

TEMAS RESOURCES CORP.

**NOTICE OF ANNUAL GENERAL
MEETING OF SHAREHOLDERS**

AND

MANAGEMENT INFORMATION CIRCULAR

May 3, 2024

TEMAS RESOURCES CORP.
309 – 2912 West Broadway Street
Vancouver, British Columbia V6K 0E9

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON WEDNESDAY, JUNE 19, 2024

NOTICE IS HEREBY GIVEN that the **Annual General Meeting** (the “**Meeting**”) of Temas Resources Corp. (the “**Company**”) will be held online via a virtual meeting portal using the access information provided below on **Wednesday, June 19, 2024 at 10:00 a.m.** (Vancouver time) or at any adjournment thereof.

The Meeting will be held for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2023, together with the auditor’s report thereon;
2. to fix number of directors at four (4);
3. to elect the directors for the ensuing year;
4. to appoint the auditors of the Company and to authorize the directors to fix their remuneration; and
5. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The accompanying management information circular (the “**Circular**”) provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of annual general meeting (“**Notice**”). Also accompanying this Notice are (i) Form of Proxy or Voting Instruction Form, and (ii) Financial Statement Request Form. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. Additional information about the Company and its financial statements are also available on the Company’s profile at www.sedarplus.ca.

The board of directors of the Company has by resolution fixed the close of business on Friday, May 3, 2024 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof.

Registered shareholders who are unable to attend the Meeting, are requested to date, complete and sign the enclosed form of proxy so that as large a representation as possible may be had at the Meeting and deliver it in accordance with the instructions set out in the form of proxy and in the accompanying Circular.

Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the Form of Proxy or Voting Instruction Form to ensure that their common shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are not a registered shareholder.

ZOOM MEETING DETAILS:

In order to dial into the Meeting within Canada, shareholders can phone 1.778.907.2071 or in the United States, shareholders can phone 1.669.900.6833 and enter the Meeting ID and Password noted below.

Alternatively, you can find your local number at: <https://zoom.us/j/82370797022?pwd=NStHaFdweFN6aUthWGlnekFidkZaQT09>

In order to access the Meeting through Zoom, shareholders will need to download the application onto their computer or smartphone and then once the application is loaded, enter the Meeting ID and Password below or open the following link:

<https://us02web.zoom.us/j/82370797022?pwd=NStHaFdweFN6aUthWGlnekFidkZaQT09>

Shareholders will have the option through the application to join the video and audio or simply view and listen.

Meeting ID: 823 7079 7022

Passcode: 667220

In order to assist the Scrutineer with attendance, Shareholders are asked to log into the Meeting with their First and Last Names.

DATED at Vancouver, British Columbia, this 3rd day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

“Tim Fernback” (signed)

Tim Fernback
CEO & Director

TEMAS RESOURCES CORP.
309 – 2912 West Broadway Street
Vancouver, British Columbia V6K 0E9

MANAGEMENT INFORMATION CIRCULAR
as at May 3, 2024

The information contained in this Management Information Circular (the “**Circular**”), unless otherwise indicated, is as of May 3, 2024.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by the management of Temas Resources Corp. (the “**Company**”) to shareholders of record at the close of business on May 3, 2024, which is the date that has been fixed by the directors of the Company as the record date to determine the shareholders who are entitled to receive notice of the meeting. The Company is mailing this Circular in connection with the solicitation of proxies by and on behalf of the Company for use at its annual general meeting (the “**Meeting**”) of the shareholders that is to be held on **Wednesday, June 19, 2024** at the time and place and for the purposes set forth in the accompanying Notice of Meeting and any adjournment thereof. The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. The cost of solicitation will be borne by the Company.

Under the Company’s Articles, quorum is one person present or represented by proxy. If such a quorum is not present in person or by proxy, the Meeting will be rescheduled.

NOTICE-AND-ACCESS

The Company is using the Notice-and-Access system under National Instrument 54-101 Communications with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 Continuous Disclosure Obligations to distribute its proxy-related materials to Shareholders.

