zoom Meetings and at the Company’s registered and records office located at Royal Centre, Suite 1750 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3.

##### Date of Information

Information in this management information circular (the “**Circular**”) is given as of November 8, 2024, unless otherwise noted.

##### Voting Shares and Principal Holders

As of November 8, 2024, the Company’s authorized capital consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which 81,780,699 Common Shares are issued and outstanding. All Common Shares in the capital of the Company carry the right to one vote.

Shareholders registered as of Friday, November 1, 2024, are entitled to attend, and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, there are no persons that beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding Common Shares of the Company, other than as set out below:

Name	Number of Shares Beneficially Owned <sup>(1)</sup>	Percentage of Issued Share Capital <sup>(2)</sup>
Philip Campbell	8,181,175	10.00%

**Notes:**

- (1) Indicates the number of Shares beneficially owned, controlled, or directed, directly or indirectly, as disclosed in publicly available sources (including the System for Electronic Disclosure by Insiders (“SEDI”) at <https://www.sedi.ca/sedi/>) or as otherwise disclosed to the Company by the holder.
- (2) Based on 81,780,699 Shares issued and outstanding as at November 8, 2024.

**Meeting Materials – Use of Notice and Access**

The Company has elected to use the notice-and-access provisions under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (the “**Notice-and-Access Provisions**”) for the Meeting in respect of mailings to Shareholders. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that are intended to reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post online an information circular and related materials in respect of a meeting of its shareholders. Shareholders will receive a notice containing information prescribed by the Notice-and-Access Provisions and a voting instruction form.

All documents related to the Meeting which includes, this Circular, a Form of Proxy, and Notice of Meeting can be accessed at <https://herbaldispatch.com/pages/investor>.

**Additional Information**

Additional information concerning the Company, including the Company’s audited consolidated financial statements and related notes and MD&A for the year ended December 31, 2023, and unaudited consolidated financial statements and related notes for the quarterly periods ended March 31, 2023, June 30, 2023, September 30, 2023, March 31, 2024, and June 30, 2024 (together referred to as the “**Financial Disclosure**”) is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (“**SEDAR Plus**”) which may be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). This information may also be accessed on the Company’s website at <https://herbaldispatch.com/pages/investor>.

Upon request by a Shareholder to the Company’s Corporate Secretary at the address set out below, the Company will provide to such securityholder, without charge, copies of the items included in the Financial Disclosure.

**Contact Information**

Address: Royal Centre, Suite 1750 – 1055 West Georgia Street,  
Vancouver, British Columbia, V6E 3P3

Attention: Corporate Secretary

Telephone: 604-346-8555

**VOTING INFORMATION****General Voting Information****Proxy Solicitation**

Proxies are being solicited by management of the Company to be used at the Meeting, or any adjournment(s) of the Meeting. Solicitations will be primarily by mail but may also be by newspaper publication, in person or by telephone, electronic transmission or communication by directors, officers, employees or agents of the Company. All costs of the solicitation will be paid by the Company.

### **Voting**

If you are a registered holder of Common Shares at the close of business on Friday, November 1, 2024 (the “**Record Date**”), you are entitled to receive notice of and vote at the Meeting. You will be entitled to vote all of the Common Shares that you held on the Record Date at the Meeting except to the extent that:

- a. you have transferred ownership of any such Common Shares after the Record Date; and
- b. not later than ten days before the Meeting, the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes that they own such Common Shares and demands that their name be included on the list of Shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote those Common Shares at the Meeting.

When Common Shares are held jointly by two or more persons, those shares may be voted at the Meeting (either in person or by proxy) by any one of those holders, or, alternatively, by all such holders jointly. Each Common Share is entitled to one vote. A simple majority of votes cast (50% plus one vote) is required to approve all of the known matters to come before the Meeting.

### **Quorum**

A quorum for the transaction of business is two individuals present in person, each being a Shareholder or proxyholder entitled to vote at the Meeting, who together represent at least 25% of the votes entitled to be cast at the Meeting.

