

**ADVANCE UNITED HOLDINGS INC.**  
372 Bay Street, Unit 301  
Toronto, Ontario M5H 2W9

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of shareholders of **Advance United Holdings Inc.** (the “**Company**”) will be held on **Friday, July 7, 2023**, at the hour of 10:00 a.m. (Eastern time), at the office of Irwin Lowy LLP at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 for the following purposes:

1. to receive and consider the audited financial statements of the Company for the years ended December 31, 2021 and 2022, and the reports of the auditors thereon;
2. to appoint the auditors of the Company and to authorize the directors to fix their remuneration;
3. to elect the directors of the Company;
4. to consider and, if deemed advisable, to pass, with or without variation, a special resolution to amend the articles of continuance of the Company to change the name of the Company to such name as the directors of the Company, in their sole discretion, may determine and as may be acceptable to the Director appointed under the *Business Corporations Act* (Ontario), as more fully described in the accompanying management information circular;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of shareholders approving and confirming the stock option plan of the Company; and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company’s transfer agent and registrar, Computershare Investor Services Inc., at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 not later than 10:00 a.m. (Eastern time) on Wednesday, July 5, 2023 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The board of directors of the Company has by resolution fixed the close of business on Wednesday, May 31, 2023 as the record date for the Meeting, 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 thereof.

**COVID-19 GUIDANCE**

**In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19, shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out in the Notice of Meeting and this Management Information Circular.**

The accompanying management information 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 and special meeting. Additional information about the Company and its financial statements are also available on the Company’s profile at [www.sedar.com](http://www.sedar.com).

**DATED** at Toronto, Ontario this 6<sup>th</sup> day of June, 2023.

**BY ORDER OF THE BOARD**

*“James Atkinson” (signed)*  
Chief Executive Officer, and Director

ADVANCE UNITED HOLDINGS INC.  
372 Bay Street., Suite 301  
Toronto, Ontario M5H 2W9

**MANAGEMENT INFORMATION CIRCULAR**  
**As at June 6, 2023**

**SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF ADVANCE UNITED HOLDINGS INC.** (the “**Company**”) of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Friday, July 7, 2023 at the office of Irwin Lowy LLP at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 at 10:00 a.m. (Eastern time), and at any adjournment or postponement thereof (the “**Meeting**”) for the purposes set out in the accompanying notice of meeting (the “**Notice of Meeting**”). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting, this management information circular (“**Circular**”), the annual financial statements of the Company for the financial years ended December 31, 2021 and 2022 and related management’s discussion and analysis and other meeting materials, if applicable (collectively the “**Meeting Materials**”) to the beneficial owners of the common shares of the Company (the “**Common Shares**”) held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting.

**COVID-19 GUIDANCE**

**In the context of the effort to mitigate potential risk to the health and safety associated with COVID-19, shareholders are being discouraged from attending the Meeting in person. All shareholders are encouraged to vote on the matters before the Meeting by proxy in the manner set out in the Notice of Meeting and this Management Information Circular.**

**APPOINTMENT AND REVOCATION OF PROXIES**

A holder of Common Shares who appears on the records maintained by the Corporation's registrar and transfer agent as a registered holder of Common Shares (each a “**Registered Shareholder**”) may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Management Information Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Corporation. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT HIM, HER OR IT AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Corporation's transfer agent and registrar, Computershare Investor Services Inc., at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 (the “**Transfer Agent**”), not later than 10:00 a.m. (Eastern time) on Wednesday, July 5, 2023, or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or

attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

<b>By Mail or Hand Delivery:</b>	Computershare Investor Services Inc. 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1
<b>Telephone:</b>	1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America)  You will need to provide your 15 digit control number (located on the form of proxy accompanying this Management Information Circular)
<b>By Internet:</b>	<a href="http://www.investorvote.com">www.investorvote.com</a>  You will need to provide your 15 digit control number (located on the form of proxy accompanying this Management Information Circular)

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at, or by transmitting by telephone or electronic means, a revocation signed, subject to the provisions of the *Business Corporations Act* (Ontario), by electronic signature, to (i) the registered office of the Corporation, located at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

#### EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Management Information Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

#### ADVICE TO NON-REGISTERED SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders of the Corporation as a substantial number of shareholders of the Corporation do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Transfer Agent as a registered holder of Common Shares (each a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies,

securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (each a “**Clearing Agency**”) of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

#### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Corporation or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Corporation's OBOs can expect to be contacted by their Intermediary. The Corporation does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

#### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

*Voting Instruction Form.* In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a “**VIF**”). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

*Form of Proxy.* Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that 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. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

#### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common

Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominees name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Corporation as maintained by the Transfer Agent, unless specifically stated otherwise.

