



SEARCH MINERALS INC.

**Annual General Meeting
to be held on November 4, 2021**

**Notice of Annual General Meeting
and
Information Circular**

As at September 28, 2021

SEARCH MINERALS INC.
Suite 108, 901 West 3rd Street
North Vancouver, British Columbia V7P 3P9

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Search Minerals Inc. (the “**Company**”) will be held at the Company's office, Suite 108, 901 West 3rd Street, Vancouver, British Columbia on Thursday, November 4, 2021, at 10:00 a.m. (Vancouver time). Shareholders will also be able to access the Meeting by teleconference using the details below.

At the Meeting, the shareholders will receive the financial statements for the year ended November 30, 2020, together with the auditor's report thereon, and consider resolutions to:

1. to fix the number of directors of the Company at five;
2. to elect directors of the Company for the ensuing year;
3. to appoint Mao & Ying LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors of the Company to fix its remuneration;
4. to consider and, if thought appropriate, approve the Company's rolling stock option plan, as more particularly described in the accompanying Circular; and
5. to transact such other business as may properly be put before the Meeting or any adjournment thereof.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy; however due to constantly evolving circumstances surrounding the COVID-19 pandemic, the Board of Directors (the “Board”) is requesting that all shareholders vote their shares by proxy and not attend in person. Shareholders should read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (Vancouver, British Columbia time) on Tuesday, November 2, 2021 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on September 28, 2021 will be entitled to vote at the Meeting.

Please note, voting will NOT be permitted over the telephone, so you MUST complete the proxy form if you are attending the meeting by teleconference and wish to vote.

Register in advance for this meeting:

<https://us06web.zoom.us/meeting/register/tZUucO6gpzoiH9XUXGEMhBUyGD0buQoMEAPL>

After registering you will receive a confirmation email containing information about joining the meeting.

By Telephone; For higher quality, dial a number based on your current location.

Canada: +1 778 907 2071 or +1 204 272 7920 or +1 438 809 7799 or +1 587 328 1099 or +1 647 374 4685
or +1 647 558 0588

US: +1 720 707 2699 or +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 346 248 7799 or
+1 646 558 8656

Meeting ID: 813 7789 1851

Passcode: 696894

Callers are recommended to call in at least 5 minutes before the start of the Meeting.

Accompanying this Notice of Annual General of Shareholders is the Information Circular.

DATED at Vancouver, British Columbia, this 28th day of September, 2021.

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "*Greg Andrews*"

Greg Andrews
Director, President and Chief Executive Officer

SEARCH MINERALS INC.
Suite 108, 901 West 3rd Street
North Vancouver, British Columbia V7P 3P9

MANAGEMENT INFORMATION CIRCULAR

(as at September 28, 2021 except as otherwise indicated)

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of Search Minerals Inc. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of the common shares in the capital of the Company (the “**Common Shares**”) to be held at the time and place set out in the accompanying Notice of Annual Meeting of Shareholders (the “**Notice**”). The Company will bear the cost of this solicitation. The solicitation will be made primarily by mail, but proxies may also be solicited personally or by telephone by regular employees of the Company.

Except as noted below, the Company has distributed or made available for distribution, copies of the Notice, the Circular and form of proxy or voting instruction form (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 non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Computershare Investor Services Inc. (“**Computershare**”). 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 PROXY

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A Shareholder who wishes to appoint some other person to serve as their representative at the Meeting (who need not be a Shareholder) may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed proxy should be delivered to Computershare by 10:00 a.m. (Vancouver time) on Tuesday, November 2, 2021, or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the proxy is to be used, or deliver 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 and officer or attorney thereof duly authorized.

The Proxy may be revoked prior to its use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder’s attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - (i) at the office of the Company, Suite 108, 901 West 3rd Street, North Vancouver, British Columbia, V7P 3P9, at any time up to and including Wednesday, November 3, 2021; or
 - (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (b) in any other manner permitted by law.