### **Proxy Voting**

You can indicate on your proxy how you want your proxyholder to vote your Common Shares, or you can let your proxyholder decide for you. If you specify how you want your Common Shares voted, then your proxyholder must vote in accordance with your instructions. In the absence of specific instructions, your proxyholder can vote your Common Shares as he or she sees fit. **If you appoint Mr. Herb Dhaliwal of Richmond, British Columbia, or failing him, Mr. Rod Kirkham of Vancouver, British Columbia, and do not specify how you want your Common Shares to be voted, your Common Shares will be voted as follows:**

The number of Directors shall be set at three (3)	FOR
Election of each nominee as a director	FOR
Appointment of Auditor	FOR
Annual Approval of 2017 Incentive Stock Option Plan, as amended	FOR
Approval of Amendment to 0971289 Unsecured Convertible Debenture	FOR
Approval of Amendment to Herb Dhaliwal Unsecured Convertible Debenture	FOR
Other Matters	FOR

## Amendments or Other Matters

At the time of printing this Circular, the Company's management does not know of any matter that may come before the Meeting other than the matters referred to above or of any potential amendment to, or variation of, these matters. If any other matters or any amendments to, or variations of, the above matters do properly come before the Meeting, your proxyholder will vote on them using his or her best judgment.

## Registered Shareholder Voting

If your Common Shares are held in your name and you have a share certificate, then you are a registered Shareholder. You may vote at the Meeting by submitting a proxy as described below or by fax or internet as set out in the instructions in the form of proxy provided to you. **Shareholders are encouraged to exercise their voting rights by mail, fax, or internet in advance of the Meeting.**

## Voting by Proxy

You may vote your Common Shares by proxy. If you choose to vote by proxy, you may use the enclosed proxy or complete another proper instrument of proxy. The persons named in the enclosed proxy are elected representatives of the Company. **You may appoint some other person to be your proxyholder at the Meeting by inserting that person's name in the blank space provided in the enclosed form of proxy or by completing another proper instrument of proxy.** In either case, you must deliver the completed and executed proxy using one of the following methods:

**BY INTERNET:**                    <https://vote.odysseytrust.com>

**BY MAIL:**                        Odyssey Trust Company  
Trader's Bank Building  
702, 67 Yonge Street  
Toronto ON M5E 1J8

no later than 10:00 am (Pacific Standard Time) on Thursday, December 12, 2024, or, if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the time set for the Meeting to resume. **The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his or her discretion without notice.**

## Revoking your Proxy

You may revoke your proxy any time before it is acted upon by:

- a. signing a new proxy bearing a later date and delivering it to the Company's registered office or to Company's transfer agent, Odyssey Trust Company, at the above address at least 48 hours (excluding weekends and holidays) prior to the commencement of the Meeting or any adjournment of the Meeting; or

- b. depositing written notice of revocation at the Company’s registered office or to the Company’s transfer agent, Odyssey Trust Company, at the above address at any time prior to the Meeting or any adjournment thereof.

### **Beneficial Shareholder Voting**

If your Common Shares are held in the name of a nominee (i.e. deposited with a securities broker, bank or other institution) then you are a Beneficial Shareholder. You may vote by providing voting instructions to the registered holder of your Common Shares via mail, telephone, or internet. For further instructions, see the voting instruction or proxy form provided to you.

