



INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 27, 2023

This information is given as of May 18, 2023 unless otherwise noted.

PERSONS MAKING THE SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of AZINCOURT ENERGY CORP. (the "Company") for use at the Annual General Meeting (the "Meeting") of the shareholders of the Company, to be held on **Tuesday, June 27, 2023**, at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

Except as noted below, the Company has distributed or made available for distribution, copies of the Notice, the Information Circular and form of proxy or voting instruction form ("VIF") (if applicable) (the "Meeting Materials") to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the "Intermediaries") for distribution to Beneficial Shareholders (as defined below) whose common shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company is sending proxy-related materials directly to NOBOs (as defined below), through the services of its transfer agent and registrar, TSX Trust company. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials. The Company is not relying on the notice-and-access provisions of securities laws for delivery of the Meeting Materials to registered shareholders or Beneficial Shareholders.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for such shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company's transfer agent and registrar, TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, ON M5H 4H1, by fax at 416-595-9593, or log on to the TSX Trust website at www.voteproxyonline.com, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy must be executed by the registered shareholder or his, her or its attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited by hand or mail with TSX Trust at 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1, by fax to 416-595-9563, or by internet by going to www.voteproxyonline.com and entering your unique control number therein, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the common shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. The common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted on, the common shares will be voted accordingly. **In the absence of such direction, where the management nominees are appointed as proxyholder, such common shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Information Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO REGISTERED SHAREHOLDERS

Shareholders whose names appear on the records of the Company as the registered holders of common shares in the capital of the Company (the “Registered Shareholders”) may choose to vote by proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders who choose to submit a Proxy may do so by completing, signing, dating and depositing the Proxy with TSX Trust by hand or mail at 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1, by fax to 416-595-9563, or by internet by going to www.voteproxyonline.com and entering your unique control number therein not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. A proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

Returning your proxy form

To be effective, we must receive your completed proxy form or voting instruction no later than 11:00 a.m. (Vancouver time) on June 23, 2023.

If the meeting is postponed or adjourned, we must receive your completed form of proxy by 5:00 p.m. (Vancouver time), two full business days before any adjourned or postponed meeting at which the proxy is to be used. Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion and he is under no obligation to accept or reject a late proxy. The Chairman of the Meeting may waive or extend the proxy cut-off without notice.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.

Shareholders who do not hold their shares in their own name (referred to in this information circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Registered Shareholders whose names appear on the records of the Company as the registered holders of shares can be recognized and acted upon at the Meeting.

If shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those shares will not be registered in the Shareholder’s name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder’s intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder.

Without specific instructions, an intermediary and its agents are prohibited from voting shares for the intermediary's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such shares are voted.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own ("**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("**NOBOs**" for Non-Objecting Beneficial Owners). The Company does not intend to pay for intermediaries to deliver these securityholder materials to OBOs and, as a result, OBOs will not be sent paper copies unless their intermediary assumes the costs.

Non-Objecting Beneficial Owners ("NOBOs") Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs. This year, the Company will rely on those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**") from the Company's transfer agent, TSX Trust. These VIFs are to be completed and returned to TSX Trust in the envelope provided or by facsimile. In addition, TSX Trust provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. TSX Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

If you are a Beneficial Shareholder and the Company or its agent has sent these proxy-related materials to you directly, please be advised that your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding your securities on your behalf. By choosing to send these proxy-related materials to you directly, the Company (and not the intermediaries holding securities your behalf) has assumed responsibility for (i) delivering the proxy-related materials to you and (ii) executing your proper voting instructions as specified in the VIF.

Objecting Beneficial Owners ("OBOs")

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their shares are voted at the Meeting.

Applicable regulatory rules require intermediaries to seek voting instructions from OBOs in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to an OBO by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the OBO. The Company does not intend to pay for intermediaries to deliver these securityholder materials to OBOs and, as a result, OBOs will not be sent paper copies unless their intermediary assumes the costs.

The form of proxy provided to OBOs by intermediaries will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. The majority of intermediaries now delegate responsibility for obtaining instructions from OBOs to Broadridge Investor Communications (“**Broadridge**”). Broadridge typically supplies voting instruction forms, mails those forms to OBOs, and asks those OBOs to return the forms to Broadridge or follow specific telephonic or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the meeting. **An OBO receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.**

Notice-and-Access

The Company is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of the Circular, Proxy or VIF.

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at May 18, 2023, 241,752,449 common shares were issued and outstanding.

The Company has fixed May 18, 2023 as the record date (the “Record Date”) for the purposes of determining shareholders entitled to receive the Notice and vote at the Meeting. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each common share of which he, she or it is the holder. The Company has no other classes of voting securities.

In accordance with the provisions of the *Business Corporations Act* (British Columbia), the Company will prepare a list of the holders of common shares on the Record Date. Each holder of common shares named on the list will be entitled to vote the common shares shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the directors and executive officers of the Company, there were no holders who beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at May 18, 2023:

VOTES NECESSARY TO PASS RESOLUTIONS

Under the Company’s Articles, the quorum for the transaction of business at a meeting of shareholders is one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued common shares entitled to be voted at the Meeting. A simple majority of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required in order to pass an ordinary resolution. A majority of two-thirds of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required to pass a special resolution. There are no special resolutions proposed at this Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular, none of the current directors or executive officers, no proposed nominee for election as a director, none of the persons who have been directors or executive officers since the commencement of the last completed financial year and no associate or affiliate of any of the foregoing persons 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, save and except for those matters pertaining to the election of directors and the Company’s stock option plan.

