



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR THE
ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS
OF
VORTEX ENERGY CORP.**

TO BE HELD ON

JANUARY 11, 2024

DATED: DECEMBER 11, 2023

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JANUARY 11, 2024

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Vortex Energy Corp. (the “**Company**” or “**Vortex**”) will be held at the offices of the Company’s legal counsel, DLA Piper (Canada) LLP, at 1133 Melville Street, Suite 2700, Vancouver, BC V6E 4E5 on Thursday, January 11, 2024 at 10:00 a.m. (Vancouver Time). At the Meeting, Shareholders will be asked to consider the following matters:

1. to receive the audited financial statements of the Company for the year ended June 30, 2023 and for the period from incorporation on July 13, 2021 to June 30, 2022, and the auditor’s report thereon;
2. to set the number of directors at three (3) for the ensuing year;
3. to elect the directors for the ensuing year;
4. to appoint Baker Tilly WM LLP as the Company’s auditor for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. to authorize, approve, ratify and confirm Company’s equity compensation plan (the “**Compensation Plan**”) and the unallocated entitlements issuable thereunder, as further set out in Part 5 of Section 7 of the Information Circular (as defined below);
6. to approve a special resolution to amend the quorum requirement in the Company’s articles to require a quorum for the transaction of business at shareholder meetings of two shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting and are present in person or represented by proxy; and
7. to transact such further or other business as may be properly brought before the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof.

The accompanying Management Information Circular (the “**Information Circular**”) provides additional information relating to the matters to be dealt with at the Meeting. The board of directors of the Company (the “**Board**”) has approved the contents of the Information Circular and the distribution of the Information Circular to Shareholders. All Shareholders are reminded to review the Information Circular before voting, as it contains important information about the Meeting. Although no other matters are contemplated, the Meeting may also consider the transaction of such further or other business, and any permitted amendment to or variation of any matter identified in this Notice, as may properly come before the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof.

The Board has fixed the close of business on December 7, 2023 as the record date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting, or at any continuation of the Meeting following an adjournment or postponement thereof. Only Shareholders at the close of business on December 7, 2023 are entitled to receive notice of and vote at the Meeting or at any continuation of the Meeting following an adjournment or postponement thereof. Shareholders are entitled to vote at the Meeting either in person or by proxy, as described in the Information Circular under the heading “*Section 2 – Proxies and Voting Rights*”. For information with respect to Shareholders who own their shares through an intermediary, see “*Section 2 – Proxies and Voting Rights – Beneficial Shareholder Voting*” in the Information Circular.

In order to streamline the Meeting process, the Company encourages Shareholders to vote in advance of the Meeting by using the form of proxy or voting instruction form provided with the Meeting materials and by submitting their votes no later than Tuesday, January 9, 2024 at 10:00 a.m. (Vancouver time) (or no later than 48 hours, excluding Saturdays, Sundays and statutory holidays, prior to the date on which the Meeting or any postponement or adjournment thereof is held), the cut-off time for the deposit of proxies prior to the Meeting, in accordance with the processes set out in the Information Circular, or before such earlier time and in such manner as may be directed in the form.

We value your opinion and participation at the Meeting as a Shareholder of the Company. If you have any questions relating to the Meeting, please contact the Company at info@vortexenergycorp.com.

DATED at Vancouver, British Columbia this 11th day of December, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Paul Sparkes

Paul Sparkes
Chief Executive Officer and Director

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MANAGEMENT INFORMATION CIRCULAR
As at December 11, 2023

SECTION 1 - INTRODUCTION

This management information circular (the “**Information Circular**”) accompanies the notice of meeting (the “**Notice**”) and is furnished to shareholders (the “**Shareholders**”) holding common shares (“**Common Shares**”) in the capital of Vortex Energy Corp. (the “**Company**” or “**Vortex**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the Shareholders to be held on Thursday, January 11, 2024 at 10:00 a.m. (Vancouver time) in-person at the offices of the Company’s legal counsel, DLA Piper (Canada) LLP, at 1133 Melville Street, Suite 2700, Vancouver, BC V6E 4E5, or at any continuation of the Meeting following an adjournment or postponement thereof.

INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is given as of December 11, 2023.

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

Information contained in this Information Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection with the matters considered in this Information Circular.

The Canadian Securities Exchange has neither reviewed nor approved the disclosure in this Information Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This Information Circular contains “forward-looking information” within the meaning of applicable Canadian securities legislation (“**forward-looking statements**”). In some cases, forward-looking statements can be identified by words or phrases such as “may”, “might”, “will”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “indicate”, “seek”, “believe”, “predict”, “assume”, “budget”, “strategy”, “scheduled”, “forecast”, “target” or “likely”, or the negative forms of these terms, or other similar expressions (or variations of such words or phrases) or statements that certain actions, events or results

“may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. In particular, forward-looking statements in this Information Circular include, but are not limited to, statements with respect to: future financial or operating performance of the Company; the Company’s operating plans and strategies, including the Company’s plans to investigate the potential to utilize any salt caves located at its Robinsons River Salt Property in Newfoundland and Labrador (the “**Robinsons River Salt Property**”) for renewable energy storage; proposed exploration activities at the Robinsons River Salt Property and the Company’s other properties, the timing and cost of any such activities, the anticipated results and utility of such activities, the potential of such activities to establish mineral resources or mineral reserves at any of our properties and the timing and results of any future mineral reserve or mineral resource estimates undertaken at any of our properties; estimates of the size of salt formations or other mineralized zones encountered at any of our properties and the potential for the Company to expand any such zones; estimates of the capacity of the salt structures at the Robinsons River Salt Property to hold salt caverns and the estimated amount, storage capacity and volume of such caverns; the potential exercise of the option granted to the Company under the option agreement with respect to the Company’s Fire Eye Property in Saskatchewan (the “**Fire Eye Property**”); the Company’s plans regarding the Robinsons River Salt Property, including, without limitation, proposed core well drilling, laboratory testing and subsurface cavern field planning and design and the exploration activities recommended by the author of the technical report with respect to the Robinsons River Salt Property; the anticipated timing, results, benefits, costs and parameters of other exploration and development plans; the condition and future viability of the Robinsons River Salt Property; the prospect of developing a mine at, or producing minerals from, the Robinsons River Salt Property; expectations regarding the future price of and demand for minerals; the Company’s plans with respect to the membrane separator for efficient hydrogen purification technology licensed from Ammpower Corp. (the “**Hydrogen Technology**”), including its ability to complete these plans, to enter into sub-licensing agreements and to directly supply products in respect of such Hydrogen Technology; expectations regarding the environmental impact of the Company’s properties and estimates of the Company’s reclamation obligations at its properties; the potential acquisition of additional mineral properties or property concessions; the Company’s ability to obtain and maintain licenses, permits and regulatory approvals required to implement the Company’s proposed activities and the expected timeline for receiving such licenses, permits and regulatory approvals; the Company’s expectations regarding its ability to work cooperatively with stakeholders, including local communities; the future impact of, and future delays and disruptions caused by, the novel coronavirus, contagious diseases or other global pandemics or epidemics; the Company’s requirements for additional capital, the adequacy of the Company’s financial resources (and its ability to continue as a going concern) and the Company’s ability to raise additional capital and/or pursue additional strategic options, including the potential impact on the Company’s business, financial condition and results of operations of doing so or not; the intended use of proceeds from financings; and capital allocation plans. All statements other than statements of historical fact included in this Information Circular, including, without limitation, statements regarding the future plans and objectives of the Company, predictions, expectations, beliefs, projections, assumptions or future events are forward-looking statements.

These forward-looking statements are not historical facts and are not guarantees of future performance and involve assumptions, estimates and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Forward-looking statements are based on the assumptions, beliefs, expectations and opinions of management on the date the statements are made concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities, commitments and future opportunities, many of which are difficult to predict and beyond our control. In connection with the forward-looking statements contained in this Information Circular, we have made certain assumptions about, among other things, the Company’s business operations, including the Company’s growth potential, future prospects and opportunities; the Company’s ability to execute on its business plan; that no significant event will occur outside the Company’s normal course of business operations; the demand for and future prices of commodities and metals; the growth of the renewable energy

industry and the future demand for renewable energy storage; the future impact of pandemics, endemics and epidemics; the Company's financial resources and its ability to raise any necessary additional capital on reasonable terms; general business and economic conditions; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the actual geology of the Robinsons River Salt Property aligning with the description of the Robinsons River Salt Property in the technical report for the Robinsons River Salt Property and in other assessment work undertaken by the Company; the accuracy of budgeted exploration costs and expenditures; results of exploration activities being as anticipated and being completed in accordance with anticipated timelines and costs; plans for the Company's properties being achieved; plans for the Hydrogen Technology being achieved; financial commitments in respect of the Robinsons River Salt Property, the Fire Eye Property and the licensing agreement with respect to the Hydrogen Technology (the "**Licensing Agreement**") being met; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel and directors; political and regulatory stability; competitive conditions; market (including labour, financial and capital market) conditions in Canada; the timely receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms and in a timely manner; stability in the requirements placed on the Company under applicable laws; sustained labour stability; the availability of certain consumables and services; labour and materials costs; results, costs and timing of future exploration and drilling programs; our relationship with stakeholders, including local communities; and ability to acquire additional properties on favourable terms. Although management considers those assumptions to be reasonable on the date of this Information Circular based on information currently available to us, these assumptions are subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements. The Company cautions that the foregoing list of assumptions is not exhaustive. Other events or circumstances could cause action results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained in this Information Circular.

Investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, actions, events, conditions, performance or achievements to be materially different from those expressed or implied by the forward-looking statements, including, without limitation, those related to: continuing as a going concern; ability to meet financial commitments in respect of the Robinsons River Salt Property, the Fire Eye Property and the Licensing Agreement, and otherwise; exploration, development and operating risks; dependence on few mineral properties; the early stage status of the Company's mineral properties and the nature of exploration; fluctuations in commodity prices; the development of salt caverns; hydrogen market growth; novel technology risk; the dependence of the Company on its key personnel; conflicts of interest; the conflict in Ukraine and related geopolitical risks; minority interests, property option agreements, joint venture operations and similar arrangements; relationships with local communities and aboriginal groups; information technology, including cyber security risks; social and environmental activism; environmental laws, regulations and permitting requirements and environmental hazards; the application for and receipt of required permits and approvals; potential acquisitions and their integration with the Company's business; compliance with laws; the Company's requirements for additional capital; factors inherent in the exploration and development of mineral properties that are outside of the Company's control; title to mineral properties; inflation; adverse general economic conditions; access to and the availability of adequate infrastructure; limits of insurance coverage and the occurrence of uninsurable risks; competitive conditions in the mineral exploration and mining businesses; human error; the influence of third party stakeholders; the growth of the Company; compliance with the *Canadian Extractive Sector Transparency Measures Act* (Canada); litigation or other proceedings; expansion into other geographic

areas; outbreaks of contagious diseases; investment in the Common Shares; the potential for dilution to holders of Common Shares; the volatility of the market price for the securities of mining companies and the market price for the Common Shares; the Company's policy regarding the payment of dividends; the Company's inability to maintain the listing of the Common Shares on a stock exchange; and the Company's compliance with evolving corporate governance and public disclosure regulations.