### **Voting Instructions**

Applicable regulatory policies require registered shareholders who hold their shares as nominees to seek (or have an intermediary seek on their behalf) voting instructions from their respective beneficial shareholders in advance of shareholders' meetings. Every nominee and intermediary has its own mailing procedures and provides its own voting and return instructions. The voting and return instructions for your applicable nominee or intermediary are set out in the voting instruction or proxy form that they have provided to you. You must carefully follow the instructions on this form in order to ensure your Common Shares are voted at the Meeting. The vast majority of nominees now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). If your nominee has appointed Broadridge, you should have received a scannable voting instruction form from Broadridge, and you will need to either complete and return this form to Broadridge by mail, or alternatively, convey your voting instructions to them via the internet or by calling a toll-free telephone number as set out in the form. Broadridge will tabulate the results of all instructions that it receives and provide appropriate voting instructions to Odyssey Trust Company for use at the Meeting. **A beneficial Shareholder must comply with the instructions on the voting instruction or proxy form provided to it well in advance of the Meeting in order to ensure their Common Shares can be voted at the Meeting.**

The Company does not intend to pay for Intermediaries to forward the materials of the Meeting to objecting beneficial owners (“**OBOs**”) and in the case of an OBO, the OBO will not receive the materials of the Meeting unless the OBO’s Intermediary assumes the cost of delivery.

## **FINANCIAL STATEMENTS**

The Company’s audited consolidated financial statements and independent auditors’ report for the fiscal period ending December 31, 2023, as included in the Financial Disclosure have been filed on SEDAR Plus and will be placed before the Shareholders at the Meeting.

## **ELECTION OF DIRECTORS**

The authority to determine the number of directors of the Company rests with the Shareholders. The Company’s Articles stipulate that the board of directors (the “**Board of Directors**”) shall consist of a minimum of three and a maximum of fifteen directors. Following the Company’s last annual general meeting held on December 15, 2023, the Shareholders voted in favour of setting the number of directors at 4.

Management of the Company is seeking to reduce the number of directors to be elected to 3, each of whom are to serve until the next annual meeting of Shareholders or until their respective successors are elected or appointed. Management believes that having the Board of Directors consist of 3 directors, will permit the Company to further focus on the expansion of its current operations and business objectives, while benefiting from the experience and deliberate attention of its Board members.

**The Board of Directors recommends that Shareholders vote FOR this resolution to fix the number of directors at 3 members. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the resolution to fix the Board of Directors size at 3 members.**

### Advance Notice Provisions

Pursuant to Part 10.10 of the Company's Articles, any additional director nominations for an annual meeting must be received by the Company not later than the close of business on the 30th day before the date of the Meeting, that date being Friday, November 15, 2024.

### Management Nominees

The following table sets out the names of the nominees for election as directors, his or her name, province or state and country of residence, his or her principal occupation, business, or employment within the five preceding years, and the number of common shares of the Company beneficially owned, or controlled or directed, directly or indirectly as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Present Principal Occupation, Business or Employment and Principal Occupation, Business or Employment During the Preceding Five Years	Served as director of the Company since	Number of Common Shares Beneficially Owned or Controlled or Directed (Directly or Indirectly)
<b>Drew Malcolm</b> West Vancouver British Columbia, Canada	<b>Present:</b> Director of Herbal Dispatch Inc. (June 2020 – present).	June 24, 2020	2,933,333
<b>Philip Campbell</b> Langley, British Columbia, Canada	<b>Present:</b> CEO of Herbal Dispatch Inc. (May 2020 – Present)	May 15, 2020	8,181,175
	<b>Past:</b> Director and CEO of Herbal Dispatch Inc. (September 2015 - November 2018)		
<b>Herb Dhaliwal</b> Richmond, British Columbia, Canada	<b>Present:</b> Director of Herbal Dispatch Inc. (August 2022 – Present); Director of GoldMining Inc. (March 2013 – Present)	August 13, 2022	5,876,682
	<b>Past:</b> Member of Parliament (1993), Minister of National Revenue (1997), Minister of Fisheries & Oceans (1999), Minister of Natural Resources (2002), Vice-Chair of BC Hydro Power and Authority (1991-1993)		

All director nominees have consented to being named in this Circular and to serve as directors if elected. The Company's management does not contemplate that any of the director nominees will be

unable to serve as a director, but if that should occur for any reason prior to the Meeting, your proxyholder has the right to use his or her discretion in voting for another nominee unless you have specified in your voting instruction or proxy form that he or she does not have such authority. The Company's articles permit the Board, between annual meetings of Shareholders, to appoint one or more additional directors (up to a maximum of one-third of the number of directors who held office at the expiration of the last annual meeting of Shareholders).