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this Information Circular:

“CEO” means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“CFO” means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“Named Executive Officer” or “NEO” means: (a) a CEO; (b) a CFO; (c) the Company’s most highly compensated executive officers, including any of the Company’s subsidiaries, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

During the year ended September 30, 2022, the Company had two Named Executive Officers, namely Alex Klenman, the CEO, and Vivien Wei Li Chuang, the CFO.

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

Oversight and Description of Director and Named Executive Officer Compensation

The Company’s board of directors (the “Board”) does not have a compensation committee of its Board. Any compensation paid by the Company to its NEOs is determined by the Board. The Board evaluates the performance of the NEOs, establishes executive and senior officer compensation and determines the general compensation structure, policies and programs of the Company. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive’s level of responsibility. In general, a NEO’s compensation is comprised of (i) base salary; (ii) option based awards; and (iii) bonus.

The directors and NEOs are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the director or NEO.

Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*) sets forth all annual and long term compensation for services paid to or earned by each NEO and director for the two most recently completed financial years ended September 30, 2022 and 2021.

Table of Compensation excluding Compensation Securities

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Alex Klenman CEO & Director ^{1,2}	2022	\$246,000	nil	nil	nil	nil	\$246,000
	2021	\$267,500	nil	nil	nil	nil	\$267,500
Paul S. Reynolds ³ Director ³	2022	\$42,000	nil	nil	nil	nil	\$42,000
	2021	\$55,000	nil	nil	nil	nil	\$55,000

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Terrence K.O'Connor ^d <i>Director^d</i>	2022	\$42,000	nil	nil	nil	nil	\$42,000
	2021	\$25,000	nil	nil	nil	nil	\$25,000
Vivien Chuang ⁵ <i>CFO⁵</i>	2022	\$48,000	nil	nil	nil	nil	\$48,000
	2021	\$33,500	nil	nil	nil	nil	\$33,500
C. Trevor Perkins ⁶ <i>VP Exploration⁶</i>	2022	\$147,935	nil	nil	nil	nil	\$147,935
	2021	\$14,298	nil	nil	nil	nil	\$14,298

- Alex Klenman was appointed CEO on July 10, 2017, Corporate Secretary on August 1, 2017, and a director of the Company on January 22, 2018.
- Paid to 0949570 B.C. Ltd., a private company controlled by Alex Klenman, for providing Mr. Klenman's services as CEO of the Company.
- Paid to Westview Consulting Ltd., a private company controlled by Paul S. Reynolds, for providing Mr. Reynolds' services as director of the Company.
- Paid to TKLD Geological Inc., a private company controlled by Terrence K. O'Connor, for providing Mr. O'Connor's services as geological consultant of the Company. Mr. O'Connor is not standing for re-election.
- Paid to VC Consulting Corp., a private company controlled by Vivien Chuang, for providing Ms. Chuang's services as CFO of the Company.
- Paid to Perkins Exploration Consulting, a private company controlled by C. Trevor Perkins, for providing Mr. Perkin's services as VP Exploration of the Company.

Stock Options and Other Compensation Securities

The only compensation securities available to be issued or granted by the Company to its directors and NEOs during the financial year ended September 30, 2022 were incentive stock options under the Company's stock option plan.

The following table discloses all compensation securities granted or issued to each director and NEO by the Company, or a subsidiary of the Company, in the most recently completed financial year ended September 30, 2022, for services provided or to be provided, directly or indirectly, to the Company, or a subsidiary of the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class (#)	Date of Grant or Issue (mm/dd/yy)	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 (mm/dd/yy)
Alex Klenman Director and CEO	Share Options	1,000,000 <1%	12/29/2021	\$0.175	\$0.175	\$0.05	12/29/2026
Vivien Chuang CFO	Share Options	120,000 <1%	12/29/2021	\$0.175	\$0.175	\$0.05	12/29/2026
Paul Reynolds Director	Share Options	600,000 <1%	12/29/2021	\$0.175	\$0.175	\$0.05	12/29/2026
Terrence O'Connor Director	Share Options	600,000 <1%	12/29/2021	\$0.175	\$0.175	\$0.05	12/29/2026
Trevor Perkins VP Exploration	Share Options	400,000 <1%	12/29/2021	\$0.175	\$0.175	\$0.05	12/29/2026

Exercise of Compensation Securities by Directors and Named Executive Officers

During the financial year ended September 30, 2022, no incentive stock options were exercised by any director or NEO.

Stock Option Plans and Other Incentive Plans

The only stock option plan or other incentive plan the Company currently has in place is a 10% “rolling” stock option plan (the “Plan”), which authorizes the Board to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company, from time to time. The underlying purpose of the Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Plan.

On November 24, 2021, the TSX Venture Exchange (“TSXV”) adopted a new Policy 4.4 – *Security Based Compensation* (“**Policy 4.4**”), which governs security based compensation. The changes to Policy 4.4 generally relate to the expansion of the policy to cover a number of types of security based compensation in addition to stock options. The Company has adopted a new form of 10% rolling stock option plan in order to conform with the new Policy 4.4, with an effective date of June 27, 2023 (the “**New Option Plan**”).

The New Option Plan has been conditionally approved by the TSXV, subject to receipt of shareholder approval at the Meeting.