The factors identified above are not intended to represent a complete list of the risks and factors that could affect any of the forward-looking statements. Some of the important risks and factors that could affect forward-looking statements are discussed in the section entitled "*Risk Factors*" in the Company's annual information form, dated October 6, 2023 and filed on the Company's SEDAR+ profile at www.sedarplus.ca. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results, actions, events, conditions, performance or achievements not to be as anticipated, estimated or intended. Forward-looking statements are not a guarantee of future performance. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The forward-looking statements contained herein are made as of the date of this Information Circular and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

NOTICE TO SECURITYHOLDERS IN THE UNITED STATES

Vortex is a company existing under the laws of British Columbia, Canada. The solicitation of the proxies is being made and the transactions contemplated herein are being undertaken by a Canadian issuer in accordance with Canadian corporate and securities laws and are not subject to the requirements of Section 14(a) of the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**") by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" (as defined in Rule 3b-4 under the U.S. Exchange Act). Accordingly, this Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada, and the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws, which are different from the requirements applicable to proxy solicitations under the U.S. Exchange Act. Shareholders should be aware that disclosure requirements under such Canadian laws are different from requirements under United States corporate and securities laws relating to issuers organized under United States laws, and this Information Circular has not been filed with or approved by the U.S. Securities and Exchange Commission or the securities regulatory authority of any state within the United States.

The enforcement by Shareholders in the United States of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated in a jurisdiction outside the United States, each of its directors and executive officers are residents of jurisdictions outside of the United States and certain of its assets and the assets of such persons are located outside the United States. Shareholders in the United States may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court. As a result, it may be difficult or impossible for Shareholders in the United States to effect service of process within the United States upon the Company or its officers or directors or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws

of the United States or “blue sky” laws of any state within the United States. In addition, Shareholders resident in the United States should not assume that Canadian courts: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States or “blue sky” laws of any state within the United States.

CURRENCY

Unless otherwise indicated herein, references to “\$”, “CAD\$” or “Canadian dollars” are to Canadian dollars, and references to “US\$” or “U.S. dollars” are to United States dollars.

SECTION 2 – PROXIES AND VOTING RIGHTS

MANAGEMENT SOLICITATION

The solicitation of proxies by management of the Company (“**Management**”) will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy. The cost of solicitation will be borne by the Company.

VOTING

Each Shareholder of record on the record date of December 7, 2023 (the “**Record Date**”) is entitled to one vote for each Common Share held. To approve a resolution proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “ordinary resolution”) unless the resolution requires a majority of 66^{2/3}% of the votes cast (a “special resolution”). An ordinary resolution is required to be passed for each of the matters scheduled to be acted upon at the Meeting, except for the amendment to the Company’s articles to change the quorum requirement, which will require a special resolution to be passed. In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for the purposes of determining a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

The manner in which you vote your Common Shares depends on whether you are a registered Shareholder or a non-registered (or beneficial) Shareholder. You are a registered Shareholder (a “**Registered Shareholder**”) if your name appears on your Common Share certificate. Most Shareholders of the Company are “beneficial shareholders” who are non-Registered Shareholders. You are a beneficial Shareholder (a “**Beneficial Shareholder**”) if you beneficially own Common Shares that are held in the name of an intermediary, such as a bank, a trust company, a securities broker, a trustee or some other nominee, and therefore do not have the Common Shares registered in your own name.

REGISTERED SHAREHOLDER AND DULY APPOINTED PROXYHOLDER VOTING

Registered Shareholders can vote their Common Shares either in person at the Meeting or by proxy. Voting by proxy is the easiest way for Registered Shareholders to cast their vote.

The purpose of a proxy is to designate persons who will vote on a Registered Shareholder’s behalf in accordance with the instructions given by the Registered Shareholder in the proxy. The persons named as proxyholders in the enclosed form of proxy (the “**Management Nominees**”) are officers of the Company.

A Registered Shareholder has the right to appoint a person or company (who need not be a Shareholder) to represent the Shareholder at the Meeting other than the Management Nominees designated in the enclosed form of proxy. To exercise this right, the Registered Shareholder must insert the name of the Shareholder's nominee in the space provided in the accompanying proxy or complete another appropriate form of proxy permitted by law, and in either case send or deliver the completed proxy to the Company's registrar and transfer agent, Odyssey Trust Company (the "Transfer Agent"). Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as such Shareholder's proxy and should provide instruction to the nominee on how such Shareholder's Shares should be voted. Any nominee appointed by a Shareholder should bring personal identification to the Meeting.

In order to be valid and acted upon at the Meeting, the completed form of proxy must be received by the Transfer Agent at Suite 702, 67 Yonge Street, Toronto, Ontario M5E 1J8, Attention: Proxy Department by mail, fax or via the Internet (in each case, in accordance with the instructions below) at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the scheduled time of the Meeting, or any postponement(s) or adjournment(s) thereof. Proxies received after that time may be accepted by the Chair of the Meeting at the Chair of the Meeting's discretion, and the Chair of the Meeting is under no obligation to accept late proxies.

- By mail, complete, sign and date your form of proxy and return the form of proxy to the Transfer Agent in Toronto at the address above. You may also deliver your completed, signed and dated form of proxy by hand to the address for the Transfer Agent in Toronto above.
- To vote by fax, complete, sign and date your form of proxy and forward it by fax to the Transfer Agent, Attention: Proxy Department, at 1-800-517-4553 (toll-free Canada and the U.S.) or outside Canada and the U.S. to 416-263-9524.
- To vote using the Internet, please visit the website <https://vote.odysseytrust.com>. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed form of proxy for the holder's control number and address.

To vote by the Internet, you will need to provide your 15-digit control number found on your proxy form.

A Registered Shareholder completing a proxy may indicate the manner in which the persons named in the proxy are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or withheld from voting on any poll required or requested in accordance with the instructions given in the proxy.

If a Registered Shareholder wishes to confer discretionary authority with respect to any matter, then the appropriate space on the proxy should be left blank. **In such instance, if the proxyholder is a Management Nominee, the proxyholder intends to vote the Common Shares represented by the proxy IN FAVOUR of the resolution.**

The enclosed form of proxy, when properly signed, confers discretionary authority upon the persons named therein with respect to amendments or variations to any matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting. If, however, other matters which are not now known to management of the Company should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the holder of the proxy.

A proxy will not be valid unless it is dated and signed by the Registered Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Registered Shareholder or joint Registered Shareholders, or by an officer or attorney-in-fact for a corporate Registered Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarized certified copy thereof, must accompany the form of proxy.

BENEFICIAL SHAREHOLDER VOTING

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name.

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders or those otherwise deposited pursuant to the process set out in the following disclosure.

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of an intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

Most Shareholders are Beneficial Shareholders. There are two kinds of Beneficial Shareholders – those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called “**NOBOs**” for Non-Objecting Beneficial Owners).

In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has elected to deliver proxy-related materials indirectly through intermediaries for onward distribution to NOBOs and OBOs (unless such Shareholder has waived the right to receive such materials). Management of the Company does not intend to pay for intermediaries to forward to OBOs, under NI 54-101, the proxy related materials with respect to the Meeting and the Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*. As such, if you are an OBO, you will not receive these materials unless your intermediary assumes the cost of delivery.

Generally, Beneficial Shareholders who have not waived the right to receive proxy-related materials will be given a voting instruction form (“**VIF**”) by their intermediary, which must be completed and signed by the Beneficial Shareholder in accordance with the directions in the VIF. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting. The VIF, or other form, supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company; however, its purpose is limited to instructing the intermediary on how to vote your Shares on your behalf.

Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the Management Nominees to represent your Common

Shares at the Meeting. If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.

If you are a Beneficial Shareholder in the United States, you must request a legal proxy form from your intermediary, granting you or your proxyholder, as the case may be, the right to attend the Meeting and vote during the Meeting, and return the legal proxy to the Transfer Agent by (1) mail to the Transfer Agent in Toronto using the following address: Suite 702, 67 Yonge Street, Toronto, Ontario M5E 1J8, Attention: Proxy Department, or (2) fax to the Transfer Agent, Attention: Proxy Department, using 1-800-517-4553 (toll-free Canada and the U.S.) or outside Canada and the U.S. to 416-263-9524, in each case at least two business days (excluding Saturdays, Sundays and holidays) prior to the scheduled time of the Meeting, or any adjournment(s) thereof. Follow the instructions from your intermediary included with these proxy materials or contact your intermediary to request a legal proxy form.

In any case, the purpose of this procedure is to permit a Beneficial Shareholder to direct the voting of Common Shares which they beneficially own. You have the right to appoint a person (who need not be a Shareholder), other than any of the persons designated in the form that you receive, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the form. The completed form must then be returned to Broadridge or your intermediary by mail or facsimile or given to Broadridge or your intermediary by phone or over the internet, in all cases in accordance with the instructions contained in the form. Broadridge or your intermediary will then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any Shareholder's representative.

REVOCATION OF PROXIES

A Registered Shareholder who has given a proxy may revoke it at any time before it is exercised at the Meeting or any adjournment or postponement thereof.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Registered Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Registered Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and delivered to either the Transfer Agent at Suite 702, 67 Yonge Street, Toronto, Ontario M5E 1J8, Attention: Proxy Department at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof at which the proxy is to be used or the Chair of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or any adjournment or postponement thereof at which the proxy is to be used. Upon such deposit, the original proxy is revoked.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Registered Shareholder or (b) submission of a subsequent proxy in accordance with the procedures discussed under the heading "*Registered Shareholder and Duly Appointed Proxyholder Voting*".

A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation. **Only Registered Shareholders have the right to revoke a proxy. If you are a Beneficial Shareholder, please contact your intermediary for instructions on how to revoke your voting instructions.**

EXERCISE OF DISCRETION BY MANAGEMENT NOMINEES

If the instructions in a proxy are certain, the Common Shares represented thereby will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions of the Shareholder by the person(s) named in the proxy and, where a choice with respect to any matter to be acted upon has been specified in the proxy, the Common Shares represented thereby will, on any ballot that may be called for, be voted or withheld from voting in accordance with the specifications so made.

Where no choice has been specified by a Shareholder, and the Management Nominees have been appointed, such Common Shares will, on a poll, be voted IN FAVOUR of the resolution.

The enclosed proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholder thereunder to vote with respect to any amendments or variations of the matters identified in the Notice and with respect to other matters which may properly come before the Meeting.

NOTICE-AND-ACCESS

The Company is not relying on the “Notice and Access” delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting. However, the Company is electronically delivering proxy-related materials to Shareholders who have requested such delivery method and encourages Shareholders to sign up for electronic delivery of all future proxy materials. The proxy materials for the Meeting can be found on SEDAR+ at www.sedarplus.ca under the Company’s profile and on the Company’s website at www.vortexenergycorp.com.

SECTION 3 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

VOTING OF COMMON SHARES

The Company is authorized to issue an unlimited number of Common Shares without par value.

Any Registered Shareholder at the close of business on the Record Date, determined by the Board to be the close of business on December 7, 2023, is entitled to vote in person or by proxy at the Meeting. As at the Record Date, a total of 70,923,737 Common Shares were issued and outstanding, each carrying the right to one vote. We have no other classes of voting securities.

PRINCIPAL HOLDERS OF COMMON SHARES

To the best of the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares as at the Record Date.