Under Notice-and-Access, rather than the Company mailing paper copies of the proxy-related materials to Shareholders, the materials can be accessed online under the Company’s profile on SEDAR+ at www.sedarplus.ca or on the Company’s website at <https://www.temasresources.com/investors/shareholder-meetings>. The Company has adopted this alternative means of delivery for its proxy-related materials in order to reduce paper use and printing and mailing costs.

Shareholders will receive a Notice Package by prepaid mail, which will contain, among other things, information on Notice-and-Access and how Shareholders may access an electronic copy of the proxy-related materials, and how they may request a paper copy of the Circular, if they so choose, in advance of the Meeting and for a full year following the Meeting.

Shareholders will not receive a paper copy of the Circular unless they contact the Company by email at ir@temasresources.com. For Shareholders who wish to receive a paper copy of the Circular in advance of the voting deadline for the Meeting, requests must be received no later than June 5, 2024.

Shareholders with questions about Notice-and-Access may contact Odyssey via <https://odysseytrust.com/ca-en/help/> or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

APPOINTMENT AND REVOCATION OF PROXIES

If you are a registered shareholder of the Company as at **May 3, 2024**, you are entitled to notice of and to attend at the Meeting and cast a vote for each common share of the Company (each, a “**Common Share**”) registered in your name on all resolutions put before the Meeting. If the Common Shares are registered in the name of a corporation, a duly authorized officer of such corporation may attend on its behalf, but documentation indicating such officer’s authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see “**Voting By Proxy**” below). If your Common Shares are registered in the

name of a “nominee” (usually a bank, trust company, securities dealer, financial institution or other intermediary) you should refer to the section entitled “**Non-registered Shareholders**” set out below.

It is important that your Common Shares be represented at the Meeting regardless of the number of Common Shares you hold. If you will not be attending the Meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your Common Shares will be represented.

VOTING BY PROXY

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy to the Company’s transfer agent, Odyssey Trust Company (“**Odyssey**”), located at 350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time fixed for the Meeting or any adjournments thereof.

What Is A Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a Proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person’s name in the blank space provided in the enclosed form of proxy. To vote your Common Shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder (the “**Management Proxyholders**”). Those persons are directors, officers or other authorized representatives of the Company.

Instructing Your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your Common Shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Common Shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your Common Shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Common Shares IN FAVOUR of each of the items of business being considered at the Meeting.

For more information about these matters, see Particulars of Matters to be Acted Upon. **The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting.** At the time of printing this Circular, the management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing Your Mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Company at 309 – 2912 West Broadway Street, Vancouver, British Columbia, V6K 0E9; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Vancouver time) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that

is deposited with us before the deadline, you can still vote your Common Shares but to do so you must attend the Meeting in person. **Only registered shareholders may revoke a proxy. If your Common Shares are not registered in your own name and you wish to change your vote, you must arrange for your nominee to revoke your proxy on your behalf (see below under “Non-Registered Shareholders”).**

NON-REGISTERED SHAREHOLDERS

Only registered holders of Common Shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a holder (a “**Non-Registered Holder**”) are registered either:

- (a) in the name of an Intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; OR
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (CDS)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBOs**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBOs**”.

Pursuant to NI 54-101 of the Canadian Securities Administrators, the Company has distributed copies of proxy-related materials in connection with this Meeting (including this Circular) indirectly or directly to the NOBOs and to the Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries that receive the proxy-related materials are required to forward the proxy-related materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Holders.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO’s Intermediary assumes the costs of delivery.

Generally, Non-Registered Holders who have not waived the right to receive proxy-related materials (including OBOs who have made the necessary arrangements with their Intermediary for the payment of delivery and receipt of such proxy-related materials) will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Holder in accordance with the Intermediary’s directions on the voting instruction form. In some cases, such Non-Registered Holders will instead be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. This form of proxy does not need to be signed by the Non-Registered Holder, but, to be used at the Meeting, needs to be properly completed and deposited with Odyssey Trust Company as described under “**Voting By Proxy**” above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form.

Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.

BACKGROUND TO THE MEETING

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. At the close of business on **May 3, 2024**, 22,727,218 Common Shares were issued and outstanding. Each shareholder is entitled to one vote for each Common Share registered in his or her name at the close of business on **May 3, 2024**,

the date fixed by the Company's directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and officers of the Company, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

Other than as otherwise disclosed in this Circular, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the "**Board**"), the matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

1. FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended December 31, 2023 and the report of the auditors thereon will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements have been mailed to the shareholders who have requested they receive a copy together with the Notice and this Circular. The financial statements and additional information concerning the Company are available under the Company's profile at www.sedarplus.ca.

2. FIX NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

Number of Directors

The size of the Board is currently set at four (4). The Board proposes that the number of directors remain at four. At the Meeting, the shareholders will be asked to approve an ordinary resolution that the number of directors elected by fixed at four. Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time. Under the Company's Articles and pursuant to the *British Columbia Business Corporations Act*, the number of directors may be set by ordinary resolution but shall not be fewer than three (3). The Company's four (4) current directors are being put forward by management of the Company for election at the Meeting for the ensuing year.

The Company's management recommends that the shareholders vote in favour of the resolution setting the number of directors at four (4). Unless you give other instructions, the Management Proxyholders intend to vote FOR the resolution setting the number of directors at four (4).

Nominees for Election

The following are the nominees proposed for election as directors of the Company together with the number of Common Shares, stock options and Common Share purchase warrants that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

| Name and place of residence | Principal occupation | Director since | Number of shares ⁽¹⁾⁽²⁾ | Number of Convertible Securities ⁽²⁾ |
|---|---|-------------------|------------------------------------|---|
| S. Kyler Hardy ⁽³⁾ BC, Canada <i>Director</i> | President of Cronin Capital Corp. from January 2007 to present. | January 10, 2020 | 3,696,482 ⁽⁴⁾ | 250,000 options |
| Rory Kutluoglu ⁽³⁾ BC, Canada <i>Director</i> | Consultant Geologist - April 2016 to present. | October 13, 2020 | 144,666 | 150,000 options |
| David Robinson ⁽³⁾ BC, Canada <i>Director</i> | Chief Financial Officer, Cronin Capital Corp. since July 2017. | March 14, 2022 | 650,550 | 160,000 options |
| Tim Fernback BC, Canada <i>Director</i> | President & CEO of TCF Ventures Corp. from 1998 to present. | November 29, 2023 | 1,000,000 ⁽⁵⁾ | 401,500 options |

Notes:

- (1) Information as to ownership of the Company's Common Shares has been taken from the list of registered shareholders maintained by the Company's transfer agent or has been provided by the individual.
- (2) The Company consolidated its issued and outstanding share capital on a 9:1 basis on June 26, 2023. The number of securities set out in the table above are being provided on a post-consolidation basis.
- (3) Member of the Audit Committee.
- (4) Of these shares, 33,736 are held directly by Mr. Hardy, 3,012,873 are held by Cronin Capital Corp., a company wholly owned by Mr. Hardy and 649,303 shares are held by Cronin Services Ltd, a company over which Mr. Hardy has control and direction.
- (5) Of these shares, 500,000 are held directly by Mr. Fernback, 500,000 are held by TCF Ventures Corp., a company wholly owned by Mr. Fernback.