For details of the New Option Plan, see “Particulars of Matters to be Acted Upon – Approval of Stock Option Plan” below.

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. 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 as follows:

Executive Consulting Agreement with Alex Klenman

The Company entered into a consulting agreement with Alex Klenman, through his company 0949570 BC Ltd., effective January 1, 2022 pursuant to his role as Chief Executive Officer of the Company.

The consulting agreement can be terminated by Mr. Klenman (i) without cause at any time on giving the Company not less than ninety (90) days prior notice of such termination; and (ii) with cause in the event the Company commits a material breach of the agreement. The agreement can be terminated by the Company (i) without cause at any time on giving notice to the consultant specifying the date of termination; and (ii) with cause at any time for just cause.

If the agreement is terminated by 0949570 BC Ltd., with cause or by the Company without cause, the Company will pay 0949570 BC Ltd. severance in an amount equal to two (2) years of 0949570 BC Ltd.’s base salary in effect at the time of termination and any unvested Stock Options will immediately vest to Mr. Klenman

If the agreement is terminated by either party without cause during the twelve (12) month period following the date of a change of control, then the Company shall pay 0949570 BC Ltd. a fee equal to thirty-six (36) times the monthly consulting fee plus GST. In addition, the Company will pay 0949570 BC Ltd. the simple average of any cash performance bonus paid or earned and accrued to 0949570 BC Ltd. in the previous three (3) completed financial years (or an amount equal to the simple average of the most recent bonus payments if the bonus plan was implemented by the Company for less than three financial years) if any, which amount is payable within 30 days of the termination date.

0949570 BC Ltd. may immediately terminate the agreement at any time within six (6) months of a change of control by giving the Company written notice of such termination. In such case, the Company shall pay 0949570 BC Ltd. on the termination date a fee equal to thirty-six (36) times the monthly consulting fee plus GST. In addition, the Company will pay to 0949570 BC Ltd. the simple average of any cash performance bonus paid or earned and accrued to 0949570 BC Ltd. in the previous three (3) completed financial years (or an amount equal to the simple average of the most recent bonus payments if the bonus plan was implemented by the Company for less than three financial years) if any, which amount is payable within 30 days of the termination date.

0949570 BC Ltd. may terminate the agreement at any time upon the occurrence of a change of control. In the event of termination by the company pursuant to a change of control the Company will pay an amount equal to 12 months of 0949570 BC Ltd.'s base salary at the date of termination and any unvested Stock Options will immediately vest to the employee and be exercisable for three (3) months.

Other than the consulting agreement with Alex Klenman, the Company does not or did not have any agreements of compensatory plans or arrangements with its NEOs and/or directors for the year ended September 30, 2022 to the date of this Information Circular.

Pension disclosure

The Company does not provide any form of pension to any of its directors or Named Executive Officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Stock Option Plan as at September 30, 2022:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options #	Weighted-average exercise price of outstanding options \$	Number of Common Shares remaining available for future issuance under equity compensation plans #
Equity compensation plans approved by security holders	16,640,000	0.12	6,098,412
Equity compensation plans not approved by security holders	nil	nil	nil
Total	16,640,000	0.12	6,098,412

1. Based on 227,384,119 shares outstanding as of September 30, 2022.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the last completed financial year was any current director, executive officer or employee or any former director, executive officer or employee of the Company, or any proposed nominee for election as a director of the Company:

- indebted to the Company; or
- indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company,

other than routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The term “informed person” as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means a director or executive officer of the Company, or 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 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.

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction or in any proposed transaction during the 2021 financial year which has materially affected or will materially affect the Company or any of its subsidiaries, other than as set out below.

AUDIT COMMITTEE

Pursuant to the provisions of applicable corporate and securities law, and the policies of the TSXV, the Company is required to have an Audit Committee comprised of at least three directors, the majority of which must not be officers or employees of the Company.

The Company must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* (“NI 52-110”), have a written charter, which sets out the duties and responsibilities of its audit committee. In providing the following disclosure, the Company is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

Audit Committee’s Charter

Mandate

The primary function of the audit committee (the “Audit Committee”) is to assist the board of directors (the “Board”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting, and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Audit Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting and internal control systems and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee’s Charter, the definition of “financially literate” is 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 presumably be expected to be raised by the Company’s financial statements. The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting.

Meetings

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter as required.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) Consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements as needed.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

- (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (iii) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

Composition of the Audit Committee

The Audit Committee is currently comprised of the following members:

Paul S. Reynolds (Chair)	Independent ¹	Financially literate ¹
Alex Klenman	Not Independent ¹	Financially literate ¹
Terrence K. O'Connor ²	Independent ¹	Financially literate ¹

1. As defined by NI 52-110.
2. Mr. O'Connor is not standing for re-election.

Relevant Education and Experience

In addition to each member's general business experience, each of the Audit Committee members has the ability to read and understand financial statements and held director and/or officer positions with other reporting issuers in the mineral exploration and mining sector where he has been actively involved in financing and fundraising activities.

Each of the Company's Audit Committee members has been a director or officer of several public companies in the natural resource sector and as a director has been responsible for approving financial statements. See "Directorships" below.