QUORUM

Pursuant to the Company’s Articles, the quorum for the transaction of business at a meeting of Shareholders is at least two shareholders who are present in person or represented by proxy at the Meeting.

SECTION 4 - INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no person 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, other than the election of directors or the appointment of auditors. For the purpose of this paragraph, “person” shall include each person or company: (a) who has been a director or executive officer of the Company at any time since the commencement of the Company’s last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person or company included in subparagraphs (a) or (b).

SECTION 5 – INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, no executive officer, director, proposed nominee for election as a director, employee or former executive officer, director or employee of the Company or any of its subsidiaries (or any of their associates) is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, or any of its subsidiaries.

SECTION 6– INTEREST OF CERTAIN PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Company’s most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

An “informed person” means:

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

SECTION 7 - PARTICULARS OF MATTERS TO BE ACTED UPON

The following business will be conducted at the Meeting:

	Business at the Meeting	Board Voting Recommendation	Page Reference
1.	Shareholders to receive the audited financial statements of the Company for the year ended June 30, 2023 and the auditor's report thereon	N/A	11
2.	To set the number of directors at three for the ensuing year	FOR	11
3.	To elect Paul Sparkes, Eli Dusenbury and David Bowen as directors of the Company for the ensuing year	FOR	12
4.	To appoint Baker Tilly WM LLP as the Company's auditor for the ensuing year and to authorize the directors to fix the auditor's remuneration	FOR	15
5.	To authorize, approve, ratify and confirm the Compensation Plan and the unallocated entitlements issuable thereunder	FOR	15
6.	To approve a special resolution to amend the quorum requirement in the Company's articles to require a quorum for the transaction of business at shareholder meetings of two shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting and are present in person or represented by proxy	FOR	17
7.	To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof	N/A	18

1. FINANCIAL STATEMENTS

Our audited consolidated financial statements and management's discussion and analysis for the year ended June 30, 2023 and for the period from incorporation on July 13, 2021 to June 30, 2022 are available upon request from the Company. They can also be found on our profile on SEDAR+ at www.sedarplus.ca.

The audited consolidated financial statements of the Company for the year ended June 30, 2023 and for the period from incorporation on July 13, 2021 to June 30, 2022, and the report of the auditor thereon, will be placed before Shareholders at the Meeting, but no Shareholder vote is required in connection with these documents.

2. NUMBER OF DIRECTORS

Management proposes that the number of directors on the Company's Board be set at three for the ensuing year.

Shareholders will be asked at the Meeting to approve an ordinary resolution to set the number of directors elected for the ensuing year at three, subject to such increases as may be permitted by the Articles of the Company and the provisions of the *Business Corporations Act* (British Columbia) (the “BCBCA”).

We recommend a vote “FOR” the approval of the resolution setting the number of directors for the ensuing year at three.

In the absence of a contrary instruction, the Management Nominees intend to vote FOR the approval of the resolution setting the number of directors for the ensuing year at three.

3. ELECTION OF DIRECTORS

Each director elected holds office until our next annual general meeting or until his successor is elected or appointed, unless his office is earlier vacated in accordance with our Articles or with the provisions of the BCBCA. As such, the term of office of each of the Company’s current directors expires at the Meeting.

At the Meeting, we will ask Shareholders to vote for the election of the three director nominees proposed by management. Each Shareholder will be entitled to cast their votes for or withhold their votes from the election of each director nominee. To be elected, a director nominee must receive a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting on the resolution electing the nominee.

We recommend a vote “FOR” the election of each of the director nominees.

In the absence of a contrary instruction, the Management Nominees intend to vote FOR the election of the three director nominees.

Director Nominees

The following disclosure sets out brief biographies and other relevant information for each of the nominees proposed for election to the Board. Management expects that each of the following three nominees will be able to serve as director for the ensuing year. For information regarding the compensation of our directors and executive officers, please see “*Executive Compensation*”.

Paul Sparkes	
<p>Paul Sparkes is the Chief Executive Officer of the Company. Paul Sparkes is an accomplished business leader and entrepreneur with over twenty-five years of experience in media, finance, capital markets and Canada’s political arena. Paul spent a decade as a leader in the broadcast and media industry as CTV globemedia’s Executive Vice President, Corporate Affairs. He also held senior positions in public service, including with the Government of Canada as Director of Operations to Prime Minister Jean Chretien and Special Assistant for Atlantic Canada, and as a senior aide to two Premiers of Newfoundland and Labrador. Paul was a Co-Founder and Executive Vice Chairman at Difference Capital Financial and</p>	<p>Position(s) with the Company: Chief Executive Officer and Director</p> <p>Residence: Toronto, Ontario, Canada</p> <p>Independent: No</p> <p>Age: 59</p> <p>Director Since: March 17, 2023</p>

<p>serves on several private and public boards. In addition to being the CEO of the Company, he is currently President of Otterbury Holdings Inc. and is an advisor and deal maker for growth companies in the private and public markets.</p>	<p>Committee: Member of the Audit Committee</p> <p>Securities Held: 1,000,000 Options 300,000 RSUs</p> <p>Other Public Directorships: Antler Gold Inc. Denarius Metals Corp. The Good Flour Corp. SolarBank Corp.</p>
<p>Eli Dusenbury</p>	
<p>Mr. Dusenbury has extensive experience in public accounting, providing services to public and private sectors reporting in Canada and in the U.S. over a broad range of industries, including technology, agriculture, engineering, mining and exploration, manufacturing and financing. Mr. Dusenbury holds a CPA designation and a BBA in Business and Accounting. He has served as a CFO with a number of public companies, including: Integral Technologies, Inc., YDX Innovation Corp., Isodiol International Inc., Refined Metals Corp., IMC International Mining Corp., AlphaGen Intelligence Corp., Havn Life Sciences Inc. and Telecure Technologies Inc. He obtained a Bachelor of Business Administration in Accounting and Finance from Capilano University in 2009.</p>	<p>Position(s) with the Company: Director</p> <p>Residence: Vancouver, British Columbia, Canada</p> <p>Independent: Yes</p> <p>Age: 41</p> <p>Director Since: August 1, 2022</p> <p>Committee: Member of the Audit Committee</p> <p>Securities Held: 300,000 Common Shares 250,000 Options 100,000 RSUs</p> <p>Other Public Directorships: AlphaGen Intelligence Corp. HYTN Innovations Inc.</p>
<p>David Bowen</p>	
<p>Mr. Bowen is a self-employed corporate finance consultant. From February 2018 to October 2019 he served as a research analyst with Capstone Asset Management and from July 2020 to November 2021 he served as a director for Traction Uranium Corp. With over 20 years of investment experience, Mr. Bowen has held roles as an investment advisor, portfolio manager, quant trader and programmer of</p>	<p>Position(s) with the Company: Director</p> <p>Residence: Delta, British Columbia, Canada</p> <p>Independent: Yes</p>

<p>related financial applications. Mr. Bowen holds a B. Sc. from the University of British Columbia.</p>	<p>Age: 51</p> <p>Director Since: May 24, 2023</p> <p>Committee: Member of the Audit Committee</p> <p>Securities Held: 200,000 Options 25,000 RSUs</p> <p>Other Public Directorships: Reflex Advanced Materials Corp. Eureka Lithium Corp. Urban Plus Capital Corporation</p>
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Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the best of management of the Company’s knowledge, other than as described herein, no proposed director is, at the date hereof, or has been within the last ten years a director, chief executive officer or chief financial officer of any company (including the Company) that:

- while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (hereinafter referred to as an “**Order**”);
- after that person ceased to be a director or executive officer was subject to an Order which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or
- while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On July 8, 2022, the British Columbia Securities Commission issued a cease trade order to Telecure Technologies Inc., a company for which Mr. Eli Dusenbury serves as CFO, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management’s discussion and analysis, failing to file an interim financial report for the period ended March 31, 2022, along with the accompanying management’s discussion and analysis, and failing to file certification of annual and interim filings for the periods ended December 31, 2021 and March 31, 2022 within the required time periods. This cease trade order currently remains in effect as of the date hereof.

On May 3, 2022, the British Columbia Securities Commission issued a cease trade order to Mr. Josh Rosenberg, Mr. Eli Dusenbury and Telecure Technologies Inc., a company for which Mr. Eli Dusenbury serves as CFO, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management’s discussion and analysis, within the required time period. This cease trade order currently remains in effect as of the date hereof.

On January 11, 2022, the British Columbia Securities Commission issued a cease trade order to Chemesis International Inc. (now Refined Metals Corp.), a company for which Mr. Eli Dusenbury is the CFO, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, as well as the interim financial statements for the period ended September 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. This cease trade order was revoked on March 29, 2022.

On October 29, 2021, the British Columbia Securities Commission issued a cease trade order to Edgar Montero, Eli Dusenbury and Chemesis International Inc. (now Refined Metals Corp.), a company for which Mr. Eli Dusenbury serves as CFO, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. This cease trade order was revoked on March 29, 2022.

To the best of management of the Company's knowledge, no proposed director has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director has been subject to (a) 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 (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

4. APPOINTMENT AND REMUNERATION OF AUDITOR

Shareholders will be asked to approve the appointment of Baker Tilly WM LLP as our auditor to hold office until the next annual general meeting of shareholders at remuneration to be fixed by the directors. The approval of the appointment of Baker Tilly WM LLP must be approved by a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting.

Baker Tilly WM LLP have served as our auditor since March 11, 2022.

We recommend a vote "FOR" the appointment of Baker Tilly WM LLP as our auditor to hold office until the next annual general meeting of shareholders, at remuneration to be fixed by the directors.

In the absence of a contrary instruction, the Management Nominees intend to vote FOR the appointment of Baker Tilly WM LLP at remuneration to be fixed by the directors.

5. APPROVAL OF COMPENSATION PLAN

The Compensation Plan is a "rolling" compensation plan. Pursuant to certain policies of the Canadian Securities Exchange (the "CSE") on which our Common Shares are traded, the Compensation Plan and the unallocated entitlements available thereunder need to be approved by Shareholders within three years of institution, and within every three years thereafter, failing which no further awards may be awarded under the Compensation Plan. Since the Company's listing on the CSE, the Compensation Plan has not been approved by Shareholders. Accordingly, at the Meeting, Shareholders will be asked to consider, and if thought advisable, to pass an ordinary resolution (the "**Compensation Plan Resolution**"), as further set out below, to authorize, approve, ratify and confirm (i) the Compensation Plan and the unallocated entitlements available thereunder.

The maximum aggregate number of Common Shares issuable under the Compensation Plan may not exceed 20% of the issued and outstanding Common Shares from time to time. The Compensation Plan automatically makes exercised or settled awards under the Compensation Plan available for subsequent grants thereunder.

As of the date of this Information Circular, options to purchase 3,162,500 Common Shares and restricted share units which may be settled for 3,137,500 Common Shares are outstanding, representing approximately 4.46% and 4.42% (respectively, and approximately 8.88% in the aggregate) of the issued and outstanding Common Shares. As such, 7,884,747 Common Shares, representing approximately 11.12% of the issued and outstanding Common Shares on the date of this Information Circular, are available for future awards under the Compensation Plan.

A summary of the Compensation Plan is provided in this Information Circular under the heading “*Executive Compensation – Stock Option Plans and Other Incentive Plans*”.