Details of Directors Not Previously Elected by a Shareholder Vote***Tim Fernback***

Mr. Fernback has over 25 years of experience in the venture capital and investment banking industries. He is the former Regional Director of the CFO Centre Limited, responsible for all operations in Western Canada. The CFO Centre is the world's leading provider of part-time Chief Financial Officers for mid-tier and hyper-growth businesses with over 350 active CFOs worldwide. Mr. Fernback is the current President & CEO of TCF Ventures Corp., a private management consulting firm that was established in 1998. Mr. Fernback holds an Honours B.Sc. from McMaster University and holds an MBA with a concentration in Finance from the University of British Columbia. Mr. Fernback holds a Certified Professional Accounting (CPA) designation in Canada and is a current and former director and senior executive of several publicly traded companies in both Canada and the USA. He currently serves on the board of Koryx Copper Resources Inc. (Namibian copper explorer), Apogee Minerals Ltd. (Canadian gold explorer), Grid Battery Metals Inc. (US lithium explorer) and Fuse Battery Metals Inc. (US lithium and Canadian cobalt explorer).

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR FIXING THE NUMBER OF DIRECTORS AT THREE AND FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed in this Circular, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an “Order”) and 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.

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, 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.

Personal Bankruptcies

None of the directors of the Company have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors of the Company have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. APPOINTMENT OF THE AUDITOR

At the Meeting, DeVisser Gray LLP, located at 401 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6, will be recommended by management and the Board for re-appointment as auditors of the Company at a remuneration to be fixed by the directors. DeVisser Gray LLP were first appointed as the auditors of the Company on February 19, 2020.

The Company’s management recommends that the shareholders vote in favour of the appointment of DeVisser Gray LLP, as the Company’s auditor for the ensuing year and grant the Board the authority to determine the remuneration to be paid to the auditor. **Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the appointment of DeVisser Gray LLP, to act as the Company’s auditors until the close of its next annual general meeting and also intend to vote FOR the proposed resolution to authorize the Board to fix the remuneration to be paid to the auditors.**

STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at December 31, 2023 whose total compensation was more than \$150,000 for the financial year of the Company ended December 31, 2023 (collectively the “**Named Executive Officers**”) and for the directors of the Company.

Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ⁽¹⁾

| Name and position | Year Ended Dec 31 | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
|---|-------------------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| S. Kyler Hardy ⁽²⁾ <i>President, Director & former CEO</i> | 2023 | 60,000 | Nil | Nil | Nil | Nil | 60,000 |
| | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |
| Tim Fernback ⁽³⁾ <i>CEO & Director</i> | 2023 | 12,097 | Nil | Nil | Nil | Nil | 12,097 |
| | 2022 | n/a | n/a | n/a | n/a | n/a | n/a |
| Rory Kutluoglu ⁽⁴⁾ <i>Director</i> | 2023 | 107,000 | Nil | Nil | Nil | Nil | 107,000 |
| | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |
| David Robinson ⁽⁵⁾ <i>Director & CFO</i> | 2023 | 105,000 | Nil | Nil | Nil | Nil | 105,000 |
| | 2022 | Nil | Nil | Nil | Nil | Nil | Nil |
| David Kwok ⁽⁶⁾ <i>former CFO</i> | 2023 | 3,000 | Nil | Nil | Nil | Nil | 3,000 |
| | 2022 | 9,000 | Nil | Nil | Nil | Nil | 9,000 |

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses. This table includes compensation received by the Named Executive Officers as directors of the Company.
- (2) S. Kyler Hardy was appointed as a director on January 10, 2020 and was appointed as President & CEO on December 23, 2022. He resigned as CEO on November 29, 2023.
- (3) Tim Fernback was appointed as a director and CEO on November 29, 2023.
- (4) Rory Kutluoglu was appointed as a director on October 13, 2020.
- (5) David Robinson was appointed as a director on March 14, 2022. He was appointed as CFO on January 10, 2020 and resigned as CFO on March 14, 2022. He resumed the role of CFO on October 31, 2023.
- (6) David Kwok was appointed as CFO on March 14, 2022 and resigned as CFO on October 31, 2023.