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

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of special shares, issuable in series. As of Wednesday, May 31, 2023 (the “**Record Date**”), there were an aggregate of 49,248,906 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

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

Other than as otherwise disclosed herein, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the last financial year of the Company, 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 Notice of Meeting.

### **1. PRESENTATION OF FINANCIAL STATEMENTS**

The audited financial statements of the Company for the years ended December 31, 2021 and 2022 and the reports 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 and additional information concerning the Company are available under the Company's profile at [www.sedar.com](http://www.sedar.com).

### **2. APPOINTMENT OF AUDITORS**

At the request of the Company, MS Partners LLP, Chartered Professional Accountants (“**MS**”), the former auditors of the Company, resigned as the auditors of the Company effective March 31, 2022. The Board appointed Zeifmans LLP, Chartered Professional Accountants (“**Zeifmans**”), as auditors of the Company effective March 31, 2022, to fill the vacancy created thereby. Shareholders are being asked to confirm the actions of the Board and appoint Zeifmans as auditors of the Company to hold office until the next annual meeting of shareholders. MS were first appointed as the auditors of the Corporation on December 16, 2020.

**UNLESS THE SHAREHOLDER DIRECTS THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN CONNECTION WITH THE CONFIRMATION AND APPOINTMENT OF AUDITORS, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE APPOINTMENT OF ZEIFMANS LLP, CHARTERED PROFESSIONAL ACCOUNTANTS AS THE AUDITORS OF THE COMPANY UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND TO AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION.**

In accordance with the provisions of National Instrument 51-102 – *Continuous Disclosure Obligations*, attached hereto as Schedule “A”, is the requisite reporting package, including the notice of the Company to MS and Zeifmans stating that there are no reportable events and the letters of each of MS and Zeifmans to the British Columbia Securities Commission, and Ontario Securities Commission.

### 3. ELECTION OF DIRECTORS

The Board currently consists of three directors. At the Meeting, four (4) directors will be nominated by management for election as directors of the Company for the ensuing year. The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by them as of the date hereof.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation, Business or Employment for the Five Preceding Years <sup>(1)</sup>	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>	Percentage of Voting Shares Owned or Controlled
James Atkinson <sup>(2)(3)</sup> Ontario, Canada  Chief Executive Officer, Interim Chief Financial Officer and Director	President and CEO of Talisker Gold Corp.	January 13, 2021	2,438,500	4.95%
Walter Henry <sup>(2)</sup> Ontario, Canada  Director	President and CEO of Frontline Gold Corporation	January 13, 2021	Nil	N/A
Rodney Ireland <sup>(2)</sup> Ontario, Canada  Director	Director of Sensor Technologies and Green Capital Corp.	February 28, 2023	Nil	N/A
Radovan Danilovsky Ontario, Canada  Proposed Director	President and Corporate Secretary of McLaren Resources Inc.; Director and Corporate Secretary of Carshaw Gold Mines Inc.; and Managing Director, Portfolio Manager and Chief Compliance Officer of Orthogonal Capital Management Corp.	Nominee	Nil	N/A

Notes:

- (1) The information as to principal occupation, business or employment and voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) James Atkinson owns 1,888,500 Common Shares of the Company directly and the remaining 550,000 Common Shares are owned indirectly by JD Exploration Inc., a private company wholly owned by James Atkinson.
- (4) The principal occupation of Mr. Danilovsky, the director nominee who was not previously elected by the shareholders of the Company, during the past five years are as follows:
  - Mr. Danilovsky is Managing Director, Portfolio Manager and Chief Compliance Officer of Orthogonal Capital Management Corp., President and Corporate Secretary of McLaren Resources Inc. and Director and Corporate Secretary of Carshaw Gold Mines Inc.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED 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 set forth below, 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.

#### *Walter Henry*

On October 4, 2019, while Walter Henry served as a director of Folkstone Capital Corp. (“**Folkstone**”), the British Columbia Securities Commission (“**BCSC**”) issued a cease trade order against Folkstone (the “**Folkstone CTO**”) for the failure to file its annual audited financial statements and management discussion and analysis for the year ended May 31, 2019. The Folkstone CTO was revoked by the BCSC on December 18, 2020.