At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass the Compensation Plan Resolution, in substantially the following form:

“RESOLVED THAT:

1. the Equity Compensation Plan (the “**Compensation Plan**”) of Vortex Energy Corp. (the “**Company**”) be and is hereby authorized, approved, confirmed and ratified;
2. all unallocated options, restricted share units and deferred share units which may be granted pursuant to the Compensation Plan are hereby authorized, approved, confirmed and ratified;
3. the reservation by the board of directors of the Company (the “**Board**”) of a sufficient number of common shares in the capital of the Company (“**Common Shares**”) to satisfy the requirements of the Compensation Plan is hereby ratified, confirmed authorized and approved and, upon the proper exercise or settlement, as applicable, of awards pursuant to the terms of the Compensation Plan, the issuance of Common Shares to participants in the Compensation Plan is hereby ratified, confirmed, authorized and approved;
4. the Board be and is hereby authorized to grant options, restricted share units and deferred share units under the Compensation Plan until January 11, 2027, being the date that is three years from the date of the shareholder meeting at which the Compensation Plan was ratified, confirmed, authorized and approved by shareholders; and
5. any one or more of the directors or senior officers of the Company be and is hereby authorized and directed to perform all such acts, deeds and things, and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, as may be required to give effect to the true intent of these resolutions.”

To be effective, the Compensation Plan Resolution must be approved by a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting.

If the Compensation Plan Resolution is not passed by the requisite number of Shareholder votes cast at the Meeting, all unallocated awards thereunder will be cancelled, and we will not be permitted to award further awards under the Compensation Plan until Shareholder approval is obtained for the Compensation Plan. All outstanding awards under the Compensation Plan will continue, unaffected.

We recommend a vote “FOR” the Compensation Plan Resolution.

In the absence of a contrary instruction, the Management Nominees intend to vote FOR the Compensation Plan Resolution.

6. AMENDMENT TO ARTICLES

The Board wishes to amend the Articles of the Company (the “**Articles**”) to amend the quorum requirement to require a quorum for the transaction of business at Shareholder meetings of two Shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting and are present in person or represented by proxy. The Board believes that this change better aligns the Articles with current corporate governance practices prevalent among reporting issuers in Canada and will prevent a small group of Shareholders from passing resolutions that may be considered contentious or problematic by other Shareholders. Currently, the Articles require two Shareholders to be present in person or by proxy at a meeting of Shareholders in order for a quorum to be present, but don’t stipulate how many shares entitled to be voted at the meeting must be held by such Shareholders.

At the Meeting, Shareholders will be asked to consider, and if deemed appropriate, to pass, with or without variation, a special resolution approving the amendment to the Articles (the “**Quorum Resolution**”), as further set out below, to modify the quorum requirement for the Company’s Shareholder meetings to two Shareholders holding or representing by proxy at least 5% of the shares entitled to vote at such meeting. Pursuant to the BCBCA and the Articles, to be effective, the Quorum Resolution must be passed by not less than 66^{2/3}% of the votes cast by Shareholders who are entitled to vote and are present in person or by proxy at the Meeting.

“RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. section 11.3 of the articles of the Company (the “**Articles**”) be deleted in its entirety and replaced with the following:

“11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares and to Article 11.4, a quorum for the transaction of business at a meeting of shareholders is present if at least two shareholders who, in the aggregate, hold at least five (5) percent of the issued shares entitled to be voted at the meeting are present in person or represented by proxy, irrespective of the number of persons actually present at the meeting.”

2. the Company be authorized to revoke this special resolution and abandon or terminate the amendment of the Articles if the board of directors of the Company deems it appropriate and in the best interests of the Company to do so without further confirmation, ratification or approval of the shareholders; and
3. any one or more of the directors or senior officers of the Company be and is hereby authorized and directed to perform all such acts, deeds and things, and execute, under the seal of the Company or otherwise, all such documents and other writings as may be required to give effect to the true intent of these resolutions.”

If the Quorum Resolution is approved at the Meeting, the Company will proceed with formalizing the amendments contemplated hereby, including filing the necessary documents with the registrar under the BCBCA, and the amendment to the Articles will become effective on the date on which the Quorum

Resolution is received for deposit at the Company's records office. If the Quorum Resolution is not passed by the requisite number of Shareholder votes cast at the Meeting, the amendments contemplated hereby will not become effective and the quorum requirement, as currently set forth in the Articles, will remain binding and effective with respect to all meetings of Shareholders.

We recommend a vote "FOR" the Quorum Resolution.

In the absence of a contrary instruction, the Management Nominees intend to vote FOR the Quorum Resolution.

7. OTHER BUSINESS

If other matters are properly brought up at the Meeting, you (or your proxyholder, if you are voting by proxy) can vote as you see fit. As at the date hereof, we are not aware of any other items of business to be considered at the Meeting.

SECTION 8 – EXECUTIVE COMPENSATION

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation - Venture Issuers* and sets forth compensation for each of the named executive officers and directors of the Company.

COMPENSATION OF NAMED EXECUTIVE OFFICERS

Securities legislation requires the disclosure of the compensation received by each "Named Executive Officer" of the Company. "Named Executive Officer" is defined by securities legislation to mean: (i) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO; (ii) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO; (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, or an individual performing similar functions, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year. As of the date of the AIF, the Company has the following Named Executive Officers (collectively, the "Named Executive Officers" or "NEOs"):

- Paul Sparkes, Chief Executive Officer and a director of the Company;
- Kirk Hollohan, former Chief Executive Officer; and
- Paul More, Chief Financial Officer of the Company.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION, EXCLUDING COMPENSATION SECURITIES

The following table sets forth information with respect to the compensation of each Named Executive Officer or director of the Company during the two most recently completed financial years:

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$) ⁽⁸⁾	Total compensation (\$)
Paul Sparkes ⁽²⁾ CEO and Director	2023	35,000	Nil	Nil	Nil	218,849	253,849
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Kirk Hollohan ⁽³⁾ Former CEO and Former Director	2023	35,650	Nil	Nil	Nil	131,928	167,578
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Paul More ⁽⁴⁾ CFO and former President and Director	2023	115,750	Nil	Nil	Nil	138,101	253,851
	2022	60,000	Nil	Nil	Nil	Nil	60,000
Eli Dusenbury ⁽⁵⁾ Director	2023	15,000	Nil	Nil	Nil	81,928	96,928
	2022	N/A	N/A	N/A	N/A	N/A	N/A
David Bowen ⁽⁶⁾ Director	2023	3,750	Nil	Nil	Nil	168,529	172,279
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Aman Parmar ⁽⁷⁾ Former Director	2023	11,250	Nil	Nil	Nil	471,928	483,178
	2022	N/A	N/A	N/A	N/A	N/A	N/A

- Notes:
- (1) Information provided in this table is for the period from incorporation on July 13, 2021 to June 30, 2022 and for the year ended June 30, 2023.
 - (2) Mr. Sparkes was appointed as CEO and director on March 17, 2023. Mr. Sparkes does not receive any compensation for serving as a director of the Company. Mr. Sparkes provides services through Otterbury Holdings Inc. For additional details, please see “Executive Compensation – Employment Consulting and Management Agreements”.
 - (3) Mr. Hollohan was appointed as CEO and director on August 1, 2022 and resigned as CEO and director on March 17, 2023.
 - (4) Mr. More was appointed as CFO on August 1, 2022. Prior to that time, Mr. More had served as a director and the President of the Company since its incorporation. Mr. More provides his services through Blackstone Consulting Inc. For additional details, please see “Executive Compensation – Employment Consulting and Management Agreements”.
 - (5) Mr. Dusenbury was appointed as a director on August 1, 2022.
 - (6) Mr. Bowen was appointed as a director on May 24, 2023.
 - (7) Mr. Parmar was appointed as a director on August 1, 2022 and resigned as a director on May 24, 2023.
 - (8) Fair market value of equity compensation vested during financial year.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table discloses all compensation securities the Company has granted or issued to each Named Executive Officer or director of the Company during its most recently completed financial year:

Name and position	Type of Compensation Security	Number of Compensation Securities, number of underlying securities, and percentage of class	Date of issue or Grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Paul Sparkes ⁽²⁾⁽¹⁴⁾ CEO and Director	Options	1,000,000 ⁽⁸⁾ 31.62%	March 17, 2023	0.255	0.255	\$1.96	March 17, 2026
Kirk Hollohan ⁽³⁾⁽¹⁴⁾ Former CEO	Options	250,000 ⁽⁹⁾ 6.72%	December 28, 2022	\$0.40	N/A ⁽¹³⁾	\$1.96	December 28, 2024
	RSUs	150,000 ⁽¹⁰⁾ 4.78%	December 28, 2022	N/A	N/A ⁽¹³⁾	\$1.96	N/A
Paul More ⁽⁴⁾⁽¹⁴⁾ CFO and former President and Director	Options	500,000 ⁽⁹⁾ 15.81%	October 5, 2022	\$0.10	N/A ⁽¹³⁾	\$1.96	October 5, 2024
	RSUs	250,000 ⁽¹⁰⁾ 11.14%	December 28, 2022	N/A	N/A ⁽¹³⁾	\$1.96	N/A
Eli Dusenbury ⁽⁵⁾⁽¹⁴⁾ Director	Options	250,000 ⁽⁹⁾ 7.91%	December 28, 2022	\$0.40	N/A ⁽¹³⁾	\$1.96	December 28, 2024
	RSUs	100,000 ⁽¹¹⁾ 4.46%	January 20, 2023	N/A	\$0.10	\$1.96	N/A
David Bown ⁽⁶⁾⁽¹⁴⁾ Director	Options	200,000 ⁽¹²⁾ 6.32%	June 13, 2023	\$0.98	\$0.98	\$1.96	June 13, 2026
Aman Parmar ⁽⁷⁾⁽¹⁴⁾ Former Director	Options	250,000 ⁽⁹⁾ 7.91%	December 28, 2022	\$0.40	N/A ⁽¹³⁾	\$1.96	December 28, 2024
	RSUs	1,000,000 ⁽¹⁰⁾ 31.87%	December 28, 2022	N/A	N/A ⁽¹³⁾	\$1.96	N/A

- Notes:
- (1) Information provided in this table is for the year ended June 30, 2023.
 - (2) Mr. Sparkes was appointed as CEO and director on March 17, 2023.
 - (3) Mr. Hollohan was appointed as CEO and director on August 1, 2022 and resigned as CEO and director on March 17, 2023.

