

KRAKEN ENERGY CORP.

AMENDED NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON FEBRUARY 12, 2024

Dated as of December 14, 2023

KRAKEN ENERGY CORP.
907 – 1030 West Georgia Street
Vancouver, British Columbia V6E 2Y3

AMENDED NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that an annual general and special meeting of the shareholders (the “**Shareholders**”) of Kraken Energy Corp. (the “**Company**”) will be held at 918 – 1030 W. Georgia Street, Vancouver, BC, V6E 2Y3 on Monday, February 12, 2024 at 10:00 a.m. PST, (the “**Meeting**”).

The Meeting is to be held for the following purposes:

1. to receive the financial statements for the year ended June 30, 2023, together with the auditor’s report thereon;
2. to set the number of directors at five (5) and to elect directors for the ensuing year;
3. to re-appoint Davidson & Company LLP as auditor of the Company for the ensuing year at a remuneration to be fixed by the directors;
4. to ratify and approve for continuation the Company’s Stock Option Plan, as described in the accompanying management information circular; and
5. to transact such other business, including amendments to the foregoing, as may properly come before the Meeting or any adjournment thereof.

The Company will be hosting the Meeting as a physical and virtual hybrid meeting.

Attending the Meeting by Telephone Conference

The Meeting will be held in person or via telephone conference.

To receive the dial-on information, please email Michelle Teshima at mteshima@sentinelcorp.ca forty-eight (48) hours prior to the Meeting Date.

In order to streamline the Meeting process, the Company encourages shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form mailed to them with the Meeting materials. Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Beneficial shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

The specific details of the foregoing matters to be put before the Meeting are set forth in the information circular (the “**Circular**”) which accompanies, and is deemed to form a part of, this notice. The audited consolidated financial statements and related management discussion and analysis (“**MD&A**”) for the Company for the financial year ended June 30, 2023 are available upon request to the Company, or they can be found on SEDAR+ at www.sedarplus.ca.

This notice is accompanied by the Circular, a form of proxy, voting instruction form (if applicable) and a mailing list return card.

The board of directors of the Company (the “**Board**”) has fixed the close of business on December 14, 2023 as the record date, being the date for the determination of the registered holders of common shares.

Your vote is important regardless of the number of common shares you own. Registered shareholders who are unable to attend the Meeting or any postponement or adjournment thereof in person are requested to complete, date, sign and return the enclosed form of proxy or, alternatively, to vote by telephone, or over the Internet, in each case in accordance with the enclosed instructions.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

DATED at Vancouver, British Columbia, as at December 14, 2023.

BY ORDER OF THE BOARD OF DIRECTORS OF THE COMPANY

“Matthew C. Schwab”

Matthew C. Schwab

Chief Executive Officer

KRAKEN ENERGY CORP.
907 – 1030 West Georgia Street
Vancouver, British Columbia V6E 2Y3

AMENDED MANAGEMENT INFORMATION CIRCULAR

(as at December 14, 2023, except as otherwise indicated)

This management information circular (the "**Circular**") is furnished in connection with solicitation of proxies by the management of **Kraken Energy Corp.** (the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of shareholders of the Company (the "**Shareholders**") (and any adjournment thereof) to be held on **Monday, February 12, 2024** at the time and place and for the purposes set forth in the accompanying Notice of Meeting. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. All costs of solicitation by management will be borne by the Company.

The Company will be hosting the Meeting as a physical and virtual hybrid meeting.

Attending the Meeting by Telephone Conference

The Meeting will be held in person or via telephone conference.

To receive the dial-on information, please email Michelle Teshima at mteshima@sentinelcorp.ca forty-eight (48) hours prior to the Meeting Date.

In order to streamline the Meeting process, the Company encourages Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form mailed to them with the Meeting materials. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers, and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of Proxy are directors and/or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxy

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Common shares of the Company (the "**Shares**") represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice

with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations, or other matters to come before the Meeting.

Completion and Return of Proxy

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Odyssey Trust Company at 350 - 409 Granville Street, Vancouver, BC, V6C 1T2, by mail or by fax in North America at 1-888-290-1175 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chair of the Meeting elects to exercise their discretion to accept proxies received subsequently.