Audit Committee Oversight

At no time since the commencement of the Company's most recent 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 exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees ¹	Tax Fees ²	All Other Fees ³
2022	\$32,390	nil	\$2,800	nil
2021	\$24,293	nil	\$1,800	nil

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Board is currently composed of three directors: Alex Klenman (CEO), Paul S. Reynolds and Terrence O'Connor. Mr. O'Connor will not be standing for re-election. Alex Klenman (CEO), Paul S. Reynolds and John Fraser will be standing for election as directors at the Meeting.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. Of the proposed nominees of the Company, Paul S. Reynolds and Terrence O'Connor are considered by the Board to be "independent" within the meaning of NI 58-101, and Alex Klenman (CEO) is considered to be "non-independent".

Each member of the Board understands that he is entitled, at the cost of the Company, to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances. No director found it necessary to do so during the financial year ended September 30, 2022.

Directorships

The current and proposed directors of the Company are also directors of the following other reporting issuers:

Director	Other Reporting Issuer(s)	Exchange
Terrence K. O'Connor ¹	American Lithium Corp.	TSX Venture
Paul S. Reynolds	Eagle Plains Resources Ltd. West Oak Gold Corp. Highway 50 Gold Corp.	TSX Venture Canadian Securities TSX Venture
Alex Klenman	Nexus Gold Corp. Manning Ventures Inc. Tisdale Clean Energy Corp. Cross River Ventures Corp. West Mining Corp. Ord Mountain Resources Corp. Leocor Gold Inc. Arbor Metals Corp.	TSX Venture Canadian Securities TSX Venture Canadian Securities TSX Venture TSX Venture Canadian Securities TSX Venture
John Fraser ²	Cross River Ventures Corp.	Canadian Securities

1. Not standing for re-election at the Meeting.

2. Proposed for election at the Meeting.

Orientation and Continuing Education

New directors are briefed on the Company's current property holdings, ongoing exploration programs, overall strategic plans, short, medium and long-term corporate objectives, financials status, general business risks and mitigation strategies, and existing company policies. There is no formal orientation for new members of the Board. This is considered to be appropriate, given the Company's size and current level of operations, the ongoing interaction amongst the directors and the low director turnover. However, if the growth of the Company's operations warrants it, it is possible that a formal orientation process would be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and

individually, extensive experience in running and managing public companies, particularly in the natural resource sector. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. The directors are advised that, if a director believes that it would be appropriate to attend any continuing education event for corporate directors, the Company will pay for the cost thereof. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

Ethical Business Conduct

The Board has adopted a new written Code of Ethical Conduct (the "Code") for its directors, officers and employees. A copy of the Code is available free of charge to any person upon request to the Company at Suite 1430 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 (Telephone: 604.638.8063) and may be found on www.sedar.com.

In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors and Assessment

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Company conducts the due-diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve.

Board Committees

The Company currently has one committee, the *Audit Committee*, currently comprised of Paul S. Reynolds (Chair), Alex Klenman and Terrence K. O'Connor. Provided all proposed nominees to the Board are elected at the Meeting, the Audit Committee will be comprised of Paul S. Reynolds (Chair), Alex Klenman and John Fraser. All Board decisions are made by full board of director meetings or consent resolutions.

Assessments

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

FINANCIAL STATEMENTS

The audited financial statement of the Company for the year ended September 30, 2022, reports of the auditor and related management discussions and analysis (together, the "financial statements") will be placed before the Meeting. No formal action will be taken at the Meeting to approve the financial statements.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Election of Directors

The Board presently consists of three directors. The Board has determined that the number of directors to be elected to the Board at the Meeting be set at three, subject to such increases as may be permitted by the articles of the Company.

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Information Circular. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

Name, Province/State and Country of Residence and Other Positions, if any, held with the Company	Date First Became a Director	Principal Occupation	Number of Shares ¹
ALEX KLENMAN ² British Columbia, Canada <i>CEO, Director, Secretary</i>	January 22, 2018	CEO of the Company since July 10, 2017 and Corporate Secretary of the Company since August 1, 2017; President and CEO of Nexus Gold Corp.	1,532,666 ³
PAUL S. REYNOLDS ² British Columbia, Canada <i>Director</i>	September 14, 2011	CEO of the Company from September 21, 2015 to July 10, 2017; President of Westview Consulting Ltd. since October 2008.	1,309,375 ⁴
JOHN FRASER ² British Columbia, Canada <i>Director</i>	Proposed Director	President of Cross River Ventures Corp. since January 2019. Financial/public company consultant from 2015 to present.	nil

1. Information as to voting shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
2. Member or proposed member of the Audit Committee.
3. 100,000 of the share are held in the name of 0949570 B.C. Ltd, a private company controlled by Mr. Klenman.
4. 1,200,000 of the shares are held in name of Westview Consulting Ltd., a private company controlled by Mr. Reynolds.

The Company does not have an executive committee of its Board.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

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

For the purposes hereof, the term “order” means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

Except as disclosed herein, no proposed director:

- (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while such person was acting in such capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets; or
- (b) has, within 10 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 has 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 investor in deciding whether to vote for a proposed director.

B. Appointment of Auditor

Management proposes to nominate Davidson & Company LLP, Chartered Professional Accountants, as the Company’s auditors for the ensuing year. Davidson & Company LLP has been the auditors of the Company since September 13, 2016. Accordingly, unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of Davidson & Company LLP as auditors of the Company for the financial year ending September 30, 2023 and to authorize the directors to fix the auditors’ remuneration.

C. Approval of Stock Option Plan

Background

Pursuant to Policy 4.4 of the TSXV, all TSXV listed companies are required to adopt a stock option plan prior to granting incentive stock options. Accordingly, the Company is adopting a new form of 10% rolling stock option plan in order to conform with the new Policy 4.4, with an effective date of June 27, 2023 (the “**New Option Plan**”).