**Your proxyholder will vote FOR the election of each of these nominees as a director of the Company unless you indicate in your voting instruction or proxy form that authority to do so is withheld in respect of one or more of the nominees.**

### **Corporate Cease Trade Orders or Bankruptcies**

On March 1, 2019, by Order of the Supreme Court of British Columbia (the “**Court**”), the Company along with its wholly owned subsidiaries, Agrima Botanicals Corp., Bloom Holdings Ltd., Bloom Meadows Corp., Pinecone Products Ltd., Agrima Scientific Corp., and West Fork Holdings NV Inc. (the “**Petitioners**”) were granted protection under the Companies Creditor Agreement Act (the “**CCAA**”), in which, all proceedings relating to claims of affected creditors were stayed.

Following the settlement of all creditor claims, the Company’s CCAA proceedings concluded on March 6, 2020, and the Company commenced an application to the British Columbia Securities Commission (the “**BCSC**”) for a management cease trade order (the “**Order**”). The Order provided the Company with administrative relief from certain continuous disclosure obligations prescribed under National Instrument 51-102 – Continuous Disclosure Obligations. The BCSC granted the Order on March 11, 2020, which, permitted a 60-day period for the Company to file all outstanding financial statements and corresponding management discussion and analysis as required under NI 51-102.

On May 11, 2020, the Company filed all outstanding financial statements which included (i) the audited annual financial statements for the year ended December 31, 2018, (ii) the interim financial statements for March 31, 2019, June 30, 2019, and September 30, 2019, (iii) the audited annual financial statements for the year ended December 31, 2019, and (iv) all corresponding management discussion & analysis and accompanying CEO and CFO certifications for the above noted periods. Following these filings, the Company received a revocation order from the Executive Director of the BCSC on May 12, 2020, informing the Company that all required records had been filed and that the Management Cease Trade Order had been revoked.

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

- (c) 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.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### **Penalties or Sanctions**

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable Shareholder making a decision about whether to vote for the proposed director.

## **EXECUTIVE AND DIRECTOR COMPENSATION**

### **Compensation Philosophy**

The Company's compensation philosophy is to be competitive with other companies of similar size that produce and distribute cannabis for sale in order to attract, retain and motivate a highly-qualified workforce and provide career opportunities within the Company. The compensation program for the Company's named executive officers ("NEO") is built around base salaries and reward systems that recognize the Company's financial and operational results and individual performance. This program is also designed to ensure that the interests of the Company's executives are aligned with its Shareholders.

On October 20, 2020, the Board amended the Company's 2017 Incentive Stock Option Plan to provide for the issuance of restricted share units ("RSUs") in addition to stock options under the 2017 Incentive Stock Option Plan (the "**Amended Plan**"). Shareholders ratified and approved the Amended Plan at the Company's annual general meeting held on September 22, 2021.

As of the date of this Circular there are currently 6,140,000 stock options and *Nil* RSUs outstanding.

### **Named Executive Officers**

Under applicable securities laws, a company's NEOS are: (i) the Chief Executive Officer (the "**CEO**"), (ii) the Chief Financial Officer (the "**CFO**"), (iii) the next three most highly compensated executive officers serving at the end of the most recent financial year and (iv) any officer who would have been among the next three most highly compensated executive officers if they had been serving at the end of the most recent financial year.



## NEO and Director Compensation Table

The following table provides a summary of compensation earned by the Company's past and present NEOs and Directors in the most recently completed financial year.