Non-Registered Holders

Only registered Shareholders or persons they appoint as their proxies are permitted to vote at the Meeting. Registered Shareholders are holders of the Company whose names appear on the Share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased Shares. Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy. Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but instead registered in the name of a nominee (a "**Nominee**") such as a brokerage firm through which they purchased the Shares. The Company's Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

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 (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs. The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless a Non-Registered Shareholder has 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 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**") which the Intermediary must follow; or

- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder, but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, 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 properly complete the form of proxy and **deposit it with the Company c/o Odyssey Trust Company at 350 - 409 Granville Street, Vancouver, BC, V6C 1T2.**

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of their Shares which they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert their own name or such other person's name in the blank space provided. **Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

Notice to United States Shareholders

The Company's common shares are not registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and this solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Residents of the United States should be aware that applicable Canadian proxy solicitation rules differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company's shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada and reconciled to accounting principles generally accepted in the United States.

The enforcement by the Company's Shareholders of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Company are located outside the United States.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the “**Board**”) has fixed December 14, 2023 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares.

As of the Record Date, there were 54,357,091 Common Shares without par value issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no persons beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the Record Date.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited financial statements of the Company for the year ended June 30, 2023, together with the auditor’s report thereon and the related management discussion analyses (the “**Financial Statements**”), will be tabled at the Meeting. These documents are also available under the Company’s profile on the SEDAR+ website at www.sedarplus.ca.

Fixing the Number of Directors

The Board of Directors currently consists of four (4) directors, all of whom are being put forward by management of the Company for re-election at the Meeting. Pursuant to the Articles of the Company, the Company intends to set the number of Directors of the Company at five (5) and will ask the Shareholders to approve an ordinary resolution setting the number of Directors at five (5) at the Meeting.

The Company’s management recommends that the Shareholders vote IN FAVOUR of the resolution setting the number of directors at five (5). Unless you give other instructions, the management proxyholders intend to vote FOR the resolution setting the number of directors at five (5).

Election of Directors

All Directors elected at the Meeting will hold office until the next annual general meeting of Shareholders or until their successors are duly elected or appointed, unless the director’s office is earlier vacated in accordance with the provisions of the Act or the Articles of the Company. The Board proposes to nominate for election as Directors at the Meeting the persons listed in the following table. All proposed nominees have consented to be named in this Information Circular and to serve as Directors, if elected.

It is proposed that the below-stated nominees be elected at the Meeting as directors of the Company for the ensuing year. **The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote FOR the election to the Board of the nominees listed below.**

Management 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.

The following disclosure sets out the names of management’s nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee’s principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date. For information relating to the directors’ principal occupation, business, or employment, please see below “*Director Biographies*”.

The Company’s management recommends that the Shareholders vote IN FAVOUR of the resolution of the election of the proposed nominees as directors of the Company for the ensuing year. Unless you give instructions otherwise, the management proxyholders intend to vote FOR the nominees named in this Information Circular.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Principal Occupation, Business or Employment ⁽¹⁾	Director Since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Garrett Ainsworth ⁽²⁾ <i>Chairman and Director</i> British Columbia, Canada	Chairman & Director of the Company since 2022. District Metals Corp., President, CEO & Director, 2018 to present. NexGen Energy Ltd., VP, Exploration & Development, 2014 to 2018.	May 25, 2022	1,785,143
Matthew C. Schwab <i>Chief Executive Officer and Director</i> British Columbia, Canada	CEO & Director of the Company since 2022. Axiom Exploration Group Ltd., Co-Founder & Senior VP, 2018 to 2022.	September 6, 2022	1,250,000
Jesse Hahn ⁽²⁾ <i>Director</i> Alberta, Canada	Natural Fibre Technologies, COO, 2018 to present.	June 1, 2017	75,000
Jay Sujir ⁽²⁾ <i>Director</i> British Columbia, Canada	Farris, Vaughan, Wills & Murphy LLP, Partner, 2015 to present.	January 27, 2022	2,525,500

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Principal Occupation, Business or Employment ⁽¹⁾	Director Since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Marlis Yassin <i>Proposed Director</i> British Columbia, Canada	Senior financial professional providing strategic, financial, and advisory services to various public and private companies, 2019 to present. District Metals Corp., CFO, 2021 to present, Corporate Secretary, 2023 to present. Goldshore Resources Corp., CFO & Corporate Secretary, 2021 to present.	N/A ⁽³⁾	Nil

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Member of the Audit Committee.
- (3) Director is being appointed at the Meeting.