The New Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of Common Shares of the Company issued and outstanding from time to time. The New Option Plan is administered

by the Board of Directors of the Company, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the New Option Plan to service providers (“**Service Providers**”) of the Company and its subsidiaries, including directors, officers, employees, consultants and employees of companies providing management services to the Company, as the Board of Directors may from time to time determine. The purpose of the New Option Plan is to attract and motivate directors, senior officers, employees, management company employees and consultants (collectively, the “**Optionees**”) and to give such persons, as additional compensation, the opportunity to participate in the success of the Company.

Material Terms of the New Option Plan

The following is a summary of the material terms of the New Option Plan, the full text of the New Option Plan is attached as Schedule “A” to this information circular:

- (a) Persons who are Service Providers to the Company or its subsidiaries, or who are providing services to the Company or its subsidiaries, are eligible to receive grants of options under the New Option Plan;
- (b) Options granted under the New Option Plan are non-assignable and non-transferable;
- (c) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider, which shall, if the participant is an employee, consultant or management company employee of the Company or its subsidiaries, contain a representation and warranty by the Company that such participant is a bona fide employee, consultant or management company employee of the Company or its subsidiaries (as defined in the New Option Plan);
- (d) An option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) If an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of the expiry date and the date which is six months after the date of the Optionee’s death, always provided that the Board may, in its discretion, extend the date of termination in which such vested option remains exercisable to a date not exceeding the earlier of the expiry date and the date which is twelve months after the date of death of such Optionee;
- (f) In the case of an Optionee being dismissed from employment or service for cause, such Optionee’s options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) The exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the New Option Plan);
- (h) All options granted under the New Option Plan will expire not later than the date that is ten years from the date that such options are granted;
- (i) No one participant may be granted options to purchase more than 5% of the number of the issued and outstanding Common Shares in any 12 month period under the New Option Plan and any other share compensation arrangement, unless the Company has received disinterested shareholder approval.
- (j) The aggregate number of common shares that may be reserved for issuance for issuance to a consultant of the Company or affiliate in any 12 month period under the New Option Plan and any other share compensation arrangement, shall not exceed 2% of the issued and outstanding Common Shares at the time of grant;

- (k) The aggregate number of common shares that may be reserved for issuance to investor relations service providers in any 12 month period under the New Option Plan and any other share compensation arrangement, shall not exceed 2% of the issued and outstanding Common Shares at the time of grant;
- (l) Unless the Corporation has received Disinterested Shareholder Approval to do so, the aggregate number of Common Shares reserved for issuance to Insiders under the New Option Plan and any other share compensation arrangement, shall not exceed 10% of the outstanding Common Shares: (i) at any point in time or (ii) in any 12 month period, at the time of grant;
- (m) Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in Section 2.2(a) and Sections 4.3 (a), (b), (c) and (d) of the New Option Plan. Options held by a Service Provider conducting Investor Relations Activities may not be exercised on a Cashless Exercise or Net Exercise basis.
- (n) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its subsidiaries, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiaries during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its subsidiaries during the vesting period. Options granted to investor relations providers must vest in stages over twelve months with no more than 25% vesting in any three month period.;
- (o) the Vesting of any Options (subject to the approval of the Exchange if such Vesting is mandatory under the policies of the Exchange), including the accelerated Vesting thereof on conditions the Board deems advisable, provided, however, that there may be no acceleration of such Vesting conditions applicable to Options granted to any persons providing Investor Relations Activities; and
- (p) The Board reserves the right in its discretion to amend, suspend, terminate or discontinue the New Option Plan, subject to any required shareholder or TSXV approvals.

The New Option Plan adopts certain changes to conform with the new TSXV Policy 4.4, including the addition of certain definitions in the New Option Plan and clarification of TSXV requirements for security based compensation plans. The New Option Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as now expressly permitted by Policy 4.4. “Cashless Exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net Exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under Policy 4.4, the current market price must be the five day volume weighted average trading price prior to option exercise. “Net Exercise” may not be utilized by persons performing investor relations services.

Outstanding Options

As at the date of this Information Circular, the Company has options outstanding under the New Option Plan to purchase 16,148,000 common shares, representing 67% of the available options, and 7% of the 241,752,449 issued common shares. Accordingly, 8,027,245 options remain available for grant under the New Option Plan.

Shareholder Approval of the New Option Plan

Shareholders will be asked at the Meeting to consider and, if thought fit, pass an ordinary resolution in substantially the following form:

“**RESOLVED**, as an ordinary resolution, that the Company’s New Option Plan dated June 27, 2023, as described in the Company’s Information Circular dated May 18, 2023, and the grant of options thereunder in accordance therewith, be approved.”

An ordinary resolution is a resolution passed by the Shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Disinterested shareholder approval of the foregoing resolution is not required because the New Option Plan cannot result at any time in: (i) the number of common shares reserved for issuance under stock options granted to insiders exceeding 10% of the issued common shares; (ii) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the issued common shares; or (iii) the issuance to any one optionee, within a 12 month period, of a number of common shares exceeding 5% of the issued common shares.