Stock Options and Other Compensation Securities

Compensation securities granted or issued to each Named Executive Officer and director during the financial year ended December 31, 2023 and December 31, 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries is set out in the table below:

| COMPENSATION SECURITIES | | | | | | | |
|--|--|--|---------------------------------------|--|--|---|----------------------------|
| Name and Position | Type of compensation security ⁽¹⁾ | Number of Compensation securities, number of underlying securities, and percentage of class ⁽²⁾ | Date of issue or grant ⁽²⁾ | 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 |
| S. Kyler Hardy <i>President, Director and former CEO</i> | Stock options | 11,111 ⁽³⁾ 250,000 | Feb 2, 2022 Aug 2, 2023 | \$1.26 \$0.105 | \$0.13 \$0.105 | \$0.25 | Feb 2, 2027 Aug 2, 2026 |
| Tim Fernback <i>CEO & Director</i> | Stock options | 401,500 | Nov 29, 2023 | \$0.20 | \$0.20 | \$0.25 | Nov 29, 2028 |
| Rory Kutluoglu <i>Director</i> | Stock options | 11,111 ⁽³⁾ 150,000 | Feb 2, 2022 Aug 2, 2023 | \$1.26 \$0.105 | \$0.13 \$0.105 | \$0.25 | Feb 2, 2027 Aug 2, 2026 |
| David Robinson <i>Director & CFO</i> | Stock options | 11,111 ⁽³⁾ 160,000 | Feb 2, 2022 Aug 2, 2023 | \$1.26 \$0.105 | \$0.13 \$0.105 | \$0.25 | Feb 2, 2027 Aug 2, 2026 |
| David Kwok <i>former CFO</i> | Stock options | 75,000 | Aug 2, 2023 | \$0.105 | \$0.105 | \$0.25 | Aug 2, 2026 |

Notes:

- (1) The fair value of each stock option at the date of grant was estimated using the Black-Scholes option pricing model to be consistent with the audited financial statements of the Company and included the following weighted average assumptions: 08/02/2023 dividend yield 0%, expected volatility 188%, risk-free interest rate 4.43% and an expected life of three years and 11/29/2023 dividend yield 0%, expected volatility 183%, risk-free interest rate 3.60% and an expected life of five years.

- (2) The Company consolidated its issued and outstanding share capital on a 9:1 basis on June 26, 2023. The number of securities set out in the table above are being provided on a post-consolidation basis.
- (3) These options were cancelled on December 18, 2023.

Exercise of Compensation Securities by Directors and Named Executive Officers

There were no compensation securities exercised by a director or Named Executive Officer during the financial year ended December 31, 2023.

Stock Option Plans and Other Incentive Plans

The Company has in place the Stock Option Plan which was approved by the shareholders of the Company on September 21, 2023.

The Stock Option Plan is a rolling stock option plan which sets the number of options available for grant by the Company at an amount equal to 10% of the Company issued and outstanding shares from time to time. The purpose of the Stock Option Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with those of the Company's shareholders. Options are exercisable over periods of up to 10 years as determined by the Board and at exercise prices as determined by the Board, which will not have an exercise price lower than the greater of the closing market price of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options. The maximum number of shares which may be issued pursuant to options granted under the Stock Option Plan will be 10% of the issued and outstanding Shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares in any 12 month period or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan contains no vesting requirements, other than for consultants performing investor relations activities but permits the Board to specify a vesting schedule in its discretion.

In addition to the Stock Option Plan, the Company also has in place the RSU Plan which was approved by the shareholders of the Company on June 2, 2021.

The RSU Plan is designed to provide certain directors, officers, employees and consultants of the Company and its related entities with the opportunity to acquire RSUs in order to enable them to participate in the long-term success of the Company. The purpose of the RSU Plan, similar to the Stock Option Plan, is to promote a greater alignment of the interests of directors, officers, employees and consultants of the Company with the interests of the shareholders.