Director Biographies

Garrett Ainsworth – Chairman and Director

Mr. Ainsworth is an accomplished professional geologist and mining executive that has been awarded for two significant mineral discoveries and has raised more than \$300M in equity and convertible debt throughout his career. Mr. Ainsworth is currently President, CEO and Director of District Metals Corp.

Prior to joining Kraken Energy Corp., Mr. Ainsworth was Vice President Exploration & Development at NexGen Energy Ltd. where he led the technical team and was involved with marketing and raising capital. For his technical work at NexGen, Mr. Ainsworth was co-recipient of the 2018 PDAC Bill Dennis Award, and the 2016 Mines and Money Exploration Award. Prior to NexGen, Mr. Ainsworth was the Vice President Exploration at Alpha Minerals Inc., and project managed the discovery of the Patterson Lake South high-grade uranium boulder field and drill discovery of the Triple R Uranium deposit. Mr. Ainsworth was named co-recipient of the AMEBC Colin Spence Award in 2013 for his lead role in the discovery of Triple R.

Mr. Ainsworth is currently a Director of Au Gold Corp. and a Technical Advisor with Summa Silver. He was previously a Director of Standard Uranium Ltd. from 2018 to 2021, as well as a Director of IsoEnergy Ltd. and NxGold Ltd. from 2016 to 2018. Mr. Ainsworth is an Institute of Corporate Directors, Director (ICD.D), and a Professional Geoscientist (PGeo) in the Province of British Columbia. He also holds a Diploma of Technology in Mining and Bachelor of Technology in Environmental Engineering with honours from BCIT, and a Bachelor of Science in Geology with first class honours from Birkbeck, University of London.

Matthew C. Schwab – CEO and Director

Mr. Schwab is an accomplished geologist with extensive exploration and executive experience. Mr. Schwab was previously Co-Founder and Senior Vice President of Axiom Exploration Group Ltd., an international consulting firm focused on the provision of geological, geophysical, and environmental services to the natural resources and mineral exploration sectors. Prior to Axiom, he was a Senior Exploration Geologist at NexGen Energy Ltd. who was instrumental in the targeting and discovery of the Arrow uranium deposit in February of 2014.

Mr. Schwab was a member of the development team with Hathor Exploration Ltd., which contributed to the sale of the Roughrider deposit to Rio Tinto in November of 2011 for \$654M; as well as the former President, Senior Advisor, and Founder of multiple successful private consulting firms in the mineral exploration and E&P sectors of the Canadian mining and petroleum industries.

Jesse Hahn – Director

Mr. Hahn is an entrepreneur with a BSc in Environmental Science with a focus on Environmental Economics & Policy. Mr. Hahn is currently the COO of Natural Fibre Technologies Ltd and has worked in the agriculture sector liaising between industry and farmers administering carbon credit/offset programs as well as business development in emerging technology and natural resource industries. He has actively been involved as a remediation and reclamation consultant in the oil & gas and mining sectors and is currently a Professional Agrologist in good standing with the Alberta Institute of Agrologists.

During the last five years, Mr. Hahn was a former director of Sennen Potash Corporation (TSX.V: SN), Remington Resources Inc. (TSX.V: RGM) and E79 Resources Corp. (formerly Top Exploration Inc.) (CSE: ESNR). He was formerly CFO and Director of Waraba Gold Corp (formerly Zenith Exploration Inc.) (CSE: WBGD), and is currently CEO and director of Prisma Exploration Inc (CSE: PMS), CEO and director of Umdoni Exploration Inc. (CSE: UDI), director of Canamera Energy Metals Corp. (formerly High Point Exploration Inc.) (CSE: EMET), and a director of Kraken Energy Corp. (CSE: UUSA). All of these companies are in the business of exploration of mineral resources.