#### *Personal Bankruptcies*

No person proposed to be nominated for election as a director at the Meeting is or has, within the preceding ten 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*

As of the date of this Circular, no director proposed to be nominated for election at the Meeting has been subject to any:

- (a) 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
- (b) other penalties or sanctions imposed by a court or regulatory body that would be likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

#### **4. AMENDMENT TO ARTICLES OF CONTINUANCE – NAME CHANGE**

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a special resolution, the text of which is attached as Exhibit “A” to the Notice of Meeting (the “**Name Change**”).



**Resolution"**), which would authorize the Company to amend of the articles of continuance to change its name to such name as the Board, in its sole discretion, may determine and as may be acceptable to the Director appointed under the *Business Corporation Act* (Ontario) (the "**Name Change**").

The Company believes that the Name Change is in the best interests of the Company in order to reflect contemplated changes in the business activities of the Company.

In order to pass the Name Change Resolution, at least two thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Name Change Resolution. If the Name Change Resolution does not receive the requisite shareholder approval, the Company will continue under its present name.

The Board recommends that shareholders vote in favour of the Name Change Resolution to approve the Name Change as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NAME CHANGE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## **5. APPROVAL OF STOCK OPTION PLAN**

The Company has adopted a "rolling" stock option plan (the "**Plan**") for officers, directors, employees and consultants of the Company. The Plan provides for the issue of stock options to acquire up to 10% of the issued and outstanding Common Shares as at the date of grant, subject to standard anti-dilution adjustment. This is a "rolling" stock option plan as the number of Common Shares reserved for issue pursuant to the grant of stock options will increase as the number of issued and outstanding Common Shares increases. At no time will more than 10% of the outstanding Common Shares be subject to grant under the Plan. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares in respect of that expired, exercised or terminated stock option shall again be available for the purpose of the Plan. The principal features of the Plan are described in more detail below in the section entitled "*Statement of Executive Compensation – Stock Option Plan and other Incentive Plans*".

The Plan was last approved and confirmed by the shareholders of the Company at the annual and special meeting of shareholders held on November 24, 2021.

The Plan is a "rolling" stock option plan and under Policy 6.5 of the Canadian Securities Exchange (the "**CSE**"), a listed company on the CSE is required to obtain the approval of its shareholders for a "rolling" stock option plan at each annual meeting of shareholders. Accordingly, shareholders will be asked to approve the following resolution:

### **"BE IT RESOLVED THAT:**

1. the stock option plan of the Company as described in the management information circular dated June 6, 2023, be and it is hereby confirmed and approved.

In accordance with the policies of the CSE, the Plan must be approved by the majority of votes cast at the Meeting on the resolution.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of (a) the Chief Executive Officer, (b) the Chief Financial Officer, (c) the most highly compensated executive officer of the Company at the end of the most recently completed financial year of the Company whose total compensation was more than \$150,000, and (d) each individual who would be a fit the description under paragraph (c) above but for the fact that the individual was neither an executive officer of the

Company and was not acting in a similar capacity, at the end of that financial year (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 <sup>(1)</sup>							
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 (\$)
James Atkinson CEO, Interim CFO and Director	2022 2021	\$75,000 \$35,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$75,000 \$35,000
Walter Henry Director	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Rodney Ireland Director	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Kevin Wright Former Director	2022 2021	\$205,000 \$35,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$205,000 \$35,000
David Beck <sup>(3)</sup> Former CFO	2022 2021	\$56,333 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$56,333 Nil
Chris Irwin <sup>(4)</sup> Former Secretary	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Carly Burk Secretary	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses. This table includes compensation received by the Named Executive Officers and directors of the Company.
- (2) Mr. Wright resigned from his position as Director on May 18, 2023.
- (3) Mr. Beck resigned from his position as CFO on May 2, 2023. Mr. Atkinson was appointed in his stead.
- (4) Mr. Irwin resigned from his position as Secretary on November 1 2022. Ms. Burk was appointed in his stead.

### Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities during the most recently completed financial year of the Company for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

None of the Named Executive Officers or directors of the Company exercised any compensation securities during the most recently completed financial year of the Company.

### Stock Option Plan and other Incentive Plans

The Company has no equity compensation plans other than the Stock Option Plan.