Name and Principal Position	Year	Salary (\$)	Stock based Compensation <sup>(3)</sup> (\$)	All other compensation (\$)	Total compensation (\$)
<b>Philip Campbell<sup>(1)</sup></b> CEO and Director	2023	144,000	-	-	144,000
<b>Jason Vandenberg</b> CFO	2023	116,823	-	-	116,823
<b>Jeremy South<sup>(1,2)</sup></b> Director	2023	60,000	-	-	60,000
<b>Drew Malcolm<sup>(1)</sup></b> Director	2023	24,000	-	-	24,000
<b>Herb Dhaliwal<sup>(1)</sup></b> Director	2023	24,000	-	-	24,000

### Notes:

- (1) Each director was entitled to a monthly fee of \$2,000 during the year ended December 31, 2023 (fiscal 2022 - \$2,000 per month). In addition, Jeremy South was also paid a consulting fee of \$3,000 per month
- (2) Jeremy South resigned as a director and the Chairman of the Company on May 8, 2024.
- (3) There were no stock-based compensation awards to NEOs and Directors during the year ended December 31, 2023.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details with respect to the securities authorized for issuance under the Amended Plan as at November 8, 2024.

Plan Category	Number of Shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans
Amended Plan (Options and RSUs)	6,140,000	0.05	2,038,069 <sup>(1)</sup>
<b>Total:</b>	<b>6,140,000</b>	<b>0.05</b>	<b>2,038,069</b>

### Note:

- (1) Based on 81,780,699 common shares issued and outstanding as of November 8, 2024.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of Management for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

Except as disclosed below, elsewhere herein or in the notes to the Company's financial statements for the financial year ended December 31, 2023, none of:

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

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

## APPOINTMENT OF AUDITOR

Effective February 28, 2020, Kingston Ross Pasnak LLP (“**Kingston Ross**”) was appointed as the successor auditor to MNP LLP, to hold office commencing as of February 20, 2020, until the close of the next annual general meeting of the Company. Kingston Ross will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the Directors.

The information regarding the Company's audit committee as required by section 5.1 of National Instrument 52-110 is set for in the Company's annual information form dated October 1, 2018, with specific reference to “Article 19 – Audit Committee” and “Appendix B – Audit Committee Charter” thereto. The current members of the Company's Audit Committee are Herb Dhaliwal, Drew Malcolm, and Philip Campbell.

**Unless you indicate in the enclosed voting instruction or proxy form that authority to vote for the appointment of the Company's current auditors is withheld, your proxyholder will vote FOR the re-appointment of Kingston Ross Pasnak LLP as auditors of the Company to hold office until the next annual meeting of Shareholders.**

## MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the directors or named executive officers of the Company.

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

### **Board of Directors**

Management is nominating 3 individuals to the Board, all of which are current directors of the Company. Management believes that limiting the size of the Board to 3 members is both pragmatic and cost effective given the Company’s current operations and business objectives.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. If all three nominees are elected, two members of the Board will be considered “independent”.

The Company holds regular meetings to approve quarterly and annual financial statements, Management and Discussion Analysis and other business at the time. The Company also holds meetings “as needed” in the course of business.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the Shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee, and the Compensation Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, the CFO, and the Corporate Secretary of the Company and establishes the duties and responsibilities of

those positions and, on the recommendation of the CEO, appoints the senior officers of the Company and approves the senior management structure of the Company, including compensation guidelines.

The Board exercises its independent supervision over management through its various policies which further require (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) that all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the CEO, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “**Act**”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees.

### **Directorships**

The following director or nominee for director of the Company is also a director of other reporting issuers:

- Herb Dhaliwal is a director of GoldMining Inc.

### **Ethical Business Conduct**

The Board has adopted a formal written Code of Business Conduct (the “**Code**”) for its directors, officers, and employees. A copy of the Code is available by written request to the Company at its Registered and Records Office address, which is located at Royal Centre, Suite 1750 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3. In addition, the Board has adopted a Whistleblower Policy that provides employees the ability to contact the Chair of the Audit Committee.