Jay Sujir – Director

Mr. Sujir is a securities and natural resources lawyer who has extensive experience in advising and assisting public companies. He has been a partner with Farris LLP since May 2015. From 1991 to May 2015, Mr. Sujir was a partner at Anfield, Sujir, Kennedy & Durno, LLP and its predecessor firms. Mr. Sujir obtained his Bachelor of Arts degree from the University of Victoria in 1981 with a double major in Economics and Philosophy and obtained his Bachelor of Law degree from the University of Victoria in 1985. He is a member of the Law Society of British Columbia and the Canadian Bar Association.

Marlis Yassin – Proposed Director

Ms. Yassin has over 15 years experience working with companies in various sectors, including mining, technology, and industrial products. She has held finance management positions at various public companies, including a large industrial products company and mid-tier mining companies. Ms. Yassin gained extensive experience through her experience at Deloitte providing reporting, advisory and assurance services to publicly traded companies, primarily in natural resources. Ms. Yassin is a CPA, CA and holds a Bachelor of Commerce degree from the University of British Columbia.

Ms. Yassin is currently a director of Trail Blazer Capital Corp. (TSXV: TBLZ), CFO and Corporate Secretary of District Metals Corp. (TSXV: DMX) and CFO and Corporate Secretary of Goldshore Resources Inc. (TSXV: GSHR).

Cease Trade Orders or Bankruptcies

To the knowledge of the Company, other than as disclosed below, none of the proposed directors (or any of their personal holding companies) of the Company:

- a) is, as at the date of this Circular, or has been, within ten (10) years before the date of this Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - i) was subject to a cease trade or similar order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - ii) was subject to a cease trade or similar order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Jay Sujir was on the board of directors of Red Eagle Mining Corporation (“**Red Eagle**”) which was subject to a cease trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file the interim financial statements, management’s discussion and analysis and certificate of interim filings for the period ended September 30, 2018.

- b) is, as at the date of this Circular, or has been within ten (10) years before the date of this Circular, a director or executive officer of any company (including the Company in respect of which the information circular is being prepared) 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.

Jay Sujir was on the board of directors of Red Eagle, which owned and operated the Santa Rosa mine in Columbia. Due to start up issues, Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018, Red Eagle obtained a firm commitment from a third party to refinancing the debt with substantial concessions and co-operation from the secured lenders, but in October 2018 the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle.

Marlis Yassin was the Chief Financial Officer and Corporate Secretary of Bloom Health Partners Inc. (“Bloom”) from November 17, 2020 to November 4, 2022. On January 3, 2023, an order was granted by the Supreme Court of British Columbia appointing BDO Canada Limited as a receiver of Bloom.

- c) No proposed director has, within the past ten years, 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.

Penalties and Sanctions

Within the 10 years before the date of this Circular, no proposed director is or has been a director or executive officer of any company (including the Company), that while that person was acting in that capacity:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

- (c) or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has within 10 years before the date of the Circular become 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 the assets of the proposed directors.

Appointment of Auditor

Davidson & Company LLP., Chartered Professional Accountants, of 1200 – 609 Granville Street, Vancouver, BC V7Y 1H4, will be nominated at the Meeting for re-appointment as auditor of the Company to hold office until the close of the next annual general meeting of the Company at a remuneration to be fixed by the Board.

The Board unanimously recommends that the Shareholders vote for the re-appointment of Davidson & Company, as auditor of the Company, to hold office until the next annual general meeting of Shareholders, and to authorize the directors to fix their remuneration.

Approval of Stock Option Plan

The Company's Stock Option Plan (the "**Option Plan**") was last approved by shareholders at the annual and special shareholder meeting held on May 6, 2022. The material terms of the Option Plan are described under the heading "*Securities Authorized for Issuance Under Equity Compensation Plans – Summary of Option Plan*" below. At the Meeting or any adjournment or postponement thereof, shareholders will be asked to pass an ordinary resolution to approve the Option Plan (the "**Option Plan Resolution**").