The RSU Plan provides that the maximum number of common shares issuable pursuant to the RSU Plan, together with any common shares issuable pursuant to any other security based compensation arrangement outside of the RSU Plan (namely the Stock Option Plan described above), will not exceed an aggregate of 10% of the total number of issued and outstanding Shares at any time. In addition, the maximum number of common shares issued to a consultant under the RSU Plan and all other security based compensation within any one year period, will not exceed 2% of the total number of issued and outstanding common shares taken at the beginning of the year. In addition, RSUs to a maximum of 1% of the issued and outstanding common shares of the Company may be granted to any one eligible person under the RSU Plan; and, in aggregate, a maximum of 2% of the issued and outstanding common shares of the Company may be granted to any one eligible person in any 12 month period.

Employment, consulting and management agreements

Other than as disclosed below, none of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

The Company entered into a management services agreement (the "**Management Services Agreement**") with Cronin Services Ltd. ("**Cronin**") on August 1, 2023, to provide certain accounting, compliance and administrative services to the Company in accordance with the terms of the Management Services Agreement for a monthly fee of \$12,500 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. The Management Services Agreement is for an initial term of 12 months, to be automatically renewed. The Management Services Agreement can be terminated by either party on 60 days' written notice. It can also be terminated by the Company or Cronin if an event of default has occurred and the party has failed to cure such default.

On January 1, 2024, the Management Services Agreement was terminated and replaced with an amended agreement (the “**Amended Cronin Agreement**”) pursuant to which Cronin will provide certain accounting, compliance and administrative services to the Company in accordance with the terms of the Amended Cronin Agreement for a monthly fee of \$16,000 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Company. The Amended Cronin Agreement is for an initial term of 12 months, to be automatically renewed. The Amended Cronin Agreement can be terminated by either party on 60 days’ written notice. It can also be terminated by the Company or Cronin if an event of default has occurred and the party has failed to cure such default.

Oversight and Description of Director and Named Executive Officer Compensation

The Board of Directors (the “**Board**”) does not have in place a compensation committee. All tasks relating to the development and assessment of the compensation paid to both the NEOs and directors are performed by members of the Board. Compensation is reviewed on an annual basis. The Company’s compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel. In general, a NEO’s compensation is comprised of salary, wages or contractor payments and stock option grants.

Salary, wages or contractor payments for each NEO are based on the position held, the related responsibilities and functions performed by the NEO and salary ranges paid to executives at similar companies.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company’s future success and the individual’s ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

At this time the Board has not established any performance criteria or goals.

There were no significant changes to the Company’s compensation policies during or after the most recently completed financial year that could or would have affected the Named Executive Officers compensation.

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.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of December 31, 2023, the Company’s most recently completed financial year, the Company’s Stock Option Plan was the only equity compensation plan under which securities were authorized for issuance.

| Plan category | Number of securities ⁽²⁾ to be issued upon exercise of outstanding options, warrants and rights (a) ⁽³⁾ | 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) ⁽³⁾ |
|---|--|---|---|
| Equity compensation plans ⁽¹⁾ approved by security holders | 1,478,167 | \$0.15 | 128,167 |
| Equity compensation plans not approved by security holders | N/A | N/A | N/A |
| Total: | 1,478,167 | \$0.15 | 128,167 |

Notes:

- ⁽¹⁾ The Stock Option Plan is a “rolling” stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 10% of the issued Common Shares at the time of the stock option grant. As at the date hereof, 2,272,723 stock options may be reserved for issue pursuant to the Stock Option Plan, 1,386,500 stock options have been issued and are outstanding and 886,223 stock options are still available for future issue.
- ⁽²⁾ Underlying securities are Common Shares in the capital of the Company.
- ⁽³⁾ As of December 31, 2023.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no proposed nominee for election as a director, and no director or executive officer of the Company who has served in such capacity since the beginning of the last financial year of the Company, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company’s outstanding Common Shares, and none of the respective associates or affiliates of any of the foregoing, had (or has) any interest in any transaction with the Company since the commencement of our most recently completed financial year ended December 31, 2023, or in any proposed transaction, that has materially affected the Company or is likely to do so.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer’s annual meeting. The Company is a “venture issuer” for the purposes of NI 52-110.