The Board promotes ethical business conduct through the nomination of members it considers ethical, through avoiding and minimizing conflicts of interest and by having Board members that are independent of Company matters. Where a director has a material interest in a transaction or agreement concerning the Company, the Board takes such steps as may be prudent to isolate and eliminate or reduce the potential for such a conflict of interest to interfere with the Board’s exercise of independent judgement.

In accordance with applicable corporate law, any director who is in a position of conflict must refrain from voting on any resolution of the Board with respect to the conflict. The Board may also require the director to excuse himself or herself from deliberations of the Board.

In addition to the Code and the Whistleblower Policy, the Board has established other policies to encourage and promote a culture of ethical business conduct, including a Disclosure Policy, Insider Trading Policy and Health and Safety Policy.

### **Nomination of Directors**

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely

prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chair and a majority of the non-executive directors.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### **Annual Approval of the 2017 “Rolling 10%” Stock Option Plan**

Following a special meeting regarding the amalgamation of the Company with Paget Minerals Corp., held on July 26, 2018, the shareholders of the Company approved an incentive stock option plan (the “Plan”). The Plan reserves for issuance a maximum of 10% of the Company’s issued and outstanding share capital at the time of a grant of options under the plan. The Plan provides for grants of options to directors, officer, employees, and consultants of the Company at the discretion of the Company’s Board of Directors.

The term of any options granted under the Plan is fixed by the Board and may not exceed ten (10) years. The exercise price of options granted under the Plan is determined by the Board, and if the Common Shares are listed on an exchange, the exercise must not be lower than the closing trading price for the Common Shares as quoted on the exchange for the trading day immediately prior to the date of grant of the option, less any discount permitted by the exchange.

Unless an option holder is terminated for cause, options granted pursuant to the Plan that are vested generally terminate upon (i) the expiry date of an option, (ii) in the case of death, one year after the date of an option holder's death, (iii) if the option holder is a director, on the third year following the date that the option holder ceases to be a director, (iv) if the option holder is an officer, employee or consultant, on the thirtieth day following the date the option holder ceases to be an officer, employee or consultant, or (v) if an option holder is terminated for cause, the date on which an option holder is terminated for cause.

The Plan also provides for adjustments to outstanding options in the event of any merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares or other similar triggering event set out in the plan. The Board may, at its discretion, deal with outstanding options in the manner it deems fair and reasonable in light of the circumstances of the triggering event.

The Board may also make equitable adjustments to options issued under the Plan in certain other circumstances, including in connection with the distribution of dividends and exchanges of shares as provided in the plan.

The Board may from time to time amend the Plan and the terms and conditions of any option to be granted thereunder for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the plan, any option, the shares or for any other purpose which may be permitted by all relevant laws, regulations, rules and policies, so long as any such amendment will not alter the terms or conditions of any option or impair any right of any option holder prior to such amendment.

On October 20, 2020, the Board amended the Plan to provide for the issuance of RSUs on the terms and conditions set out under the Amended Plan, a copy of which is attached as Appendix “A” to this Circular. Shareholders subsequently approved the Amended Plan at an annual general meeting of shareholders held on September 22, 2021.

The Board may terminate the Amended Plan at any time provided that such termination will not alter the terms or conditions of any option or impair any right of any option holder pursuant to any option awarded prior to the date of such termination, which will continue to be governed by the provisions of the Amended Plan.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form:

**“RESOLVED THAT:**

1. subject to regulatory approval, the Amended Plan, in the form attached as Appendix “A” to this Circular, is hereby re-approved;
2. the Company is authorized to grant stock options and RSUs pursuant and subject to the terms and conditions of the Amended Plan;
3. the number of Common Shares reserved for issuance under the Amended Plan shall be no more than 10% of the Company’s issued and outstanding share capital at the time of any stock option or RSU grant;
4. the directors of the Company be authorized to make any changes to the Amended Plan as may be required or permitted by the Canadian Securities Exchange;
5. any director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing; and
6. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the Amended Plan is conditional upon receipt of final approval from the Canadian Securities Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors.”