- (4) Mr. More was appointed as CFO on August 1, 2022. Prior to that time, Mr. More had served as a director and the President of the Company since its incorporation.
- (5) Mr. Dusenbury was appointed as a director on August 1, 2022.
- (6) Mr. Bowen was appointed as a director on May 24, 2023.
- (7) Mr. Parmar was appointed as a director on August 1, 2022 and resigned as a director on May 24, 2023.
- (8) 500,000 of these Options vested on the date of issuance, with another 250,000 Options vesting on the one-year anniversary of the date of issuance and the remaining 250,000 Options vesting upon the achievement of certain performance criteria (which have been achieved).
- (9) All of these Options vested upon grant.
- (10) All of these RSUs vested upon grant.
- (11) These RSUs vest in equal quarterly installments of 25,000 RSUs on April 20, 2023, July 20, 2023, October 20, 2023 and January 20, 2024.
- (12) These Options vest in equal quarterly installments of 50,000 Options on September 13, 2023, December 13, 2023, March 13, 2024 and June 13, 2024.
- (13) The first trade in the Company's Common Shares was not made until January 20, 2023.
- (14) As at June 30, 2023, Mr. Sparkes held 1,000,000 Options exercisable at a price of \$0.255 until March 17, 2026. As at June 30, 2023, Mr. More held 250,000 RSUs of which all had fully vested. Mr. More also held 500,000 Options exercisable at a price of \$0.10 until October 5, 2024. As at June 30, 2023, Mr. Dusenbury held 100,000 RSUs vesting in equal quarterly installments of 25,000 RSUs on April 20, 2023, July 20, 2023, October 20, 2023 and January 20, 2024. Mr. Dusenbury also held 250,000 Options exercisable at a price of \$0.40 until December 28, 2024. As at June 30, 2023, Mr. Bowen held 200,000 Options exercisable at a price of \$0.98 until June 13, 2026. As at June 30, 2023, Mr. Parmar held 250,000 Options exercisable at a price of \$0.40 for a period of 12 months following his resignation as a director on May 24, 2023. As at June 30, 2023, Mr. Hollohan held 212,500 Options exercisable at a price of \$0.40 for a period of 12 months following his resignation as a CEO and director on March 17, 2023.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS

No NEO or director of the Company exercised compensation securities in the most recently completed financial year ended June 30, 2023.

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

The following is a summary of certain provisions of the Equity Compensation Plan and does not purport to be complete summary and is subject in its entirety to the detailed provisions of the Equity Compensation Plan, a copy of which is available without charge from the Company. The Equity Compensation Plan has not been approved by the Shareholders of the Company, but is being placed before the Shareholders for approval at the Meeting.

Eligible Persons

Awards may be granted to eligible employees, directors, officers or service providers of the Company or any of its subsidiaries (an "**Eligible Person**"). A participant ("**Participant**") is an Eligible Person to whom an Award has been granted. An "**Award**" means any Option, DSU or RSU granted under the Equity Compensation Plan.

Number of Shares available for Awards

The aggregate number of Common Shares issuable pursuant to Awards granted under the Equity Compensation Plan must not exceed 20.0% of the issued and outstanding Common Shares at the time of the grant. If Awards are surrendered, terminated or expire without being exercised, new Awards may be granted covering the Common Shares not issued under such lapsed Awards, subject to any restrictions that may be imposed by the CSE, including the restriction that if an Option is cancelled prior to its expiry date, the Company shall post notice of the cancellation and shall not grant new Options to the same Participant until 30 days have elapsed from the date of cancellation.

We currently have 70,923,737 Common Shares issued and outstanding and, as such, we can issue up to a total of 14,184,747 Common Shares under the Equity Compensation Plan.

Options

During the year ended June 30, 2023, 3,200,000 Options were granted.

As of the date of this Circular, there are 3,162,500 Options outstanding.

RSUs

During the year ended June 30, 2023, 3,950,000 RSUs were granted.

As of the date of this Circular, there are 3,137,500 RSUs outstanding.

DSUs

The Company's Equity Compensation Plan provides for the grant of DSUs to eligible directors, which DSUs will be automatically redeemed on the 20th business day following the date of a director's separation from the Board (unless the director is a US taxpayer, in which case the redemption shall occur on the date that is six months following the separation date). Each vested DSU entitles the holder to receive one Common Share upon redemption. As of the date of this Circular, there were no DSUs outstanding. No DSUs were granted during the year ended June 30, 2023.

Total

As of the date of this Circular, there are 6,300,000 Common Shares reserved for issuance upon the exercise of outstanding Options and the settlement of outstanding RSUs and DSUs in total, representing approximately 8.88% of the total number of issued and outstanding Common Shares on the date hereof.

Number of Shares under Award Grant

Subject to complying with all of the requirements of the CSE and the provisions of the Equity Compensation Plan, and subject to adjustment from time to time in accordance with the Equity Compensation Plan, the number of Common Shares that may be purchased or received under any Award will be determined and fixed by the Board at the date of grant.

Administration

Unless otherwise determined by the Board, the Equity Compensation Plan shall be administered by the Board or a committee designated by the Board. The Board (or a committee of the Board, as the case may be) shall have the power, where consistent with the general purpose and intent of the Equity Compensation Plan, and subject to the specific provisions of the Plan to (a) adopt and amend rules and regulations relating to the administration of the Equity Compensation Plan, (b) to correct any defect or supply any omission or reconcile any inconsistency in the Equity Compensation Plan or in any related agreement in the manner and to the extent it shall deem expedient to carry the Equity Compensation Plan into effect, (c) to determine and designate from time to time the individuals to whom Awards shall be made, the amounts of Awards and other terms and conditions of the Awards and (d) delegate any of its responsibilities or powers under the Equity Compensation Plan to a Board committee.

Options

Exercise price of Options

The exercise price per Common Share under each Option will be determined by the Board in its sole discretion, provided that such price may not be less than the greater of the trading price at which the Common Shares traded on the CSE as of the close of market on (a) the trading day immediately prior to the date such Option is granted and (b) the date such Option is granted.

Vesting Terms and Restrictions

Vesting terms and restrictions of the Options shall be determined by the Board on a case by case basis, provided that, unless otherwise determined by the Board, Options shall vest as to 25% of the Options subject to a grant on the date of grant and as to an additional 25% of the Options subject to a grant on each six-month anniversary of the date of grant, such that, following the 18-month anniversary of the date of grant, all of the Options subject to the grant shall be fully vested. Vested Options may be exercised at any time prior to the termination of an Option.

Cashless Exercise Right

Participants have the right (the “**Cashless Exercise Right**”), in lieu of the right to exercise an Option, to terminate such Option and receive the number of Common Shares which is equal to the quotient obtained by (a) subtracting the applicable exercise price from the trading price at which the Common Shares traded on the CSE as of the close of market on the business day immediately prior to the exercise of the Cashless Exercise Right, and multiplying the remainder by the number of Common Shares subject to the Option(s) being terminated and (b) dividing the product obtained in (a) by the trading price at which the Common Shares traded on the CSE as of the close of market on the business day immediately prior to the exercise of the Cashless Exercise Right. The Cashless Exercise Right is only available to a Participant to the extent and on the same conditions that such Participant’s Options are exercisable pursuant to the terms of the Equity Compensation Plan and such Options.

Term of Options and Causes of Cessation

Subject to earlier termination in accordance with the Equity Compensation Plan as described below, each Option will expire on the date determined by the Board and specified in the Option agreement pursuant to which such Option is granted, provided that such date may not be later than the 10th anniversary of the date on which such Option is granted, and provided further that at any time the expiry date of an Option occurs either during a blackout period imposed by the Company or within ten business days following the expiry of a blackout period imposed by the Company, the expiry date of such Option will be deemed to be the date that is the tenth business day following the expiry of such blackout period.

In the event a Participant ceases to be an Eligible Person for any reason, other than the death of the Participant or the termination of the Participant for cause, unless otherwise determined by the Board, any Option held by such Participant on the date the Participant ceases to be an Eligible Person shall become exercisable for a period of up to 12 months thereafter, or prior to the original expiration of the Option, whichever is sooner.

In the event of a termination of the Participant for cause, no Option held by such Participant will, unless otherwise determined by the Board, be exercisable following the date on which such Participant is terminated.

In the event a Participant ceases to be an Eligible Person as a result of the death of the Participant, any Option held by such Participant at the date of death shall become exercisable, to the extent that the Participant was entitled to exercise such Options at the date of death, for 12 months after the date of death or prior to the original expiration of such Options, whichever is sooner, unless otherwise determined by the Board, but only by the person or persons to whom the Participant's rights under the Option shall pass by such Participant's will or applicable laws of descent and distribution.

Change of Control, Amalgamation or Merger

In the event of a Change of Control (as that term is defined in the Equity Compensation Plan), unless otherwise determined by the Board, (i) all Options outstanding shall immediately vest and be exercisable and (ii) all Options that are not otherwise exercised contemporaneously with the completion of the Change of Control will terminate and expire immediately thereafter.

Subject to the provisions governing the treatment of Options in connection with a Change of Control, if the Company amalgamates or otherwise completes a plan of arrangement or merges with or into another corporation, any Common Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Participant would have received upon such amalgamation, arrangement or merger if the Participant had exercised his or her Option immediately prior to the record date applicable to such amalgamation, arrangement or merger, and the Option price shall be adjusted appropriately by the Board.

Restricted Share Units

Grant and Redemption of RSUs

The Board has the authority to grant RSUs to any Eligible Person as a discretionary payment in consideration of service to the Company or as an incentive for future services, subject to the terms and conditions of the Equity Compensation Plan and such other additional provisions and restrictions as the Board may determine. At the end of the vesting period applicable to a RSU (the "**Restricted Period**"), or upon the achievement of performance conditions to be achieved by the Company and/or a Participant or group of Participant's, and, subject to any applicable deductions and withholding and adjustment in accordance with the terms of the Equity Compensation Plan, without the payment of additional consideration or any other further action on the part of the Participant, the Company will issue to the Participant one Common Share for each RSU held by the Participant for which the Restricted Period has expired or the performance conditions have been achieved. Participants who are residents of Canada may elect to defer receipt of all or any part of the Common Shares underlying RSUs until one or more deferred payment dates.

Term of RSUs and Causes of Cessation

In the event of the retirement or termination of a Participant during the Restricted Period or prior to the achievement of any applicable performance conditions (as the case may be) applicable to any RSUs, any such RSUs will immediately terminate and be of no further force or effect; provided, however, that the Board will have the absolute discretion to modify the grant of the RSUs to provide that the Restricted Period will terminate, or the performance conditions will be deemed to have been met, immediately prior to a Participant's termination or retirement.

In the event of the retirement or termination of a Participant following the Restricted Period or the achievement of any applicable performance conditions (as the case may be) applicable to any RSUs, but

prior to the settlement of any such RSUs, the Participant shall be entitled to receive Common Shares in satisfaction of such RSUs.

In the event of the death or total disability of a Participant, any RSUs held by the Participant shall immediately vest and the Common Shares underlying such RSUs shall be immediately issued by the Company to the Participant or the legal representative of the Participant.

In the event of a Change of Control (as that term is defined in the Equity Compensation Plan), all RSUs outstanding shall vest immediately and be settled by the issuance of Common Shares.

Dividends

The Board, in its sole discretion, may credit additional RSUs to a Participant in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Common Shares. The number of additional RSUs to be credited to a Participant as of the payment date of any such dividend will be determined by dividing the dollar amount of the dividend that would have been paid to the Participant in respect of the RSUs in the Participant's account on the dividend record date had they been outstanding Common Shares by the greater of the closing market price of the Common Shares on (i) the trading day prior to the date the dividends were paid and (ii) the date the dividends were paid.

Deferred Share Units

Grant of DSUs

The Board may, from time to time, determine to grant DSUs to one or more eligible directors in a lump sum amount or on regular intervals, based on such formulas or criteria as the Board may from time to time determine. For the purposes of calculating the number of DSUs to be granted, the Company shall value the Common Shares underlying such DSUs at not less than the greater of the closing market price of the Common Shares on the CSE on (a) the trading day prior to the date of grant of the DSU and (b) the date of grant of the DSU.