Option Plan Resolution

The Option Plan Resolution must be approved by at least a majority of the votes cast by shareholders present in person or represented by Proxy at the Meeting or any adjournment or postponement thereof.

The Board recommends that shareholders vote **FOR** the Option Plan Resolution. The full text of the Option Plan Resolution to be submitted to shareholders at the Meeting is set forth below:

“BE IT RESOLVED THAT:

- 1. the Company's Stock Option Plan, as described in the Information Circular of the Company dated December 14, 2023, be and is hereby ratified and approved; and*
- 2. any one director or officer of the Company be and is hereby authorized and directed to execute and deliver for and in the name of and on behalf of the Company, whether under its corporate seal or not, all such certificates, instruments, agreements, documents and notices and to do all such other acts and things as in such person's opinion as may be necessary or desirable for the purpose of giving effect to these resolutions.”*

Proxies received in favour of management will be voted in favour of the Option Plan Resolution, unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against the Option Plan Resolution.

Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by holding regular meetings at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary. The independent Board members are Jesse Hahn and Jay Sujir. The non-independent members are Matthew Schwab (Chief Executive Officer) and Garrett Ainsworth (Chairman of the Board).

Directorships

Certain directors and director nominees are currently serving on boards of other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange
Garrett Ainsworth	Au Gold Corp.	TSXV
	District Metals Corp.	TSXV
Jesse Hahn	Canamera Energy Metals Corp.	CSE
	Prisma Exploration Inc.	CSE
	Umdoni Exploration Inc.	CSE
Jay Sujir	Audrey Capital Corporation	TSXV
	Baltic I Acquisition Corp.	TSXV
	Collingwood Resources Corp.	TSXV
	Golden Lake Exploration Inc.	CSE
	EarthLabs Inc.	TSXV
	Gotham Resources Corp.	TSXV
	Intrepid Metals Corp.	TSXV
	Kenorland Minerals Ltd.	TSXV
	KORE Mining Ltd.	TSXV
	Kutcho Copper Corp.	TSXV
	Libero Copper & Gold Corporation	TSXV
	Outcrop Silver & Gold Corporation	TSXV
	Vanadian Energy Corp.	TSXV
	Karus Gold Corp.	N/A
Marlis Yassin	Trail Blazer Capital Corp.	TSXV

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company’s properties, business, technology, and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

Ethical Business Conduct

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current size of the Company's operations, and the number of officers and consultants, allow the Board to monitor, on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to 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 breadth of 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 Corporation, this practice may be reviewed.

Compensation

Directors of the Company will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board, committees of the Board or meetings of the Shareholders. The Company has obtained directors' and officers' liability insurance in favour of its directors.

Other Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

An informal process of assessing the performance of Board committees and individual directors is conducted by way of engagement and dialogue between the individual directors.

AUDIT COMMITTEE

Audit Committee Charter

The Board has one standing committee, being the Audit Committee. A copy of the Audit Committee Charter of the Company is attached to this Circular as Schedule "A".

Composition of Audit Committee

The current members of the Company's Audit Committee are Garrett Ainsworth, Jesse Hahn and Jay Sujir.

A majority of the members of the Company's Audit Committee are considered to be independent as determined in accordance with NI 52-110. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the Board's reasonable opinion, interfere with the exercise of a member's independent judgement. Jesse Hahn and Jay Sujir are each independent directors of Company. Garrett Ainsworth is not independent as he serves as the Company's Chairman.

Each of the current members of the Company's Audit Committee are considered to be financially literate.

Relevant Education and Experience

Each member of the Audit Committee has sufficient education and experience to have:

- an understanding of the accounting principles used by the Company to prepare its financial statements;
- the ability to assess the general application of those principles in connection with its financial statements;
- 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 individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee has not made any recommendation to nominate or compensate an external auditor other than Davidson & Company LLP.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP Chartered Professional Accountants to the Company to ensure auditor independence. The following table sets forth the fees paid by the Company to Davidson & Company, Chartered Professional Accountants, for audit and non-audit services rendered in the last two fiscal years.