The Board considers that the ability to grant incentive stock options is an important component of its compensation strategy and is necessary to enable the Company to attract and retain qualified directors, officers, employees and consultants. **The Board therefore recommends that Shareholders vote “For” the resolution re-approving the Company’s New Option Plan.** Unless otherwise instructed, the persons named in the enclosed form of Proxy will vote “IN FAVOUR” of the above resolution. If the New Option Plan is not re-approved by the Shareholders, existing options will not be affected, but new options granted by the Company will be required to be approved by the shareholders before they can be exercised by the holders thereof.

OTHER MATTERS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com under “Company Profiles – Azincourt Energy Corp.”. The Company’s audited financial statements and management discussion and analysis (“MD&A”) for the financial year end September 30, 2022 are available for review under the Company’s profile on SEDAR. The Company’s audited financial statements and MD&A for the financial year ended September 30, 2022 will be available for review under the Company’s profile on SEDAR prior to the Meeting. Shareholders may contact the Company to request copies of the financial statements and MD&A by: (i) mail to Suite 1430 – 800 West Pender Street, Vancouver, BC, V6C 2T6; or (ii) fax to (604) 648-8105.

BOARD APPROVAL

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

DATED at Vancouver, British Columbia, the 18th day of May, 2023.

ON BEHALF OF THE BOARD OF AZINCOURT ENERGY CORP.

“Alex Klenman”

Chief Executive Officer

SCHEDULE "A"
NEW OPTION PLAN

AZINCOURT ENERGY CORP.

INCENTIVE STOCK OPTION PLAN

DATED: JUNE 27, 2023

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS AND INTERPRETATION	1
1.1 Defined Terms	1
1.2 Interpretation.....	4
ARTICLE 2 ESTABLISHMENT OF PLAN.....	4
2.1 Purpose	4
2.2 Shares Reserved	4
2.3 Non-Exclusivity	5
2.4 Effective Date	5
ARTICLE 3 ADMINISTRATION OF PLAN	5
3.1 Administration	5
3.2 Amendment, Suspension and Termination.....	6
3.3 Compliance with Legislation.....	6
ARTICLE 4 OPTION GRANTS.....	7
4.1 Eligibility and Multiple Grants	7
4.2 Option Agreement.....	7
4.3 Limitation on Grants and Exercises.....	7
ARTICLE 5 ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES.....	8
5.1 Common Share Reorganization.....	8
5.2 Special Distribution	8
5.3 Corporate Organization.....	9
5.4 Determination of Option Price	9
5.5 Regulatory Approval	9
ARTICLE 6 OPTION TERMS	10
6.1 Exercise Price	10
6.2 Expiry Date	10
6.3 Vesting.....	10
6.4 Non-Assignability	10
6.5 Ceasing to be Eligible Person	10
ARTICLE 7 EXERCISE PROCEDURE.....	11
7.1 Exercise Procedure.....	11
7.2 Withholding	12
ARTICLE 8 AMENDMENT OF OPTIONS.....	12
8.1 Consent to Amend	12
8.2 Amendment Subject to Approval.....	13
ARTICLE 9 MISCELLANEOUS.....	13
9.1 No Rights as Shareholder	13
9.2 No Right to Employment.....	13
9.3 Governing Law.....	13

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) "**Affiliate**" has the meaning ascribed thereto by the Exchange;
- (b) "**Board**" means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than three (3) Directors of the Corporation duly appointed to administer this Plan;
- (c) "**Business Day**" means a day that is not a Saturday, Sunday or a statutory or public holiday and any other day on which the banks are not regularly open for business;
- (d) "**Cashless Exercise**" has the meaning set out in Exchange Policy 4.4 – *Security Based Compensation* whereby the Corporation may have an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to an Option Holder to purchase Common Shares underlying the Options. The brokerage firm then sells a sufficient number of Common Shares to cover the Exercise Price of the Options in order to repay the loan made to the Option Holder. The brokerage firm receives an equivalent number of Common Shares from the exercise of the Options and the Option Holder then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares;
- (e) "**Cause**" means: (i) "Cause" as such term is defined in the written employment agreement, if any, between the Corporation and Employee; or (ii) if there is no written employment agreement between the Corporation and the Employee or "Cause" is not defined in the written employment agreement between the Corporation and the Employee, the usual meaning of just cause under the common law or the laws of British Columbia;
- (f) "**Common Shares**" means the common shares of the Corporation;
- (g) "**Consultant**" means an individual who:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to a Subsidiary of the Corporation, other than services provided in relation to a distribution;
 - (ii) provides the services under a written contract between the Corporation or a Subsidiary of the Corporation and the individual or the Consultant Company, as the case may be;
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention of the affairs and business of the Corporation or a Subsidiary of the Corporation; and

(iv) has a relationship with the Corporation or a Subsidiary of the Corporation that enables the Consultant to be knowledgeable about the business and affairs of the Corporation or a Subsidiary of the Corporation.

and includes a Consultant Company of which a Consultant is an employee or shareholder and a partnership of which a Consultant is an employee or partner;