Redemption of DSUs

The DSUs held by an eligible director who is not a U.S. taxpayer shall be redeemed automatically and with no further action by the eligible director on the 20th business day following such director's Separation Date (as that term is defined in the Equity Compensation Plan). For U.S. taxpayers, DSUs held by an eligible director who is a Specified Employee (as that term is defined in the Equity Compensation Plan) will be automatically redeemed with no further action by the eligible director on the date that is six months following such director's Separation Date, or earlier upon the death of such eligible director.

On the date of redemption, the Company will issue a number of Common Shares to the eligible director equal to the number of DSUs in the eligible director's account on the Separation Date, subject to any applicable deductions and withholdings and adjustment in accordance with the terms of the Equity Compensation Plan. In the event that a Separation Date occurs during a year and DSUs have been granted to an eligible director for that entire year, the eligible director will only be entitled to a pro-rated DSU payment in respect of such DSUs based on the number of days that he or she was an eligible director in such year.

Dividends

The Board, in its sole discretion, may credit additional DSUs to an eligible director in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Common Shares. The number of additional DSUs to be credited to an eligible director as of the payment date of any such dividend will be determined by dividing the dollar amount of the dividend that would have been paid to the eligible director in respect of the DSUs in the eligible director's account on the dividend record date had they been outstanding Common Shares by the greater of the closing market price of the Common Shares on (i) the trading day prior to the date the dividends were paid and (ii) the date the dividends were paid.

Procedure for Amending

Subject to the provisions of the Equity Compensation Plan and the requirements of the CSE, the Board has the power at any time to suspend, amend or terminate the Equity Compensation Plan or any Award granted under the Equity Compensation Plan, without shareholder approval, including to make: (i) amendments of a clerical or grammatical nature; (ii) amendments to the persons eligible to participate in the Equity Compensation Plan, (iii) amendments to the exercise price, vesting, term and termination provisions of an Award, (iv) amendments to the Cashless Exercise Right provisions, and (v) amendments to the authority and role of the Board under the Equity Compensation Plan; provided that: (A) any such amendment, suspension or termination is in accordance with applicable laws and the rules of the CSE, (B) no amendment to the Equity Compensation Plan or an Award will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award, (C) the terms of an Option will not be amended once issued and (D) the expiry date of an Option shall not be more than ten years from the date of grant of an Option (except in the case that such expiry date falls during a black out period).

If any provision of the Equity Compensation Plan or any agreement entered into pursuant to the Equity Compensation Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or the Equity Compensation Plan, then such provisions shall be deemed to be amended to the extent required to bring such provision in compliance with such law, order, policy, by-law or regulation.

Transferability

Except pursuant to a will or by the laws of descent and distribution, no Awards are transferable or assignable.

Adjustment in Shares Subject to the Equity Compensation Plan

If there is any change in the Common Shares through the declaration of stock dividends of Common Shares, through any consolidations, subdivisions or reclassifications of Common Shares, or otherwise, the number of Common Shares available under the Equity Compensation Plan, the Common Shares subject to any Award and the exercise price of any Option shall be adjusted as determined to be appropriate by the Board.

Withholding Taxes

The Company or any subsidiary may take such steps as are considered necessary or appropriate for the withholding of any taxes or other amounts which the Company or any subsidiary is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Award, including the withholding of all or any portion of any payment or the withholding of the issue of any Common Shares to be issued under the Equity Compensation Plan until such time as the Participant has paid the Company

or any subsidiary for any amount which the Company or the subsidiary is required to withhold by law with respect to such taxes or other amounts. In addition, the Board may adopt administrative rules under the Equity Compensation Plan which provide for the automatic sale of Common Shares in the market upon the issuance of such Common Shares under the Equity Compensation Plan on behalf of a Participant to satisfy withholding obligations under an Award.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at June 30, 2023 (at which time there were 62,706,754 Common Shares issued and outstanding) with respect to the number of securities authorized for issuance under the Equity Compensation Plan.

Plan Category	No. of securities to be issued upon exercise of outstanding options, warrants and rights	Percentage of Common Shares Outstanding	Weighted-average exercise price of outstanding options, warrants and rights (\$)	No. of securities remaining available for future issuances under equity compensation plans	Percentage of Common Shares Outstanding
Equity compensation plans approved by securityholders	N/A	N/A	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	3,162,500 Options 2,243,750 RSUs	5.04% 3.58%	0.41 N/A	7,135,101	11.38%
TOTAL	5,406,250	8.62%	0.41 (with respect to the Options outstanding)	7,135,101	11.38%

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. Aside from routine participation in Awards granted pursuant to the Equity Compensation Plan, which are at the discretion of the Board, there are no agreements or arrangements that provide for compensation to NEOs or directors of the Company, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director's responsibilities, other than: (i) the consulting agreement between the Company and Otterbury Holdings Inc. dated March 17, 2023, as amended (the "**Sparkes Agreement**"); (ii) the consulting agreement between the Company and Blackstone Consulting Inc. dated August 1, 2022, as amended (the "**More Agreement**"); and (iii) the Company's director compensation program.

The Sparkes Agreement

The Sparkes Agreement is a standard form executive consulting agreement whereby Mr. Sparkes (through Otterbury Holdings Inc.) agrees to provide the Company with services as the Chief Executive Officer of the Company, and as compensation receives \$15,000 per month of services rendered (plus applicable taxes) (which was increased from \$10,000 per month (plus applicable taxes) for and after the monthly period ending on September 30, 2023). Pursuant to the Sparkes Agreement, Mr. Sparkes received a grant of 1,000,000 Options on the date of the Sparkes Agreement, 500,000 of which vested upon issuance, 250,000 of which vested upon the achievement of certain performance criteria (which have since been achieved) and 250,000 of which vest on the one-year anniversary of the date of issuance. The Company has also agreed, pursuant to the Sparkes Agreement, to re-imburse Mr. Sparkes for its reasonable and documented expenses associated with his performance of services as the Chief Executive Officer of the Company.

The Sparkes Agreement has a term of 36 months, which may be extended by mutual agreement. The Sparkes Agreement may be terminated by mutual agreement, on one month's notice by Mr. Sparkes or the Company to the other or by the Company in the event of a material breach of the Sparkes Agreement, defined as (i) a breach by Mr. Sparkes of any provision of the Sparkes Agreement, (ii) Mr. Sparkes being charged with committing a criminal offence or (iii) Mr. Sparkes engaging in, or being accused of engaging in, conduct which materially impairs (or, if publicized, is likely to materially impair) the reputation of the Company. In the event of a termination of the Sparkes Agreement for convenience by Mr. Sparkes or the Company, Mr. Sparkes will not be entitled to any payment on account of such termination, except amounts accrued under the Sparkes Agreement up to, and unpaid at, the date of termination. No amount shall be payable to Mr. Sparkes in the event of a termination for material breach.

The Sparkes Agreement contains a standard term with respect to the non-disclosure of the Company's confidential information. The Sparkes Agreement also contains a non-solicitation and non-competition provision which prohibits (i) during the term of the Sparkes Agreement and for 12 months following the termination or expiration of the Sparkes Agreement, the solicitation by Mr. Sparkes of any officer, employee, supplier, customer, consultant, contractor or agent of, or investor in, the Company or its related and affiliated entities to terminate their relationship with the Company or any of its related or affiliated entities and (ii) during the term of the Sparkes Agreement, Mr. Sparkes directly or indirectly competing with the Company. Mr. Sparkes may provide his services to other business and organizations during the term of the Sparkes Agreement provided there is no conflict of interest and provided that the provision of such services to third parties does not interfere with Mr. Sparkes' performance of his obligations under the Sparkes Agreement.

The More Agreement

The More Agreement is a standard form executive consulting agreement whereby Mr. More (through Blackstone Consulting Inc.) agrees to provide the Company with services as the Chief Financial Officer of the Company, and as compensation receives \$10,000 per month of services rendered (plus applicable taxes) (which was increased from \$7,500 per month (plus applicable taxes) for and after the monthly period ending on September 30, 2023). Pursuant to the More Agreement, Mr. More received a grant of 250,000 RSUs and 500,000 Options on the date of the More Agreement, all of which vested upon issuance.

The More Agreement has a term of 24 months, which may be extended by mutual agreement. The More Agreement may be terminated by mutual agreement, on one month's notice by Mr. More or the Company to the other or by the Company in the event of a material breach of the More Agreement, defined as (i) a breach by Mr. More of any provision of the More Agreement, (ii) Mr. More being charged with committing a criminal offence or (iii) Mr. More engaging in, or being accused of engaging in, conduct which materially impairs (or, if publicized, is likely to materially impair) the reputation of the Company. In the event of a

termination of the More Agreement for convenience by Mr. More or the Company, Mr. More will be entitled to payment of \$240,000 (being equal to 24 months of consulting fees under the More Agreement). No amount shall be payable to Mr. More in the event of a termination for material breach, other than amounts payable for services completed up to and including the date of termination for material breach.

The More Agreement contains a standard term with respect to the non-disclosure of the Company's confidential information. The More Agreement also contains a non-solicitation and non-competition provision which prohibits (i) during the term of the More Agreement and for 12 months following the termination or expiration of the More Agreement, the solicitation by Mr. More of any officer, employee or agent of the Company or its related and affiliated entities to terminate their relationship with the Company or any of its related or affiliated entities and (ii) during the term of the More Agreement, Mr. More directly or indirectly competing with the Company. Mr. More may provide his services to other business and organizations during the term of the More Agreement provided there is no conflict of interest and provided that the provision of such services to third parties does not interfere with Mr. More's performance of his obligations under the More Agreement.

Director Compensation Program

On May 24, 2023, the Board established a retainer program for the independent members of the Board, pursuant to which each independent director of the Company would receive a retainer of \$2,500 per month of service as a member of the Board to reimburse independent directors for their time and expenses associated with serving as a director of the Company (the "**Director Retainer Program**"). In addition to payments pursuant to the Director Retainer Program following its implementation, Mr. Dusenbury was paid a lump sum retainer amount of \$12,500 in recognition of his service on the Board since the listing of the Company on the CSE. The Company also paid Mr. Aman Parmar \$11,250 under the Director Retainer Program upon its implementation in recognition of his service on the Board since the listing of the Company on the CSE.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Compensation of Directors

Compensation of directors of the Company is reviewed periodically by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, a comparison of the compensation paid to members of the Board with similar compensation paid by other issuers of comparable size and nature and the availability of financial resources of the Company.

Currently, the directors of the Company are only compensated through the Director Retainer Program and through Awards granted under the Equity Compensation Plan at the discretion of the Board.

In the Board's view, there has been no need for the Company to design or implement a formal compensation program outside of the Director Retainer Program. While the Board considers equity incentive grants to directors under the Equity Compensation Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of equity incentives. Other than the Equity Compensation Plan and the Director Retention Program, discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Subject to the contractual requirements of the Sparkes Agreement and the More Agreement, compensation of NEOs is reviewed periodically and determined by the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison of the compensation paid to NEOs by the Company with similar compensation paid by other issuers of comparable size and nature and the availability of financial resources of the Company, subject to the contractual requirements of the Sparkes Agreement and the More Agreement.