### Employment, Consulting and Management Agreements

The only management agreement the Company has in place between the Company or any subsidiary or affiliate thereof and its Named Executive Officers is as follows:

### *Atkinson Management Services Agreement*

On March 1, 2021, the Company entered into a Management Services Agreement with James Atkinson (the “**Atkinson Management Services Agreement**”), pursuant to which Mr. Atkinson agreed to provide certain management and other services to the Company, including without limitation to act as CEO of the Company. Mr. Atkinson shall, in accordance with the terms and conditions of the Atkinson Management Services Agreement, perform the services faithfully and diligently and shall devote such time as is reasonably necessary to perform the services in accordance with industry standards.

As consideration for the services to be provided by Mr. Atkinson, the Company agreed to pay an annual salary of \$60,000 for the first year of service under the agreement and starting effective January 1, 2021. Thereafter, for the subsequent years during the term of the Atkinson Management Services Agreement, the Company and Mr. Atkinson shall, in good faith, assess and where appropriate increase Mr. Atkinson’s annual base salary. During each year of the Atkinson Management Services Agreement, Mr. Atkinson is also eligible to receive a bonus pursuant to any executive revenue profit sharing plan to be established by the Company commensurate with persons of similar status and authority within the Company. During the term of the Atkinson Management Services Agreement, Mr. Atkinson and, to the extent applicable, his family, dependents, and beneficiaries, shall be allowed to participate in all benefits, plans, and programs available to managers of the Company generally. The term of the Atkinson Management Services Agreement shall continue until the earliest to occur of the following: (i) the third anniversary of the January 1, 2021; or (ii) if terminated in accordance with the Atkinson Management Services Agreement’s termination provisions.

The Atkinson Management Services Agreement may be terminated: (i) in the event of death; (ii) in the event of serious illness to Mr. Atkinson which lasts longer than six calendar months; (iii) at any time, and without notice, for cause or if Mr. Atkinson violates any of the policies, rules and practices of the Company or fails to comply with any of the provisions of the agreement; (iv) at any time by Mr. Atkinson upon giving three months’ notice; (v) at any time by the Company, without cause, by giving one-year written notice or by paying in lieu of such notice, an amount equal to Mr. Atkinson’s then current monthly salary, calculated over a period of one year and payable in 12 equal monthly instalments during which time the Company shall continue to make available any benefits conferred to Mr. Atkinson under the agreement; or (vi) upon Mr. Atkinson attaining seventy-five years of age. The Atkinson Management Services Agreement also provides for certain non-disclosure and confidentiality provisions.

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

### ***Compensation of Directors***

The Board, at the recommendation of the management of the Company, determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. For their role as directors of the Company, each director of the Company who is not a Named Executive Officer may, from time to time, be awarded stock options under the provisions of the stock option plan of the Company. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors of the Company.

### ***Compensation of Named Executive Officers***

#### *Principles of Executive Compensation*

The Company believes in linking an individual’s compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company’s executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal

circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long-term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

The Board is responsible for the Company's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the stock option plan of the Company. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day-to-day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

### Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

### **Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

### **Termination and Change of Control Benefits**

The Company does not have in place any pension or retirement plan. The Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates.

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

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of December 31, 2022.

<b>Plan Category</b>	<b>Number of shares to be issued upon exercise of outstanding options <sup>(1)</sup></b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by Shareholders	750,000	\$0.10	4,174,890
Equity compensation plans not approved by Shareholders	Nil	Nil	Nil
<b>Total</b>	750,000	\$0.10	4,174,890

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

Other than as otherwise disclosed in this Circular, no director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year end or in any proposed transaction that has materially affected or will materially affect the Company.

### **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 is attached hereto as Schedule "B".

### **Composition of the Audit Committee**

The Audit Committee members are currently Walter Henry (Chairman), James Atkinson and Rodney Ireland. Each proposed member of the Audit Committee is a director and financially literate and, other than Mr. Atkinson, is "independent" in accordance with NI 52-110.