- (h) **"Consultant Company"** means a Consultant that is a company;
- (i) **"Corporation"** means Azincourt Energy Corp. and its successor entities;
- (j) **"Director"** means a director of the Corporation or of a Subsidiary;
- (k) **"Discounted Market Price"** has the meaning ascribed thereto by Exchange Policy 1.1 – *Interpretation*;
- (l) **"Disinterested Shareholder Approval"** has the meaning ascribed thereto by the Exchange in Exchange Policy 4.4 – *Security Based Compensation*;
- (m) **"Eligible Person"** means a *bona fide* Director, Officer, Employee, or Consultant;
- (n) **"Employee"** means an individual who:
 - (i) is considered an employee of the Corporation or a Subsidiary under the *Income Tax Act*, i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
 - (ii) works full-time for the Corporation or a Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Subsidiary over the details and method of work as an employee of the Corporation or the Subsidiary, but for whom income tax deductions are not made at source, or
 - (iii) works for the Corporation or a Subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Subsidiary over the details and method of work as an employee of the Corporation or the Subsidiary, but for whom income tax deductions are not made at source;
- (o) **"Exchange"** means the TSX Venture Exchange and any successor entity;
- (p) **"Exercise Notice"** means the notice respecting the exercise of an Option, in the form attached to the Option Certificate, duly executed by the Option Holder;
- (q) **"Expiry Date"** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 6.2 and, if applicable, as amended from time to time;
- (r) **"Insider"** has the meaning ascribed thereto by the Exchange;

- (s) **"Investor Relations Activities"** has the meaning ascribed thereto by the Exchange;
- (t) **"Management Company Employee"** means an individual who is employed by a company providing management services to the Corporation or a Subsidiary which are required for the ongoing successful operation of the business enterprise of the Corporation or the Subsidiary, but excluding a person providing Investor Relations Activities;
- (u) **"Net Exercise"** has the meaning set out in Exchange Policy 4.4 – *Security Based Compensation* whereby Options are exercised without the Option Holder making any cash payment so that the Corporation does not receive any cash from the exercise of the subject Options, and instead the Option Holder receives only the number of underlying Common Shares that is the equal to the quotient obtained by dividing:
 - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options; by
 - (ii) the VWAP of the underlying Common Shares;
- (v) **"Officer"** means an officer of the Corporation or of a Subsidiary, and includes a Management Company Employee;
- (w) **"Option"** means an option to purchase Common Shares pursuant to this Plan;
- (x) **"Option Agreement"** means an agreement between the Corporation and a Participant which sets forth the terms of an Option grant;
- (y) **"Option Price"** means the per Common Share exercise price specified in the Option Agreement to be paid to acquire Option Shares, adjusted from time to time in accordance with the provisions of Article 5 of the Plan;
- (z) **"Option Shares"** means the aggregate number of Common Shares which a Participant may purchase under an Option;
- (aa) **"Other Share Compensation Arrangement"** means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (bb) **"Participant"** means an Eligible Person who has been granted an Option;
- (cc) **"Plan"** means this Amended & Restated Stock Option Plan;
- (dd) **"Subsidiary"** means a corporation, company or partnership that is controlled, directly or indirectly, by the Corporation;

- (ee) **"Vest"** means, with respect to an Option, becomes exercisable in respect of the number of Option Shares by the Participant pursuant to the terms of the Option Agreement and the Plan, and **"Vested"** and **"Vesting"** shall have similar meanings; and
- (ff) **"VWAP"** means the volume weighted average trading price of the Corporation's Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option. Where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

1.2 **Interpretation**

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 **Purpose**

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation and its Subsidiaries;
- (b) encouraging Eligible Persons to remain with the Corporation or its Subsidiaries; and
- (c) attracting new Directors, Officers, Employees and Consultants.

2.2 **Shares Reserved**

- (a) The aggregate number of Common Shares that may be reserved for issuance at any point in time shall be equal to ten percent (10%) of the issued and outstanding common shares of the Corporation, as measured as at the date of grant. For greater certainty, if an Option is exercised, cancelled, surrendered, terminated, forfeited or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.
- (b) If there is a change in the outstanding Common Shares by reason of any Share Reorganization, Special Distribution, Corporate Reorganization, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities (including, for certainty, the Exchange), appropriate substitution and/or adjustment in:

- (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
- (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
- (iii) the Vesting of any Options (subject to the approval of the Exchange if such Vesting is mandatory under the policies of the Exchange), including the accelerated Vesting thereof on conditions the Board deems advisable, provided, however, that there may be no acceleration of such Vesting conditions applicable to Options granted to any persons providing Investor Relations Activities,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.

Any substitution or adjustment made pursuant to this Section is subject to the limits set out in Section 4.3 hereto and the Board retains the discretion to make cash payment in lieu of the issuance of additional Options in the event any substitution or adjustment would exceed such limits.

- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

The Plan was adopted by the Board on May 4, 2023 and approved by the shareholders of the Company on June 27, 2023. The Plan shall take effect on June 27, 2023 (the “**Effective Date**”).

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board. Subject to the provisions of this Plan, the Board shall have the authority:

- (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited;
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other persons.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required (including, for certainty, the Exchange), suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Participant. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Legislation

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been

duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

- (c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4 OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions, subject to the terms of this Plan.

4.2 Option Agreement

Every Option shall be evidenced by an Option Agreement executed by the Corporation and the Participant, which shall, if the Participant is an Employee, Consultant or Management Company Employee, contain a representation and warranty by the Corporation and such Participant that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or a Subsidiary. In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To Eligible Persons.** The aggregate number of Common Shares reserved for issuance to any one Eligible Person in any 12 month period under this Plan and any other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.
- (b) **To Consultants.** The aggregate number of Common Shares reserved for issuance to any one Consultant in any 12 month period under this Plan and any other Share Compensation Arrangement, shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (c) **To Participants conducting Investor Relations Activities.** The aggregate number of Common Shares reserved for issuance pursuant to all Options to all Eligible Persons conducting Investor Relations Activities in any 12 month period under this Plan and any other Share Compensation Arrangement, shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (d) **To Insiders.** Unless the Corporation has received Disinterested Shareholder Approval to do so, the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any other Share Compensation

Arrangement, shall not exceed 10% of the outstanding Common Shares: (i) at any point in time or (ii) in any 12 month period, at the time of grant.