Elements of NEO Compensation

Other than the payment of cash for the services of NEOs, as discussed above, the Company provides an Equity Compensation Plan to motivate NEOs by providing them with the opportunity, through grants of Awards, to acquire an interest in the Company and benefit from the Company's growth. In determining the amount of cash compensation payable to a NEO, the Board considers various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison of the compensation paid to NEOs by the Company with similar compensation paid by other issuers of comparable size and nature and the availability of the Company's financial resources, subject to the contractual requirements of the Sparkes Agreement and the More Agreement. The Board does not employ a prescribed methodology when determining the grant or allocation of equity incentives or cash bonuses to NEOs. While the Board does not formally identify a "peer group" in its determination of NEO compensation, the Board does consider the compensation paid to executives by other issuers of comparable size and nature in its determination of the level of compensation to be paid to the Company's NEOs. Other than the Equity Compensation Plan, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans or any other such benefit programs for NEOs.

PENSION PLAN BENEFITS

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

SECTION 9 – AUDIT COMMITTEE DISCLOSURE

AUDIT COMMITTEE CHARTER

The Audit Committee of the Company (the "**Audit Committee**") must consist of not less than three directors of the Company, a majority of whom must be independent in accordance with applicable securities laws.

The primary function of the Audit Committee is to assist the Board in fulfilling its statutory responsibilities in relation to internal control over financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of the Company's financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public. The Audit Committee has the authority to retain independent legal counsel and any other advisors it deems necessary in order for the Audit Committee to carry out its duties.

The duties and responsibilities, authority and other requirements and processes of the Audit Committee are set out in the Audit Committee Charter (the "**Audit Committee Charter**") adopted by the Board, which is attached to this Circular as Schedule A. Pursuant to the Audit Committee Charter, the Audit Committee is required to periodically report to the Board on certain matters, including, among other things, the

independence of the Company’s external auditor, the performance of the Company’s external auditor, the re-appointment or termination of the Company’s external auditor, the results of the Audit Committee’s review of the annual and interim financial statements of the Company and the results of the Audit Committee’s evaluation of its own performance.

COMPOSITION OF AUDIT COMMITTEE

The following are the members of the Audit Committee:

Director	Independence ⁽¹⁾	Financial Literacy ⁽¹⁾
Eli Dusenbury (Chair)	Yes	Yes
David Bowen	Yes	Yes
Paul Sparkes	Yes	Yes

Notes:

(1) As defined by National Instrument 52-110 (“NI 52-110”).

RELEVANT EDUCATION AND EXPERIENCE

A description of the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Eli Dusenbury – Director since August, 2022.

Mr. Dusenbury has extensive experience in public accounting, providing services to public and private sectors reporting in Canada and in the U.S. over a broad range of industries, including technology, agriculture, engineering, mining and exploration and manufacturing. Mr. Dusenbury holds a CPA designation and a BBA in Business and Accounting, which he received from Capilano University in 2009. He has served as a Chief Financial Officer with a number of public companies, including Integral Technologies, Inc., YDX Innovation Corp., Isodiol International Inc., Refined Metals Corp., IMC International Mining Corp., AlphaGen Intelligence Corp., Havn Life Sciences Inc. and Telecure Technologies Inc.

David Bowen – Director since May, 2023.

Mr. Bowen is a self-employed corporate finance consultant. From February 2018 to October 2019 he served as a research analyst with Capstone Asset Management. With over 20 years of investment experience, Mr. Bowen has held roles as an investment advisor, portfolio manager, quant trader and programmer of related financial applications.

Paul Sparkes – Director since March, 2023.

Mr. Sparkes is an accomplished business leader and entrepreneur, with over twenty-five years of experience in media, finance and capital markets. Paul spent a decade as a leader in the broadcast and media industry as CTV globemedia’s Executive Vice President, Corporate Affairs. Paul was a co-founder and Executive Vice Chairman at Difference Capital Financial and serves on several private and public boards. In addition

to being the CEO of the Company, he is currently President of Otterbury Holdings Inc. and is an advisor and deal maker for growth companies in the private and public markets.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions set out in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), Section 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), Section 6.1.1(5) (*Events Outside Control of Member*), Section 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from Part 8 (*Exemption*) of NI 52-110.

During the most recently completed financial year, the Company relied on the exemption set out in Section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

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 the Audit Committee and the Board on a case-by-case basis.

EXTERNAL AUDITOR SERVICES FEES (BY CATEGORY)

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

Financial Year Ending	June 30, 2022	June 30, 2023
Audit Fees ⁽¹⁾	\$15,000	\$61,000
Audit-Related Fees ⁽²⁾	Nil	\$21,000
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	\$15,000	\$82,000

- Notes:
- (1) Audit Fees include aggregate fees billed by the Company's external auditor (including amounts incurred in respect of review engagements on the Company's quarterly interim financial statements).
 - (2) Audit-Related Fees include assurance and related services billed by the Company's external auditor that are reasonably related to the performance of the audit or the review of the issuer's financial statements (which are not captured in Audit Fees). These fees were related to the performance of the review of the Company's quarterly financial statements and the review and related procedures with respect to the filing of the Company's long-form prospectus, in each case by the Company's external auditor.

SECTION 10 – CORPORATE GOVERNANCE DISCLOSURE

COMPOSITION OF THE BOARD OF DIRECTORS

The Board supervises the CEO and CFO of the Company. Each of the CEO and the CFO are required to act in accordance with the scope of authority provided to them by the Board. The members of the Board are:

- **Paul Sparkes** - Mr. Sparkes is the CEO of the Company and is therefore not “independent” (as defined in NI 52-110);
- **Eli Dusenbury** – Mr. Dusenbury is “independent” as defined in NI 52-110; and
- **David Bowen** – Mr. Bowen is “independent” as defined in NI 52-110.

OTHER DIRECTORSHIPS

The members of the Board are currently directors of the following other reporting issuers:

Name of Director	Name of Reporting Issuer
Paul Sparkes	Antler Gold Inc. Denarius Metals Corp. The Good Flour Corp. SolarBank Corp.
Eli Dusenbury	AlphaGen Intelligence Corp. HYTN Innovations Inc.
David Bowen	Reflex Advanced Materials Corp. Eureka Lithium Corp. Urban Plus Capital Corporation

ORIENTATION AND CONTINUING EDUCATION

The Board does not have a formal process for the orientation of new Board members. Orientation is done on an informal basis. New Board members are provided with such information as is considered necessary to ensure that they are familiar with the Company’s business and understand the role and responsibilities of the Board.

Similarly, the Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing educational opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors can consult with the Company’s professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

ETHICAL BUSINESS CONDUCT

The Board has not adopted a formal code of ethics. In the Board’s view, the fiduciary duties placed on individual directors by corporate legislation and the common law, and the restrictions placed by corporate legislation on an individual director’s participation in decisions of the Board in which the director has an

interest, are sufficient, at the current stage of development of the Company, to ensure that the Board operates independently of management and in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes an ethical business culture. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

NOMINATION OF DIRECTORS

The identification of potential candidates for nomination as directors of the Company is carried out by all directors, who are encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

COMPENSATION

The compensation of directors and the CEO is determined by the Board as a whole. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance (in the case of the CEO), comparison between the relevant compensation paid by the Company and that paid by other issuers of comparable size and nature and the availability of the financial resources of the Company. See "Section 8 – Executive Compensation" for additional information.

OTHER BOARD COMMITTEES

The Board does not have any standing committees other than the Audit Committee.

ASSESSMENTS

The Board does not have any formal process for assessing the effectiveness of the Board, its committees or individual directors. Such assessments are done on an informal basis by the CEO and the Board as a whole.

SECTION 11 - OTHER INFORMATION

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.vortexenergycorp.com. Shareholders may contact the Company at 778-819-0164 to request copies of the Company's financial statements and related management's discussion and analysis.

Financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for its most recently completed financial year ended June 30, 2023 which are filed on the Company's SEDAR+ profile at www.sedarplus.ca.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information 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 11th day of December, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Paul Sparkes

Paul Sparkes

Chief Executive Officer and Director

SCHEDULE A

(see attached).

AUDIT COMMITTEE CHARTER

(Approved by the Board of Directors on August 22, 2022)

Vortex Energy Corp.

AUDIT COMMITTEE CHARTER

1. PURPOSE

The main purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Vortex Energy Corp. (“**Vortex**” or the “**Company**”) is to assist the Board in fulfilling its statutory responsibilities in relation to internal control and financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of:

- (a) the integrity of the Company’s financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public to ensure that the Company’s financial disclosures are complete, accurate, in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations by the International Financial Reporting Interpretations Committee (“**IFRIC**”), and fairly present the financial position and risks of the Company;
- (b) assessing the independence, qualifications and performance of the Company’s independent auditor (the “**Auditor**”), appointing and replacing the Auditor, overseeing the audit and non-audit services provided by the Auditor, and approving the compensation of the Auditor;
- (c) Senior Management (as defined below) responsibility for assessing and reporting on the effectiveness of internal controls;
- (d) financial matters and management of financial risks;
- (e) the prevention and detection of fraudulent activities; and
- (f) investigation of complaints and submissions regarding accounting or auditing matters and unethical or illegal behavior.

The Committee provides an avenue for communication between the Auditor, the Company’s executive officers and other senior managers (“**Senior Management**”) and the Board, and has the authority to communicate directly with the Auditor. The Committee shall have a clear understanding with the Auditor that they must maintain an open and transparent relationship with the Committee. The Auditor is ultimately accountable to the Committee and the Board, as representatives of the Company’s shareholders.

2. COMPOSITION

The Committee shall be comprised of three directors. Each Committee member shall:

- (a) satisfy the laws governing the Company;
- (b) be “independent” in accordance with Sections 1.4 and 1.5 of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), which sections are reproduced in Appendix “A” of this charter; and
- (c) be “financially literate” in accordance with the definition set out in Section 1.6 of NI 52-110, which definition is reproduced in Appendix “A” of this charter.

For purposes of subparagraph (b) above, the position of non-executive Chair of the Board is considered to be an executive officer of the Company.

Committee members and the chair of the Committee (the “**Committee Chair**”) shall be appointed annually by the Board at the first Board meeting that is held after every annual general meeting of the Company’s shareholders. The Board may remove a Committee member at any time in its sole discretion by a resolution of the Board.

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Committee shall seek the Board’s determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Committee and ensure that such determination is disclosed.

3. MEETINGS

The Committee shall meet at least once per financial quarter and as many additional times as the Committee deems necessary to carry out its duties effectively.

The Committee shall meet:

- (a) within 60 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related management’s discussion and analysis (“**MD&A**”); and
- (b) within 120 days following the end of the Company’s fiscal year end to review and discuss the audited financial results for the year and related MD&A.

As part of its job to foster open communication, the Committee shall meet at least once each financial quarter with Senior Management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

A majority of the members of the Committee shall constitute a quorum for any Committee meeting. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by unanimous written consent of the Committee members.

The Committee Chair shall preside at each Committee meeting. In the event the Committee Chair is unable to attend or chair a Committee meeting, the Committee will appoint a chair for that meeting from the other Committee members.

The Corporate Secretary of the Company, or such individual as appointed by the Committee, shall act as secretary for a Committee meeting (the “**Committee Secretary**”) and, upon receiving a request to convene a Committee meeting from any Committee member, shall arrange for such meeting to be held.

The Committee Chair, in consultation with the other Committee members, shall set the agenda of items to be addressed at each Committee meeting. The Committee Secretary shall ensure that the agenda and any supporting materials for each upcoming Committee meeting are circulated to each Committee member in advance of such meeting.