<i>Financial Year Ending</i>	<i>Audit Fees</i> ⁽¹⁾	<i>Audit Related Fees</i> ⁽²⁾	<i>Tax Fees</i> ⁽³⁾	<i>All Other Fees</i> ⁽⁴⁾
June 30, 2023	\$51,700	Nil	Nil	Nil
June 30, 2022	\$40,000	Nil	Nil	Nil

Notes:

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

Reliance on Certain Exemptions

The Company is relying upon the exemptions in section 6.1 of NI 52-110 in respect of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) under NI 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

The purpose of this Statement of Executive Compensation is to provide information about the Company's philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to the most highly compensated executive officers of the Company (the "**Named Executive Officers**" or "**NEOs**"). For the purposes of this Circular, a NEO means each of the following individuals:

- (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, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, requirements and was not acting in a similar capacity, at the end of that financial year.

During the year ended June 30, 2023 the NEOs of the Company were:

- Matthew Schwab, CEO since September 6, 2022;
- Carson Halliday, CFO since April 3, 2023;
- David Forest, Former CEO and director from January 27, 2022 to September 6, 2022;
- Vivian Chuang, Former CFO and director from May 6, 2022 to April 3, 2023; and
- Zachery Hibdon, Vice President Exploration since April 3, 2023.

Summary Compensation Table

The following table sets out information concerning the compensation paid to each of the Company's NEOs and directors, excluding compensation securities, for the Company's two most recently completed financial years.

Table of Compensation excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation	Total compensation
Matthew Schwab <i>CEO and Director</i>	2023 2022	\$204,147 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	\$204,147 N/A
Carson Halliday <i>CFO and Corporate Secretary</i>	2023 2022	\$15,000 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	\$15,000 N/A
David Forest <i>Former CEO and Director</i>	2023 2022	Nil \$100,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil \$100,000
Vivian Wei-Li Chuang <i>Former CFO and Director</i>	2023 2022	\$86,450 \$32,357	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$86,450 \$32,357
Zachery Hibdon <i>VP Exploration</i>	2023 2022	\$72,026 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	\$72,026 N/A
Garrett Ainsworth ⁽¹⁾ <i>Chairman and Director</i>	2023 2022	\$120,000 \$5,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$120,000 \$5,000
Jesse Hahn <i>Director</i>	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Jay Sujir <i>Director</i>	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

1) Mr. Ainsworth received compensation for his services as Chairman of the Company.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued during the most recently completed financial year ended June 30, 2023 to each NEO and director for services provided or to be provided, directly or indirectly, to the Company or its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	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
Matthew Schwab <i>CEO and Director</i>	Options	800,000	2022-10-11	\$1.00	\$0.59	\$0.275	2027-10-11
Carson Halliday <i>CFO</i>	Options	125,000	2023-04-03	\$0.50	\$0.33	\$0.275	2028-04-03
Zachery Hibdon <i>VP Exploration</i>	Options	250,000	2023-04-03	\$0.50	\$0.33	\$0.275	2028-04-03
Garrett Ainsworth <i>Chairman and Director</i>	Options	600,000	2022-10-11	\$1.00	\$0.59	\$0.275	2027-10-11
Jay Sujir <i>Director</i>	Options	250,000	2022-10-11	\$1.00	\$0.59	\$0.275	2027-10-11

Exercise of Compensation Securities by Directors and NEOs

During the financial year ending June 30, 2023, none of the NEOs or directors exercised any Options.

Director and NEO Compensation

The Company compensates NEOs in accordance with the terms of any employment agreements entered into with such individuals by the Company on the recommendation of the Board.

The Company does not offer any benefits or perquisites to its NEOs or directors other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

The primary goal of the Company's executive compensation process is to attract and retain the key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate qualified and experienced executives. The key elements of executive compensation awarded by the Company are base salary and incentive stock options. The Board is of the view that the two elements should be considered together when determining executive compensation.