### **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 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 financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

**James Atkinson, CEO, Director and Interim CFO** – Since 2018, Mr. Atkinson has been the President and CEO of Talisker Gold Corp., a wholly owned subsidiary of the Company. From March 2017 to March 2018, Mr. Atkinson was self-employed as a geological consultant with Atkinson Consulting, a private company, and served as a director of Champagne Resources Ltd. (now called Warrior Gold Inc.), a junior mining company listed on the TSXV. Prior to March 2017, Mr. Atkinson services as VP Exploration for Americas Silver Corp. (now Americas Gold and Silver Corporation), a junior natural resource mining company listed on the TSX. An experienced exploration geologist and project manager with over 45 years of experience, Mr. Atkinson has spent his career in both mineral exploration and mining and in the environmental field as Vice President, Exploration Manager and Regional Manager with junior and major mining companies such as Newmont, Billiton and Agnico Eagle. He has reviewed, evaluated and acquired projects around the world and recently was part of the team responsible for mergers and acquisitions at Americas Silver. He has worked with investors to form and manage junior exploration companies. In the area of mineral exploration, Mr. Atkinson has designed and managed multimillion dollar programs searching for and discovering various commodities including industrial minerals. These projects, comprised of up to 100 staff, involved geophysical, geochemical and drilling programs as well as prospecting and geological mapping. He has also negotiated option and purchase deals for mineral properties.

**Walter Henry, Director, President and Chief Executive Officer** – Mr. Henry was President and CEO of Frontline Gold Corporation since July 2010 and as a director since December 2019. He has been a director of Alturas Minerals Corp., a junior natural resource mining company, listed on the TSXV, since October 2009. Mr Henry has also been a director of Riverside Resources Inc., a junior natural resource mining company, listed on the TSXV, since June 2016. He continues to hold these positions. Mr. Henry brings more than 25 years of capital markets and leadership experience having served as CEO of 4 publicly traded junior companies while also serving as VP, Finance and CFO with several public

companies listed on the TSX and TSXV, including Tiberon Minerals Ltd., Royal Nickel Corp., Juno Special Situations Corp., and Alturas Minerals Corp. Mr. Henry maintains the ICD.D designation having completed the Institute of Corporate Director's Director Education Program in May 2010. Mr. Henry has had the roles of Chairman, Audit Chair and Director over 12 publicly traded junior companies. Mr. Henry holds the Chartered Financial Analyst designation and brings a wide range of expertise to the Company's executive management team given his extensive finance background encompassing Capital Markets, Investment Banking, International Projects and Financial Reporting within the Natural Resources Sector.

### **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 regarding**

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.

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

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

### **Audit Fees**

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended December 31, 2022 and December 31, 2021:

	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees (\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>
<b>Year ended December 31, 2022</b>	\$40,000	Nil	\$5,200	Nil
<b>Year ended December 31, 2021</b>	\$10,000	Nil	\$3,000	Nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual 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 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 GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the “**Governance Guidelines**”) of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company’s approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

### Board of Directors

The Board is currently composed of three directors. At the Meeting, shareholders are being asked to determine the number of directors to be elected at the Meeting to be four. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* (“**Form 58-101F2**”) requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a “material relationship” with the issuer. Accordingly, Mr. Atkinson, the Chief Executive Officer and Interim Chief Financial Officer of the Company is considered not to be “independent”. The remaining proposed directors, Messrs. Henry, Ireland and Danilovsky are considered by the Board to be “independent” within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

### Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuer
Walter Henry	Frontline Gold Corporation; Riverside Resources Inc.; Alturas Minerals Corp.
Rodney Ireland	Sensor Technologies and Green Capital Corp.

### Orientation and Continuing Education

The Board provides an overview of the Company’s business activities, systems and business plan to all new directors. New directors have access to the Company’s records and management in order to conduct their own due diligence and are briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines, and existing policies of the Company. The directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

### Ethical Business Conduct

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of Board members it



considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Board members independent of corporate matters.

### **Nomination of Directors**

The Board has not formed a nominating committee or similar committee to assist the Board with the nomination of directors for the Company. The Board considers itself too small to warrant creation of such a committee; however each of the directors has contacts he can draw upon to identify new members of the Board as needed from time to time.

The Board will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board.

### **Other Board Committees**

The Board has no committees other than the Audit Committee.

### **Assessments**

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an *ad hoc* basis.

The Board does not formally assess the performance or contribution of individual Board members or committee members.

## **OTHER MATTERS**

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company in order to request copies of: (i) this Circular; and (ii) the Company's consolidated financial statements and the related Management's Discussion and Analysis (the "MD&A") which will be sent to the shareholder without charge upon request. Financial information is provided in the Company's financial statements and MD&A for the financial year of the Company ended December 31, 2022 and 2021.