PROVISIONS RELATING TO VOTING OF PROXIES

The Common Shares represented by accompanying form of proxy provided to Shareholders will be voted or withheld from voting by the designated persons named thereon in accordance with the direction of the Shareholders appointing them. **If there is no such direction, 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 any amendments or variations to matters identified in the Notice and any other matters which may properly come before the Meeting or any adjournment thereof.** At the time of printing of this Circular, the management of the Company (the “**Management**”) knows of no other matters which may come before the Meeting other than those referred to in the Notice. **However, if any other matters which at present are not known to the Management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, who do not hold the Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”). Beneficial Shareholders are Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name, **Shareholders should note that only proxies deposited by Shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting.** If Common Shares are listed in an account statement provided to a Beneficial Shareholder by an Intermediary, then those Common Shares will, in all likelihood, not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., (the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms). Common shares held by Intermediaries (or their agents or nominees) on behalf of a broker’s client can only be voted for or against resolutions upon the instruction of the Beneficial Shareholder. Without specific instructions, Intermediaries (and their agents and nominees) are prohibited from voting Common Shares for their clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Each Intermediary 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 Common Shares are voted at the Meeting. Often the form of proxy provided to a Beneficial Shareholder by its Intermediary is substantially similar to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The vast majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form or proxy forms (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a VIF from Broadridge cannot use that form to vote Common Shares directly at the Meeting.** The VIF must be returned to Broadridge (or instructions respecting the voting of the Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of the Common Shares held through an Intermediary, please contact that Intermediary for assistance.

The Meeting Materials are being provided to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company’s OBOs can expect to be contacted by Broadridge or their Intermediary as set out above. The Company does not intend to pay for the Intermediaries to deliver the Meeting Materials to OBOs and accordingly, if the OBO’s Intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of its Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary (the registered shareholder) and vote the Common Shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or the Intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or the Intermediary, as applicable, must arrange, without cost to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the Intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. Beneficial Shareholders who wish to attend the Meeting and to vote their Common Shares as proxyholder for the Intermediary, should enter their own name in the blank space on the form of proxy or VIF and return the same to their Intermediary in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Meeting Materials are to Shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The Meeting Materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instruction. As a result, if you are a Beneficial Shareholder, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended November 30, 2020, together with the auditor’s report on those statements and Management Discussion and Analysis, will be presented to the Shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has fixed the close of business on Monday, September 28, 2021, as the record date (the “**Record Date**”) for the purpose of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, the Company’s authorized capital consists of an unlimited number of Common Shares of which 337,196,007 Common Shares carrying the right to one vote per share at the Meeting are issued and outstanding. Each holder of Common Shares as of the Record Date will be entitled to vote their Common Shares at the Meeting as noted above.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, or have control or direction over, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to the Common Shares:

Name of Shareholder	Number of Shares Owned	
	Common Shares	Percentage of Voting Rights
InCoR Holdings PLC	96,841,405	28.7%

ELECTION OF DIRECTORS

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 accordance with the articles of the Company. At the Company’s last annual general meeting, the number of directors of the Company was set at five. Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at five.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

Advance Notice Provisions

Part 27 of the Company’s Articles, as amended, contains a requirement providing advance notice of nomination of directors in certain circumstances where nomination for election of directors are made by a Shareholder. For an annual meeting of Shareholders, notice to the Company must be made not less than 36 days no more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 50 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10th day following such public announcement. For special meeting of Shareholders (which is not also an annual meeting), notice to the

Company must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made.

Director Nominee Profiles

The following table sets out the names of each person to be nominated by the Company for election as directors, the offices they hold within the Company, their principal occupations and the length of time they have served as directors of the Company. The number of Common Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each director of the Company is presented to the best knowledge of Management and has been furnished to Management by such directors. Information provided herein is as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of Common Shares beneficially owned, controlled or directed
Greg Andrews ⁽¹⁾ British Columbia, Canada Director, President and Chief Executive Officer	President and Chief Executive Officer of the Company.	May 18, 2017	5,470,575 ⁽³⁾
Jocelyn Bennett ⁽¹⁾⁽²⁾ Geneva, Switzerland Director	Partner at Molard Financial Management Services S.A.; Senior Partner of InCoR Holdings Limited; Director of InCoR Holdings Limited.	October 2, 2017	3,019,132
David Dreisinger British Columbia, Canada Vice-President Metallurgy and Director	Vice-President Metallurgy of the Company; Professor and Industrial Research Chair of Hydrometallurgy, University of British Columbia; President of Dreisinger Consulting Inc.; Director of PolyMet Mining Corp.; Director of LeadFX Inc.; Director of Euro Manganese; Director of Cascadero Copper, Vice President, Metallurgy of Camrova Resources Inc.	September 23, 2009	7,242,500 ⁽⁴⁾
George Molyviatis ⁽²⁾ Principality of Monaco Director	Entrepreneur and Founder of InCoR Holdings PLC; Director of LeadFX Inc.	October 2, 2017	102,260,537 ⁽⁵⁾
Leo Power ⁽¹⁾⁽²⁾ Newfoundland, Canada Director	President of L. Power Consulting; Director of Canada Fluospar; Director of Minfocus Exploration Corp.	January 10, 2017	1,202,500