Salaries for NEOs are determined by evaluating the time, effort and responsibilities of a NEO, with a view to the competitive marketplace. The Company seeks to set base salary at a level competitive enough to represent a fair compensation in the marketplace while ensuring such compensation reflects the development stage of the Company. For all employees, including NEOs, salary adjustments are considered by the Board but any adjustments to base salary are not guaranteed, and any adjustment includes consideration for individual performance and market conditions.

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the

CEO and the compensation committee. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options ("**Options**") are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of Options granted are determined by the Board based on recommendations put forward by the CEO. The Company emphasizes the provision of option grants to maintain executive motivation.

Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to the NEOs or directors at, following, or in connection with retirement.

Stock Option Plan

The material terms of the Option Plan are described under the heading "*Securities Authorized for Issuance Under Equity Compensation Plans – Summary of Option Plan*". The Option Plan was last approved by shareholders of the Company at the annual general shareholder meeting held on May 6, 2022.

Employment, Consulting and Management Agreements

Matthew Schwab

The Company entered into an Executive Employment Agreement dated September 5, 2022, with Matthew Schwab in respect of the services provided by Matthew Schwab in his role as Chief Executive Officer (the "**CEO Agreement**"). Pursuant to the CEO Agreement, Mr. Schwab receives an annual salary of \$235,000.

Mr. Schwab will be eligible to participate in the Company's annual bonus plan. The Performance bonus will be up to 50% of Mr. Schwab's base salary and may be adjusted based on his performance during the year.

The CEO Agreement may be terminated at any time for just cause. If the Company terminates Mr. Schwab for just cause, the Company shall pay Mr. Schwab all the base salary, vacation pay, and other accrued but unpaid compensation fully earned and payable up to the date of termination. Mr. Schwab may resign from his employment by providing the Company with one (1) months' notice in writing. The Company may elect to waive the notice, in whole or in part, and have the employment terminate prior to the end of the resignation notice period. In such circumstances, the Company will pay Mr. Schwab an amount equal to the compensation he would have received had he remained employed during the resignation notice period. The Company may terminate Mr. Schwab's employment at any time and for any reason without just cause, by providing notice of termination (or, in the Company's sole discretion, base salary in lieu of such notice) equivalent to 6 months' notice of termination.

In the event of a change of control, the Company will pay 12 months of the Mr. Schwab's base salary, plus Mr. Schwab's target bonus for the applicable year in which the resignation or termination occurs.

Carson Halliday, CFO

The Company entered into a consulting agreement with Carson Halliday effective April 3, 2023 (the "**CFO Agreement**"). Under the terms of the CFO Agreement, Mr. Halliday is engaged to serve in the capacity of CFO of the Company. In consideration for the provision of the services, the Company pays Mr. Halliday a monthly fee of \$5,000. Mr. Halliday is eligible to participate in the Company's equity incentive plans and receive performance bonuses at the discretion of the Board. The Company may terminate the CFO Agreement for just cause by giving Mr. Halliday written notice of termination, in which case Mr. Halliday shall not be entitled to any payments or benefits, other than amounts due and owing up to the termination date. If the Company terminates the CFO Agreement other than for just cause, the Company shall provide Mr. Halliday with working notice, payment in lieu of working notice or a combination of the two equal to the total of the fees paid at the rate prescribed by the CFO Agreement in the three (3) months preceding

termination, which amount is payable within thirty (30) days of the termination date. Mr. Halliday may terminate the CFO Agreement at any time by giving the Company thirty (30) days notice prior to the termination date. In the event of the termination of the CFO Agreement on a change of control, or by the Company for reasons other than just cause, any outstanding incentive options and equity bonus issued to Mr. Halliday shall immediately vest, and thereafter shall terminate and cease to be exercisable ninety (90) days after the termination date.