## **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 Toronto, Ontario, on the 6<sup>th</sup> day of June, 2023.

### **BY ORDER OF THE BOARD**

*"James Atkinson" (signed)*  
Chief Executive Officer, Interim Chief Financial and  
Director

**EXHIBIT "A"**

**SPECIAL RESOLUTIONS OF THE SHAREHOLDERS  
OF  
ADVANCE UNITED HOLDINGS INC. (THE "COMPANY")  
AMENDMENT TO ARTICLES – NAME CHANGE**

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of the Company be amended to change the name of the Company to such name as the directors of the Company, in their sole discretion, may determine and as may be acceptable to the Director appointed under the *Business Corporations Act* (Ontario);
2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company be, and they are hereby, authorized and directed to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the articles of amendment and to determine not to proceed with the amendment of the articles of the Company without further approval of the shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

**SCHEDULE "A"**

**ADVANCE UNITED HOLDINGS INC.**

**CHANGE OF AUDIT PACKAGE**



## SUCCEEDING AUDITOR LETTERHEAD

*April 1, 2022*

**Ontario Securities Commission**

20<sup>th</sup> Floor, 20 Queen Street West  
Toronto, ON  
M5H 3S8

**British Columbia Securities Commission**

PO Box 10142, Pacific Centre  
12th Floor, 701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

**Alberta Securities Commission**

4<sup>th</sup> Floor, 300 – 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3C4

Dear Sirs:

**Re: Advance United Holdings Inc. (the “Corporation”)  
Notice Pursuant to Section 4.11 of National Instrument 51-102 - Change of Auditor**

In accordance with Section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor dated March 31, 2022 (the “Notice”) and agree with the information contained therein, based upon our knowledge of the information relating to the said Notice and of the Company at this time.

We understand that the Notice, along with this letter and a similar letter from MS Partners LLP, Chartered Professional Accountants, will be provided to the Company’s registered shareholders with the meeting materials relating to the Company’s next Annual General Meeting of Shareholders.

Yours very truly,

**ZEIFMANS LLP,  
Chartered Professional Accountants**

**MS PARTNERS LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

March 31, 2022

Alberta Securities Commission  
British Columbia Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

**Re: Advance United Holdings Inc. (the "Corporation")  
Notice of Change of Auditor Pursuant to National Instrument NI 51-102  
(Section 4.11)**

In accordance with Section 4.11 of National Instrument 51-102, we have reviewed the Corporation's Notice of Change of Auditor ("the Notice") dated March 31, 2022. Based on our information to this date, we agree with Statements b) and d) contained in the Notice. We have no basis to agree or disagree with Statement a), c), and e) contained in the Notice.

Yours truly



MS Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

cc: The Board of Directors, Advance United Holdings Inc.

**SCHEDULE "B"**

**ADVANCE UNITED HOLDINGS INC.**

**CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

**ADVANCE UNITED HOLDINGS INC.**  
(the “Company”)

**AUDIT COMMITTEE CHARTER**

**1. Mandate**

The audit committee will assist the board of directors (the “**Board**”) in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company’s business, operations and risks.

**2. Composition**

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

*2.1 Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Company. If the Company ceases to be a “venture issuer” as that term is defined in National Instrument 52-110 entitled “Audit Committees” (“**NI 52-110**”), then all of the members of the audit committee shall be free from any material relationship with the Company within the meaning of NI 52-110.

*2.2 Financial Literacy of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. A person is generally considered “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

**3. Meetings**

The audit committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

**4. Roles and Responsibilities**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

#### 4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- d) review and recommend to the Board the compensation to be paid to the external auditors; and
- e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

#### 4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company;
- b) and ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### 4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.



*Annual Financial Statements*

- a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

*Interim Financial Statements*

- a) review and approve the interim financial statements prior to their release to the public; and
- b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

*Release of Financial Information*

- a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

**4.4** *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

*Delegation of Authority*

- a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

*De-Minimis Non-Audit Services*

- a) The audit committee may satisfy the requirement for the pre-approval of nonaudit services if:
  - i. the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

- ii. the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

*Pre-Approval Policies and Procedures*

- a) The audit committee may also satisfy the requirement for the pre-approval of nonaudit services by adopting specific policies and procedures for the engagement of nonaudit services, if:
  - i. the pre-approval policies and procedures are detailed as to the particular service;
  - ii. the audit committee is informed of each non-audit service; and
  - iii. the procedures do not include delegation of the audit committee's responsibilities to management.

*4.5 Other Responsibilities*

The audit committee shall:

- a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- e) perform other oversight functions as requested by the Board; and
- f) review and update this Charter and receive approval of changes to this Charter from the Board.

*4.6 Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

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