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Greg Andrews holds 4,525,575 common shares directly and 740,125 common shares are held by his wife, Donna Andrews and 204,875 common shares are held indirectly through Andrews – RESP.
- (4) David Dreisinger holds 4,261,875 common shares directly and 2,980,625 common shares indirectly through Dreisinger Holdings Inc., a private company controlled by David Dreisinger.
- (5) George Molyviatis is the Chairman of InCoR Holdings PLC (“**InCoR**”), a private venture capital company which owns the Common Shares. George Molyviatis holds 3,019,132 directly.

Except as disclosed below, no proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, to the knowledge of the Company, no proposed director of the Company is, or within 10 years prior to the date of this Circular, has been a director, executive officer or chief financial officer of any company, including the Company, that:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; 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 of such company; or
- (c) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

George Molyviatis became a director of Besra Gold Inc., a corporation then listed on the Toronto Stock Exchange (“**Besra**”), in April 2015. Prior to Mr. Molyviatis joining the Board of Besra, Besra became subject to cease trade orders which were implemented on or about December 17, 2014. In October 2015, Besra commenced restructuring proceedings in Canada and the United States. Mr. Molyviatis ceased to be a director of Besra on November 17, 2016, and Jocelyn Bennett became a director of Besra in November 2016. Besra emerged from formal bankruptcy proceedings on or about May 15, 2017.

Leo Power is a director of 68870 Newfoundland & Labrador Inc., a private company (“**68870**”), which previously owned and operated a restaurant located in St. John’s, Newfoundland & Labrador. Mr. Power was also a shareholder of 68870 through a holding company and a guarantor of certain liabilities of 68870. The restaurant failed and on April 6, 2016, 68870 made a proposal under the *Bankruptcy and Insolvency Act* at Court No. 20361 and Estate No. 51-209033 for a settlement which was approved by creditors and received court approval. The settlement amount was paid to 68870’s creditors and 68870, the directors of 68870 (including Mr. Power) and certain shareholders of 68870 who had guaranteed a portion of 68870’s debts were all released from their obligations. The foregoing information, not being within the knowledge of the Company, has been furnished by the proposed director.

Penalties or Sanctions

To the knowledge of the Company, no proposed director:

- (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended November 30, 2020, the Company had four Named Executive Officers (“NEOs”) being, Greg Andrews, the President and Chief Executive Officer (“CEO”), Matthew Anderson, the Chief Financial Officer (“CFO”), David Dreisinger, the Vice-President of Metallurgy and Dr. Randy Miller, Vice-President of Exploration of the Company

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three 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 whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above 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 that financial year.

Compensation Discussion and Analysis

The Company does not have a formal compensation program. The compensation of the Company’s NEOs is determined by the Company’s compensation committee (the “**Compensation Committee**”). The Compensation Committee then provides recommendations to the board of directors (the “**Board**”) for approval. See “Corporate Governance Disclosure - Compensation Committee”.

The general objectives of the Company’s compensation decisions are:

- to encourage management to achieve a high level of performance and results with a view to increasing long-term shareholder value;
- to align management’s interests with the long-term interest of shareholders;
- to provide compensation commensurate with peer companies in order to attract and retain highly qualified executives; and
- to ensure that total compensation paid takes into account the Company’s overall financial position.

The Company’s compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will generally allow the Company to remain competitive compared to its peers in attracting and retaining qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility.