The Committee may invite such officers, directors and employees of the Company, the Auditor, and other advisors as it may see fit from time to time to attend at one or more Committee meetings and assist in

the discussion and consideration of any matter. For purposes of performing their duties, members of the Committee shall, upon request, have immediate and full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the duties and responsibilities of the Committee with officers, directors and employees of the Company, with the Auditor, and with other advisors subject to appropriate confidentiality agreements being in place.

Unless otherwise provided herein or as directed by the Board, proceedings of the Committee shall be conducted in accordance with the rules applicable to meetings of the Board.

4. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board and the Articles of the Company, in order to carry out its oversight responsibilities, the Committee shall:

4.1 Financial Reporting Process

- (a) Review with Senior Management and the Auditor any items of concern, any proposed changes in the selection or application of accounting principles and policies and the reasons for the change, any identified risks and uncertainties, and any issues requiring the judgement of Senior Management, to the extent that the foregoing may be material to financial reporting.
- (b) Consider any matter required to be communicated to the Committee by the Auditor under generally accepted auditing standards, applicable law and listing standards, if applicable, including the Auditor's report to the Committee (and the response of Senior Management thereto) on:
 - (i) accounting policies and practices used by the Company;
 - (ii) alternative accounting treatments of financial information that have been discussed with Senior Management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the Auditor; and
 - (iii) any other material written communications between the Auditor and Senior Management.
- (c) Discuss with the Auditor their views about the quality, not just the acceptability, of accounting principles and policies used by the Company, including estimates and judgements made by Senior Management and their selection of accounting principles.
- (d) Discuss with Senior Management and the Auditor:
 - (i) any accounting adjustments that were noted or proposed (immaterial or otherwise) by the Auditor but were not reflected in the financial statements;
 - (ii) any material correcting adjustments that were identified by the Auditor in accordance with generally accepted accounting principles ("GAAP") or applicable law;

- (iii) any communication reflecting a difference of opinion between the audit team and the Auditor's national office on material auditing or accounting issues raised by the engagement; and
 - (iv) any "management" or "internal control" letter issued, or proposed to be issued, by the Auditor to the Company.
- (e) Discuss with Senior Management and the Auditor any significant financial reporting issues considered during the fiscal period and the method of resolution, and resolve disagreements between Senior Management and the Auditor regarding financial reporting.
- (f) Review with Senior Management and the Auditor:
 - (i) any off-balance sheet financing mechanisms being used by the Company and their effect on the Company's financial statements; and
 - (ii) the effect of regulatory and accounting initiatives on the Company's financial statements, including the potential impact of proposed initiatives.
- (g) Review with Senior Management and the Auditor and legal counsel, if necessary, any litigation, claim or other contingency, including tax assessments, that could have a material effect on the financial position or operating results of the Company, and the manner in which these matters have been disclosed or reflected in the financial statements.
- (h) Review with the Auditor any audit problems or difficulties experienced by the Auditor in performing the audit, including any restrictions or limitations imposed by Senior Management, and the response of Senior Management, and resolve any disagreements between Senior Management and the Auditor regarding these matters.
- (i) Review the results of the Auditor's work, including findings and recommendations, Senior Management's response, and any resulting changes in accounting practices or policies and the impact such changes may have on the financial statements.
- (j) Review and discuss with Senior Management the audited annual financial statements and related MD&A and make recommendations to the Board with respect to approval thereof before their release to the public.
- (k) Review and discuss with Senior Management and the Auditor all interim unaudited financial statements and related interim MD&A.
- (l) Approve interim unaudited financial statements and related interim MD&A prior to their filing and dissemination.
- (m) In connection with Sections 4.1 and 5.1 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), obtain confirmation from the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") (and considering the Auditor's comments, if any, thereon) to their knowledge:
 - (i) that the audited financial statements, together with any financial information included in the annual MD&A and annual information form, fairly present in all

material respects the Company's financial condition, financial performance and cash flows; and

- (ii) that the interim financial statements, together with any financial information included in the interim MD&A, fairly present in all material respects the Company's financial condition, financial performance and cash flows.
- (n) Review news releases to be issued in connection with the audited annual financial statements and related MD&A and the interim unaudited financial statements and related interim MD&A, before being disseminated to the public, if the Company is required to do so under applicable securities laws, paying particular attention to any use of "pro-forma" or "adjusted" non-GAAP, information.
- (o) Review any news release containing earnings guidance or financial information based upon the Company's financial statements prior to the release of such statements, if the Company is required to disseminate such news releases under applicable securities laws.
- (p) Review the appointment of the CFO and have the CFO report to the Committee on the qualifications of new key financial personnel involved in the financial reporting process.

4.2 Internal Controls

- (a) Consider and review with Senior Management and the Auditor the adequacy and effectiveness of internal controls over accounting and financial reporting within the Company and any proposed significant changes in them.
- (b) Consider and discuss any Auditor's comments on the Company's internal controls, together with Senior Management responses thereto.
- (c) Discuss, as appropriate, with Senior Management and the Auditor any major issues as to the adequacy of the Company's internal controls and any special audit steps in light of material internal control deficiencies.
- (d) Review annually the disclosure controls and procedures.
- (e) Receive confirmation from the CEO and the CFO of the effectiveness of disclosure controls and procedures, and whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information or any fraud, whether or not material, that involves Senior Management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, receive confirmation from the CEO and the CFO that they are prepared to sign the annual and quarterly certificates required by Sections 4.1 and 5.1 of NI 52-109, as amended from time to time.

4.3 The Auditor

Qualifications and Selection

- (a) Subject to the requirements of applicable law, be solely responsible to select, retain, compensate, oversee, evaluate and, where appropriate, replace the Auditor. The Committee shall be entitled to adequate funding from the Company for the purpose of compensating the Auditor for authorized services.
- (b) Instruct the Auditor that:
 - (i) they are ultimately accountable to the Board and the Committee, as representatives of shareholders; and
 - (ii) they must report directly to the Committee.
- (c) Ensure that the Auditor have direct and open communication with the Committee and that the Auditor meet with the Committee once each financial quarter without the presence of Senior Management to discuss any matters that the Committee or the Auditor believe should be discussed privately.
- (d) Evaluate the Auditor's qualifications, performance, and independence. As part of that evaluation:
 - (i) at least annually, request and review a formal report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
 - (ii) annually review and confirm with Senior Management and the Auditor the independence of the Auditor, including all relationships between the Auditor and the Company, including the amount of fees received by the Auditors for the audit services, the extent of non-audit services and fees therefor, the extent to which the compensation of the audit partners of the Auditor is based upon selling non-audit services, the timing and process for implementing the rotation of the lead audit partner, reviewing partner and other partners providing audit services for the Company, and whether there should be a regular rotation of the audit firm itself; and
 - (iii) annually review and evaluate senior members of the audit team of the Auditor, including their expertise and qualifications. In making this evaluation, the Committee should consider the opinions of Senior Management.

Conclusions on the independence of the Auditor should be reported by the Committee to the Board.

- (e) Approve and review, and verify compliance with, the Company's policies for hiring of employees and former employees of the Auditor and former auditors. Such policies shall include, at minimum, a one-year hiring "cooling off" period.

Other Matters

- (a) Meet with the Auditor to review and approve the annual audit plan of the Company's financial statements prior to the annual audit being undertaken by the Auditor, including reviewing the year-to-year co-ordination of the audit plan and the planning, staffing and extent of the scope of the annual audit. This review should include an explanation from the Auditor of the factors considered by the Auditor in determining their audit scope, including major risk factors. The Auditor shall report to the Committee all significant changes to the approved audit plan.
- (b) Review and pre-approve all audit and non-audit services and engagement fees and terms in accordance with applicable law, including those provided to the Company's subsidiaries by the Auditor or any other person in its capacity as independent auditor of such subsidiary. Between scheduled Committee meetings, the Committee Chair, on behalf of the Committee, is authorized to pre-approve any audit or non-audit services and engagement fees and terms up to \$50,000. At the next Committee meeting, the Committee Chair shall report to the Committee any such pre-approval given.
- (c) Establish and adopt procedures for such matters.

4.4 Compliance

- (a) Monitor compliance by the Company with all payments and remittances required to be made in accordance with applicable law, where the failure to make such payments could render the Company's directors personally liable.
- (b) Receive regular updates from Senior Management regarding compliance with laws and regulations and the process in place to monitor such compliance, excluding, however, legal compliance matters subject to the oversight of the Corporate Governance and Nominating Committee of the Board, if any. Review the findings of any examination by regulatory authorities and any observations by the Auditor relating to such matters.
- (c) Establish and oversee the procedures in the Company's Whistleblower Policy to address:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting or auditing matters or unethical or illegal behaviour; and
 - (ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting and auditing matters or unethical or illegal behaviour.
- (d) Ensure that political and charitable donations conform with policies and budgets approved by the Board.

- (e) Monitor management of hedging, debt and credit, make recommendations to the Board respecting policies for management of such risks, and review the Company's compliance therewith.
- (f) Approve the review and approval process for the expenses submitted for reimbursement by the CEO.
- (g) Oversee Senior Management's mitigation of material risks within the Committee's mandate and as otherwise assigned to it by the Board.

4.5 Financial Oversight

- (a) Assist the Board in its consideration and ongoing oversight of matters pertaining to:
 - (i) capital structure and funding including finance and cash flow planning;
 - (ii) capital management planning and initiatives;
 - (iii) property and corporate acquisitions and divestitures including proposals which may have a material impact on the Company's capital position;
 - (iv) the Company's annual budget;
 - (v) the Company's insurance program;
 - (vi) directors' and officers' liability insurance and indemnity agreements; and
 - (vii) matters the Board may refer to the Committee from time to time in connection with the Company's capital position.

4.6 Other

- (a) Perform such other duties as may be assigned to the Committee by the Board.
- (b) Annually review and assess the adequacy of its charter and recommend any proposed changes to the Corporate Governance and Nominating Committee.
- (c) Review its own performance annually, and provide the results of such evaluation to the Board for its review.

5. AUTHORITY

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

- a. select, retain, terminate, set and approve the fees and other retention terms of special or independent counsel, accountants or other experts, as it deems appropriate; and
- b. obtain appropriate funding to pay, or approve the payment of, such approved fees, without seeking approval of the Board or Senior Management.

6. ACCOUNTABILITY

The Committee Chair shall make periodic reports to the Board, as requested by the Board, on matters that are within the Committee's area of responsibility.

The Committee shall maintain minutes of its meetings with the Company's Corporate Secretary and shall provide an oral report to the Board at the next Board meeting that is held after a Committee meeting.

Appendix "A"

Definitions from National Instrument 52-110 Audit Committees

Section 1.4 *Meaning of Independence*

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
 - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
 - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
 - (c) an individual who:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the issuer's internal or external auditor,
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
 - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
 - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.

- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
- (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
 - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
- (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and
 - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
- (a) has previously acted as an interim chief executive officer of the issuer, or
 - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of Section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

Section 1.5 Additional Independence Requirements

- (1) Despite any determination made under Section 1.4, an individual who
- (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
 - (b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
- (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

- (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

Section 1.6 *Meaning of Financial Literacy*

For the purposes of this Instrument, an individual is 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 issuer’s financial statements.