**The Board of Directors recommends that Shareholders vote FOR the ordinary resolution to re-approve the Amended Plan. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the ordinary resolution to re-approve the Amended Plan.**

**Approval of Amendments to Unsecured Convertible Debentures**

Under the policies of the Canadian Securities Exchange (the “CSE”) a reporting issuer, unless formally exempted by the CSE, is only permitted to change, modify or amend the characteristics of convertible securities pursuant to standard anti-dilution terms as prescribed pursuant to Policy 6.7(3) of the CSE. These terms include, amongst other things, limitations on amendments to maturity dates and conversion prices of the convertible securities.

Communications with the CSE

The Company has been in continuous discussions with the CSE regarding proposed amendments to certain unsecured convertible debentures it had previously entered into with insiders of the Company, whereby it has sought the CSE’s exemption to Policy 6.7(3) as to permit an extension in the maturity

date and reduction in conversion price of the unsecured debentures, as more particularly described below.

In their discussion, the CSE has advised that they will permit an exemption to Policy 6.7(3) subject to the Company obtaining disinterested shareholder approval to two ordinary resolutions approving the amendments to the unsecured convertible debentures.

Due to the foregoing, the Company is hereby seeking two ordinary resolutions from disinterested shareholders of the Company, approving: (1) the amendments to the 0971289 Unsecured Convertible Debenture (as defined below), and (2) the amendments to the Herb Dhaliwal Unsecured Convertible Debenture (as defined below).

### **0971289 Unsecured Convertible Debenture**

On May 15, 2020, 0971289 B.C. Ltd. (“**0971289**”), a company controlled and operated by Drew Malcolm, a director of the Company, entered into an unsecured convertible debenture with the Company, whereby 0971289 advanced CAD\$438,000 to the Company with such loan having a maturity date of May 15, 2023, a conversion price of CAD\$0.025, and bearing interest at a rate of 6 percent (6.0%) per annum (the “**Initial 0971289 Unsecured Convertible Debenture**”).

On May 15, 2023, the Company and 0971289 entered into an amendment to the Initial 0971289 Unsecured Convertible Debenture, whereby it amended: (a) the maturity date from May 15, 2023, to May 31, 2024, (b) the interest rate from 6 percent (6%) to ten percent (10%) per annum, (c) the conversion price from CAD\$0.025 to CAD\$0.01, and (d) the threshold price from CAD\$0.10 to CAD\$0.05 or greater (the “**First Amendment**”).

On December 13, 2023, the Company and 0971289 entered into a further amendment to the Initial 0971289 Unsecured Convertible Debenture, whereby it amended: (a) the maturity date from May 31, 2024, to January 31, 2025, (b) the interest rate from ten percent (10%) to fourteen percent (14%), per annum, (c) the conversion price from CAD\$0.01 to CAD\$0.05, and (d) the threshold price from CAD\$0.05 to CAD\$0.10 or greater (the “**Second Amendment**”).

(the Initial 0971289 Unsecured Convertible Debenture, the First Amendment, and the Second Amendment, being referred to herein collectively as the “**0971289 Unsecured Convertible Debenture**”)

As of the date of this Circular, the Company and 0971289 purpose to enter into further amendments to the 0971289 Unsecured Convertible Debenture, with such amendments having an effective date as of December 20, 2024, whereby: (a) the maturity date is to be amended from January 31, 2025, to January 31, 2026, (b) the conversion price from CAD\$0.50 (on a post-consolidated basis) to CAD\$0.06 (subject to applicable conversion price restrictions for convertible debentures under the policies of the CSE), and (c) the threshold price from CAD\$1.00 (on a post-consolidated basis) to CAD\$0.12 (the “**Third Amendment**”).

As a result of 0971289 shareholdings in the Company, and Drew Malcolm’s capacity as both a director of 0971289 and the Company, the Company will be seeking disinterested shareholder approval (i.e. those shareholders other than 0971289, Drew Malcolm, and related affiliates) of an ordinary resolution to approve the Third Amendment and will be excluding 2,933,333 votes being common shares held either directly or indirectly by 0971289, from that resolution.