Elements of Compensation

In general, an NEO’s compensation is comprised of a base salary and/or management fees, annual incentive awards and stock option grants. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Compensation Committee considers the Company’s performance and assigns compensation based on this assessment and the recommendations of the Board. The directors of the Company are of a view that all elements should be considered, rather than any single element. In establishing

levels of base salary and the granting of stock options, the NEO's performance, level of expertise, responsibilities and time spent are considered.

Compensation Risks

Neither the Board nor the Compensation Committee has formally evaluated the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board and the Compensation Committee do not believe that the Company's compensation program results in unnecessary or inappropriate risk-taking, including risks that are likely to have a material adverse effect on the Company.

Financial Instruments

The Company's NEOs and directors 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 NEO or director.

Incentive Plans

Incentive stock options are granted pursuant to the Company's stock option plan (the "**Stock Option Plan**"), which is designed to encourage share ownership on the part of Management, directors, employees, and consultants. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value by encouraging share ownership and entrepreneurship on the part of the senior Management and other employees. The Board believes that the Stock Option Plan aligns the interests of the Company's personnel with shareholders by linking compensation to the longer-term performance of the Common Shares. The granting of incentive stock options is a significant component of executive compensation as it allows the Company to reward each executive officer's efforts to increase shareholder value without requiring the use of the Company's cash reserves.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependant on the Company's financial resources and prospects.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. Directors, officers, employees and consultants are eligible under the Stock Option Plan to receive grants of stock options. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its directors, employees and consultants, permitting them to participate in appreciation of the market value of the Common Shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. Stock option grants are made on the basis of the position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

Options are granted by either the Board or the Compensation Committee. In monitoring or adjusting the option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value and previous option grants. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Stock Option Plan. See "Particulars of Matters to be Acted Upon – Approving of Stock Option Plan" below for further details regarding the Stock Option Plan.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee’s Charter. The Compensation Committee is composed of George Molyviatis, Jocelyn Bennett and Leo Power. All members of the Compensation Committee are considered independent as such term is defined in National Instrument 52-110 – *Audit Committees* (“NI 52-110”).

The Compensation Committee meets on compensation matters as and when required with respect to executive compensation. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the NEO’s and the Company’s other senior officers is determined with regard to the Company’s business strategies and objectives, such that the financial interest of the senior officers is aligned with the financial interest of shareholders, and to ensure that their compensation is fair and reasonable and sufficient to attract and retain qualified and experienced executives. See “Corporate Governance Disclosure – Compensation Committee” below for further details regarding powers and operations of the committee.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Company’s compensation policies and practices.

Summary Compensation Table

The following table sets forth a summary of compensation paid or awarded to the Company’s NEOs during the Company’s three most recently completed financial years.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Greg Andrews President & CEO	2020	180,000	Nil	78,636	90,000	Nil	Nil	Nil	348,636
	2019	180,000	Nil	23,250	80,000	Nil	Nil	Nil	283,250
	2018	180,000	Nil	57,620	55,000	Nil	Nil	Nil	292,620
Matthew Anderson CFO	2020	Nil	Nil	8,902	Nil	Nil	Nil	28,176	37,078
	2019	Nil	Nil	6,200	Nil	Nil	Nil	22,890	29,090
	2018	Nil	Nil	10,476	Nil	Nil	Nil	24,258	34,734
Dr. David Dreisinger Vice-President Metallurgy	2020	90,000	Nil	37,092	40,000	Nil	Nil	Nil	167,092
	2019	90,000	Nil	15,500	35,000	Nil	Nil	Nil	140,500
	2018	90,000	Nil	52,382	25,000	Nil	Nil	Nil	167,382
Dr. Randy Miller Vice-President Exploration	2020	138,000	Nil	44,511	40,000	Nil	Nil	Nil	222,511
	2019	133,988	Nil	23,250	40,000	Nil	Nil	Nil	197,238
	2018	129,998	Nil	13,096	Nil	Nil	Nil	Nil	143,074

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Risk-free interest rate:	0.85%	1.8%	0.73%
Expected dividend yield:	Nil	Nil	Nil
Expected volatility:	87%	90%	199%
Expected life of option:	5.0 years	3.5 years	3.5 years

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company’s financial statements.