- (e) **Cashless Exercise and Net Exercise.** Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Corporation, must be included in calculating the limits set forth in Section 2.2(a) and Sections 4.3 (a), (b), (c) and (d). Options held by a Participant conducting Investor Relations Activities may not be exercised on a Cashless Exercise or Net Exercise basis.

ARTICLE 5 ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Common Share Reorganization

Subject to the prior approval of the Exchange as required, whenever the Corporation issues Common Shares to all or substantially all holders of Common Shares by way of a stock dividend or other distribution, or subdivides all outstanding Common Shares into a greater number of Common Shares, or combines or consolidates all outstanding Common Shares into a lesser number of Common Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option the Option Price will be adjusted to a price per Common Shares which is the product of:

- (a) the Option Price in effect immediately before that effective date or record date; and
- (b) a fraction, the numerator of which is the total number of Common Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Common Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization.

5.2 Special Distribution

Subject to the prior approval of the Exchange as required, whenever the Corporation issues by way of a dividend or otherwise distributes to all or substantially all holders of Common Shares;

- (a) shares of the Corporation, other than the Common Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Common

Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution, provided that with respect to Options of U.S. Taxpayers such adjustments will be undertaken in a manner that complies with Code Section 409A.

5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Common Shares, a change of Common Shares into other shares or securities, or any other capital reorganization of the Corporation, other than as described in Sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Corporation with or into another corporation resulting in a reclassification of outstanding Common Shares into other shares or securities or a change of Common Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Corporation become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Corporation's shareholders, or the exchange with the Corporation's shareholders, of securities of the Corporation, or securities of another company, or both; or
- (d) a transaction whereby all or substantially all of the Corporation's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Option Holder will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization.

5.4 Determination of Option Price

If any questions arise at any time with respect to the Option Price following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions will be conclusively determined by the Corporation's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Corporation and all Option Holders.

5.5 Regulatory Approval

While the Shares are listed for trading on the TSX Venture Exchange, any adjustment, other than in connection with a subdivision of the Shares into a greater number of Shares, or a consolidation of Shares into a lesser number of Shares pursuant to the provisions of Sections 5.1, 5.2 or 5.3, is subject to the prior acceptance of the TSX Venture Exchange, including

adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 6 OPTION TERMS

6.1 Exercise Price

- (a) Subject to a minimum exercise price of \$0.05 per Common Share, the exercise price per Common Share for an Option shall not be less than the Discounted Market Price, or such other minimum price as may be required or permitted by the Exchange. If Options are granted within ninety days of a distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection (a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. Such ninety day period shall begin:
 - (i) on the date the final receipt is issued for the final prospectus in respect of such distribution; and
 - (ii) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

6.2 Expiry Date

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

6.3 Vesting

- (a) Subject to subsection (b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall Vest and become exercisable.
- (b) Options granted to persons performing Investor Relations Activities shall Vest over a minimum 12 months with no more than one quarter ($\frac{1}{4}$) of such Options Vesting in any 3 month period.

6.4 Non-Assignability

Options may not be assigned or transferred.

6.5 Ceasing to be Eligible Person

- (a) If a Participant who is an Director, Officer, Employee or Consultant is terminated for Cause, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination for Cause.

- (b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the Participant's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.
- (c) If a Participant ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the (i) Expiry Date and (ii) the date which is 90 days after such event (and the date which is 30 days after such event if the Participant is engaged in providing investor relations activities), always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after twelve months of such event.
- (d) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of Section 6.5(b).
- (e) If any portion of an Option is not Vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion further and subject to the approval of the Exchange where the Vesting of the said Participant's options was a requirement of the Exchange's policies, thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have Vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without Cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to Vest.

ARTICLE 7 EXERCISE PROCEDURE

7.1 Exercise Procedure

An Option may be exercised in whole or in part, at any time prior to their lapse or termination and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its registered office:

- (a) a written Exercise Notice addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised and the intended use of either the Cashless Exercise or Net Exercise method;
- (b) the originally signed Option Agreement with respect to the Option being exercised;
- (c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised. Common Shares may also be purchased by a Participant by way of the Cashless Exercise or Net Exercise method; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction;

and on the Business Day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.

7.2 Withholding

The Corporation may withhold from any amount payable to a Participant, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Corporation to comply with the applicable requirements of any federal, provincial, local, or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options ("**Withholding Obligations**"). The Corporation may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring a Participant, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such Withholding Obligations including, without limitation, requiring the Participant to remit to the Corporation in advance, or reimburse the Corporation for, any such Withholding Obligations or (b) selling on the Participant's behalf, or requiring the Participant to sell, any Common Shares acquired by the Participant under the Plan, or retaining any amount which would otherwise be payable to the Participant in connection with any such sale.

ARTICLE 8 AMENDMENT OF OPTIONS

8.1 Consent to Amend

The Board may amend any Option with the consent of the affected Participant and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider at the time of the proposed amendment.

8.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

ARTICLE 9 MISCELLANEOUS

9.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

9.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without Cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

9.3 Governing Law

This Plan, all Option Agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.