Audit Committee Charter

The full text of the charter of the Company's Audit Committee Charter is attached as Schedule "A" to this Circular (the "**Audit Committee Charter**").

Composition of Audit Committee

S. Kyler Hardy, David Robinson and Rory Kutluoglu are members of the Company's Audit Committee. At present, one of the Audit Committee members, Rory Kutluoglu, is considered "independent" as that term is defined in applicable securities legislation. S. Kyler Hardy is not considered independent by virtue of him holding the office of President of the Company. David Robinson is not considered independent by virtue of him holding the office of Chief Financial Officer of the Company.

All of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its consolidated financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating consolidated 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 consolidated financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

S. Kyler Hardy – Mr. Hardy is a natural resources focused entrepreneur, who has been involved in the sector for over fourteen years with both private and public businesses. During his career he has gained a wide array of experience including diamond driller, project manager, exploration service contractor, business consultant, public Company management and private equity investor. He has built businesses from early stage start-ups to advanced operating companies in several sectors. He was a founder and former chief executive officer of a large geosciences and logistics management business specializing in grassroots to brownfields exploration and development. Mr. Hardy is experienced in project generation, exploration management, logistics, raising capital, corporate development and developing strategic alliances and partnerships.

David Robinson – Mr. Robinson has over 10 years of accounting and capital markets experience. He has provided audit, tax and consulting services to private and public companies for a number of years at MNP LLP before moving to the Telus Pension Fund as a senior analyst, where he gained significant exposure to equity portfolio management and commercial lending. Mr. Robinson is currently the CFO and a partner with Cronin Services Ltd., a natural resource focused merchant bank based in Vancouver, British Columbia.

Rory Kutluoglu – Mr. Kutluoglu is a geologist with over 20 years' experience of reviewing and assessing potential projects for viability, including creating budget proposals and forecasting related expenditures. In addition to his vast experience as site manager and crew coordinator, Mr. Kutluoglu also works closely with boards of directors in implementing exploration plans on targeted projects.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Exemptions in NI 52-110

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company’s auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor’s annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year’s audit); or
2. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (Exemptions) of NI 52-110.

The Company is a “venture issuer” for the purposes of NI 52-110. Accordingly, the Company is relying upon the exemption in section 6.1 of NI 52-110 providing that the Company is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures for Non-Audit Services

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

Audit Fees

The fees paid by the Company to its auditors in each of the last two financial years, by category, are as follows:

| | Financial Year Ending December 31 | Audit Fees | Audit-related Fees | Tax Fees | All Other Fees |
|----------------------------------|--------------------------------------|---------------|-----------------------|-------------|-------------------|
| DeVisser Gray LLP ⁽¹⁾ | 2023 | 19,000 | Nil | \$1,500 | Nil |
| | 2022 | \$18,000 | Nil | \$3,500 | Nil |

Note:

⁽¹⁾ DeVisser Gray LLP was appointed as the Company’s auditor effective December 21, 2020.

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company’s annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly consolidated financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice.

REPORT ON CORPORATE GOVERNANCE

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 four individuals to the Board, all of whom are current directors of the Company.

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. Rory Kutluoglu is considered "independent" within the meaning of NI 52-110. S. Kyler Hardy, who is the President of the Company, Tim Fernback, who is the Chief Executive Officer of the Company and David Robinson who is the Chief Financial Officer of the Company are not considered independent.