Zachery Hibdon, VP Exploration

The Company entered into a consulting agreement with Rock Solid Geology Inc., a company owned and operated by Zachery Hibdon, effective April 3, 2023 (the “**VP Exploration Agreement**”). Under the terms of the VP Exploration Agreement, Mr. Hibdon is engaged to serve in the capacity of VP Exploration of the Company. In consideration for the provision of services, Mr. Hibdon receives an annual salary of US\$230,000.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Option Plan is the only equity compensation plan of the Company. The following table provides details relating to the Option Plan and the securities to be issued upon exercise of outstanding Options as at June 30, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans not approved by the securityholders	3,650,000	\$0.96	1,780,708
Total	3,650,000	\$0.96	1,780,708

Summary of Option Plan

Purpose of Option Plan

The purpose of the Option Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified executives, employees and consultants to contribute toward the long term goals of the Company, and to encourage such individuals to acquire shares of the Company as long term investments.

Participation in Plan

The Board shall, from time to time in its sole discretion, grant Options to bona fide directors, officers, employees and consultants of the Company or any Subsidiary, on such terms and conditions as permitted under the Option Plan.

Number of Shares

The number of Shares which will be available for purchase pursuant to Options granted pursuant to the Option Plan will not exceed 10% of the number of Shares that are outstanding (on a non diluted basis) immediately prior to the Share issuance or grant of Options. If any Option expires or otherwise terminates

for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to the Option Plan.

Limits on Option Grants

Options granted to any employees or consultants who are engaged in investor relations activities for the Company, any associated consultant, any executive officer of the Company, any director of the Company or any permitted assign of those persons (“**Related Persons**”) if, after the grant:

- a) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to:
 - (ii) Related Persons, exceeds 10% of the outstanding securities of the Company, or
 - (iii) a Related Person, exceeds 5% of the outstanding securities of the Company, or
- a) the number of securities, calculated on a fully diluted basis, issued within 12 months to
 - (i) Related Persons, exceeds 10% of the outstanding securities of the Company, or
 - (ii) a Related Person and the associates of the Related Person, exceeds 5% of the outstanding securities of the Company;

unless the Company obtains security holder approval and otherwise satisfies all regulatory rules.

The maximum number of Options which may be granted within a 12 month period to employees or consultants engaged in Investor Relations Activities must not exceed 1% of the number of shares outstanding immediately prior to the option grant.

Terms of Options

The Exercise Price of options granted will be determined by the Board and shall not be less than the Market Value of the Shares as of the Grant Date for Shares are listed on the Canadian Securities Exchange (“**CSE**”), the Market Value will be the greater of the closing trading price of the Shares on (i) the trading day prior to the Grant Date and (ii) the Grant Date. The vesting schedule for an Option, if any, will be determined by the Board.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates or other management of the Company were indebted to the Company as of the end most recently completed financial year or as at the date hereof in respect of any securities purchase arrangement.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the fiscal year ended June 30, 2023, nor do they have any interest in any material transaction in the current year other, than as set out herein and in a document previously disclosed to the public or as described below.

MANAGEMENT CONTRACTS

Other than as disclosed herein, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

OTHER MATTERS

As of the date of this Circular, Management of the Company is not aware of any other matters which may come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the Common Shares represented thereby in accordance with their best judgement on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR+ at www.sedarplus.ca. Financial information about the Company is provided by the Company's annual financial statements for the years ended June 30, 2023 and 2022 and related management discussion and analysis. Additional financial information or documentation may be obtained by any securityholder of the Company free of charge by contacting the Company.

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

DATED at Vancouver, British Columbia, as at December 14, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

"Matthew Schwab"

Matthew Schwab
Chief Executive Officer

SCHEDULE "A"

KRAKEN ENERGY CORP.

(the "Company")

AUDIT COMMITTEE CHARTER

Purpose of the Committee

The purpose of the audit committee (the "**Audit Committee**") of the directors of the Company (the "**Board**") is to provide an open avenue of communication between management, the Company's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- the Company's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company's independent auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, the Company's articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Audit Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Company's financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Review the appointments of the Company's CFO and CEO and any other key financial executives involved in the financial reporting process.
2. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
3. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
4. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
5. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
6. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
7. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
8. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
9. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
10. Establish and review the Company's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure;
 - internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters
11. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
12. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.