Shareholders will be asked at the Meeting to consider and, if thought fit, to approve the following resolution (the “**0971289 Third Amendment Resolution**”), which must be approved by at least a simple majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting (with 0971289, Drew Malcolm, and related affiliates abstaining from voting on the ordinary resolution approving the Third Amendment):

**“RESOLVED THAT:**

1. the Third Amendment is hereby authorized and approved, effective as of December 20, 2024; and
2. any one director or officer of the Company is hereby authorized and directed on behalf of the Company to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions.”

**MANAGEMENT OF THE COMPANY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE 0971289 THIRD AMENDMENT RESOLUTION AT THE MEETING. UNLESS AUTHORITY TO DO SO IS WITHHELD, THE PERSON’S NAME IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE ORDINARY RESOLUTION APPROVING THE THIRD AMENDMENT.**

**Herb Dhaliwal Unsecured Convertible Debenture**

On December 13, 2023, Herb Dhaliwal (“**Mr. Dhaliwal**”), a director of the Company, entered into an unsecured convertible debenture with the Company, whereby Mr. Dhaliwal advanced CAD\$500,000 to the Company with such loan having a maturity date of January 31, 2025, a conversion price of CAD\$0.05, and bearing interest at a rate of 14 percent (14.0%) per annum (the “**Herb Dhaliwal Unsecured Convertible Debenture**”).

As of the date of this Circular, the Company and Mr. Dhaliwal purpose to enter into an amendment to the Herb Dhaliwal Unsecured Convertible Debenture, with such amendments having an effective date as of December 20, 2024, whereby: (a) the maturity date is to be amended from January 31, 2025, to January 31, 2026, (b) the conversion price from CAD\$0.50 (on a post-consolidated basis) to CAD\$0.06 (subject to applicable conversion price restrictions for convertible debentures under the policies of the CSE), and (c) the threshold price from CAD\$1.00 (on a post-consolidated basis) to CAD\$0.12 (the “**Dhaliwal Amendment**”).

As a result of Mr. Dhaliwal’s shareholdings in the Company, and his capacity as a director of the Company, the Company will be seeking disinterested shareholder approval (i.e. those shareholders other than Mr. Dhaliwal and related affiliates) of an ordinary resolution to approve the Dhaliwal Amendment and will be excluding 5,876,682 votes being common shares held either directly or indirectly by Mr. Dhaliwal, from that resolution.

Shareholders will be asked at the Meeting to consider and, if thought fit, to approve the following resolution (the “**Dhaliwal First Amendment Resolution**”), which must be approved by at least a simple majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting (with Mr. Dhaliwal and related affiliates abstaining from voting on the ordinary resolution approving the Dhaliwal Amendment):



**“RESOLVED THAT:**

1. the Dhaliwal Amendment is hereby authorized and approved, effective as of December 20, 2024; and
2. any one director or officer of the Company is hereby authorized and directed on behalf of the Company to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions.”

**MANAGEMENT OF THE COMPANY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE DHALIWAL FIRST AMENDMENT RESOLUTION AT THE MEETING. UNLESS AUTHORITY TO DO SO IS WITHHELD, THE PERSON’S NAME IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE ORDINARY RESOLUTION APPROVING THE DHALIWAL AMENDMENT.**

**General Matters**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

**ADDITIONAL INFORMATION**

Additional information relating to the Company including copies of the items included in the Financial Disclosure can be found on the Company’s profile on SEDAR Plus at [www.sedarplus.ca](http://www.sedarplus.ca). Additional financial information concerning the Company may be obtained by any Shareholder of the Company free of charge by contacting the Company’s Corporate Secretary, at 604-346-8555.

**BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

**ON BEHALF OF THE BOARD**

*“Herb Dhaliwal”*  
Chair and Director  
Vancouver, British Columbia

November 8, 2024.