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 and the President. The Board will give direction and guidance through the President 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 chairperson of the Audit Committee. The Board establishes and periodically reviews and updates the Audit Committee mandates, duties and responsibilities of the Audit Committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) 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 President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *British Columbia Business Corporations Act* (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 directors of the Company are also directors of other reporting issuers as stated:

| Name of Director | Other reporting issuer (or equivalent in a foreign jurisdiction) |
|-------------------------|---|
| Rory Kutluoglu | n/a |
| David Robinson | Buscando Resources Corp. (CSE) |
| Samuel "Kyler" Hardy | Buscando Resources Corp. (CSE) |
| Tim Fernback | Koryx Copper Inc. (TSXV) Fuse Battery Metals Inc. (TSXV) Grid Battery Metals Inc. (TSXV) Apogee Minerals Ltd. (TSXV) |

Board Committees

The Board has constituted one committee, the Audit Committee.

Audit Committee

The Audit Committee is composed of three directors, namely, Rory Kutluoglu, David Robinson and S. Kyler Hardy. The operation of the Audit Committee is described in the section entitled “*Audit Committee Information Required in The Information Circular of a Venture Issuer*” in this Circular.

Orientation and Continuing Education

The Board’s practice is to recruit for the Board only persons with extensive experience in the mining and mining exploration business and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company’s affairs and plans prior to obtaining their consent to act as a director.

The Board provides training courses to the directors as needed, to ensure that the Board is complying with current legislative and business requirements.

Ethical Business Conduct

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors and proposed directors of the Company also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the Act, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest.

Any interested director will be required to declare the nature and extent of his or her interest and will not be entitled to vote at meetings of directors at which matters that give rise to such a conflict of interest are considered.

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 Chairman and a majority of the non-executive directors.

Other Board Committees

The Board currently does not have any standing committees other than as set in the section entitled “*Board Committees*” above.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

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

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company’s corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

OTHER MATTERS

Management of the Company is not aware of any other matters to 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 form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.**

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedarplus.ca. Financial information about the Company is provided in the Company's comparative annual financial statements to December 31, 2023, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at www.sedarplus.ca. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, at 309 – 2912 West Broadway Street, Vancouver, British Columbia V6K 0E9.

APPROVAL OF THE BOARD OF DIRECTORS

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

DATED at Vancouver, British Columbia, this 3rd day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Tim Fernback" (signed)
Tim Fernback
CEO & Director

SCHEDULE “A”

AUDIT COMMITTEE CHARTER

ARTICLE 1 PURPOSE

- 1.1 The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Teras Resources Corp. (the “Company”) shall assist the Board in fulfilling its financial oversight responsibilities. The overall purpose of the Committee is to ensure that the Company’s management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each member of the Committee will obtain an understanding of the responsibilities of the Committee membership as well as the Company’s business, its operations and related risks.

ARTICLE 2 COMPOSITION, PROCEDURE, AND ORGANIZATION

- 2.1 The Committee shall consist of at least three members of the Board, the majority of whom are not officers or employees of the Company or of an affiliate of the Company.
- 2.2 All members of the Committee shall be financially literate as defined in NI 52-110 – Audit Committees or any successor policy.
- 2.3 The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- 2.4 Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- 2.5 The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- 2.6 The Committee shall have access to such officers and employees of the Company and to the Company’s external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- 2.7 Meetings of the Committee shall be conducted as follows:
- (a) the Committee shall meet at least four times annually at such times and at such locations as maybe requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

- 2.8 The external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ARTICLE 3 ROLES AND RESPONSIBILITIES

- 3.1 The overall duties and responsibilities of the Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- 3.2 The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (iv) co-operation received from the Company's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Company;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

- (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- 3.3 The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
- 3.4 The Committee is also charged with the responsibility to:
- (a) review and approve the Company's annual and interim financial statements and related Management's Discussion & Analysis ("MD&A"), including the impact of unusual items and changes in accounting principles and estimates;
 - (b) review and approve the financial sections of any of the following disclosed documents prepared by the Company:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) annual MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Company; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Company's consolidated financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;

- (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

3.5 Without limiting the generality of anything in this Charter, the Committee has the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee, and
- (c) to communicate directly with the Auditor.

ARTICLE 4
EFFECTIVE DATE

4.1 This Charter was implemented by the Board on March 28, 2020.