Narrative Discussion

The Company entered into an employment agreement dated February 1, 2018, with Greg Andrews, (the “**Andrews Agreement**”) pursuant to which Greg Andrews provides services as Chief Executive Officer and President of the Company. Pursuant to the terms of the Andrews Agreement, the Company paid Andrews a salary of \$15,000 per month. Effective June 1, 2021, an amendment to the Andrews Agreement increased the base salary to \$23,333 per month, and will continue automatically for successive terms of one year. A description of the termination and change of control provisions of the Andrews Agreement are included under the heading “Termination and Change of Control Benefits” of this Circular.

On February 19, 2010, the Company entered into an agreement with Malaspina Consultants Inc. (the “**Malaspina Agreement**”) pursuant to which Matthew Anderson, the Company’s Chief Financial Officer, agreed to provide certain consulting services to the Company. The Malaspina Agreement commenced effective January 1, 2010 and may be terminated by either party on 60 days written notice to the other party. Under the terms of the Malaspina Agreement, the Company agreed to pay Mr. Anderson an hourly rate (fiscal 2020 - \$180 per hour), and Mr. Anderson is entitled to participate in any incentive stock option plan as may be available from time to time in the amounts, on the terms and at the time determined by the Board.

On January 1, 2012, the Company entered into a consulting agreement with David Dreisinger and on February 1, 2018 a new consulting agreement was entered into between the parties on substantially the same terms as the original agreement (the “**Dreisinger Agreement**”). The consulting agreement may be terminated by either party on 180 days written notice to the other party. Pursuant to the Dreisinger Agreement, Mr. Dreisinger agreed to perform the function of Vice President Metallurgy to the Company and in consideration thereof the Company agreed to pay Mr. Dreisinger a monthly consulting fee of \$7,500 (\$90,000 per year). Effective June 1, 2021, an amendment to the Dreisinger Agreement, increased the monthly consulting fee to \$9,250. By its terms, the Dreisinger Agreement is automatically amended based on changes to compensation approved by the Board. The Dreisinger Agreement is automatically renewed for successive terms of one year until earlier termination in accordance with its terms. No additional director fees are payable to Mr. Dreisinger under the Dreisinger Agreement.

On October 7, 2009, the Company entered into a consulting agreement with Randy Miller (the “**Miller Agreement**”) pursuant to which Mr. Miller agreed to perform the function of rare earth element Vice-President - Exploration to the Company. On December 12, 2011, the Board agreed to increase Mr. Miller’s yearly salary to \$200,000 (\$16,667 per month). On August 1, 2014, Mr. Miller’s rate was fixed at \$130,000 annually (\$10,833 per month). In June 2019, the rate was fixed at \$138,000 annually (\$11,500 per month). On June 1, 2021, the Miller Agreement was replaced by the **Miller Employment Agreement**. The Miller Employment Agreement is effective May 1, 2021 and will continue automatically for successive terms of one year. The base salary is \$160,000 per year. A description of the termination and change of control provisions of the Miller Employment Agreement are included under the heading “Termination and Change of Control Benefits” of this Circular

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards granted to NEOs. The following table sets forth the outstanding option-based awards or each NEOs as at the end of the most recently completed financial year:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Greg Andrews President & CEO	1,100,000	0.08	August 14, 2021	Nil	Nil	Nil	Nil
	1,500,000	0.08	February 7, 2023	Nil	Nil	Nil	Nil
	2,650,000	0.08	November 17, 2025	Nil	Nil	Nil	Nil
Matthew Anderson CFO	200,000	0.08	August 14, 2021	Nil	Nil	Nil	Nil
	400,000	0.08	February 7, 2023	Nil	Nil	Nil	Nil
	300,000	0.08	November 17, 2025	Nil	Nil	Nil	Nil
Dr. David Dreisinger Vice-President Metallurgy	1,000,000	0.08	August 14, 2021	Nil	Nil	Nil	Nil
	1,000,000	0.08	February 7, 2023	Nil	Nil	Nil	Nil
	1,250,000	0.08	November 17, 2025	Nil	Nil	Nil	Nil
Dr. Randy Miller Vice-President Exploration	250,000	0.08	August 14, 2021	Nil	Nil	Nil	Nil
	1,500,000	0.08	February 7, 2023	Nil	Nil	Nil	Nil
	1,500,000	0.08	November 17, 2025	Nil	Nil	Nil	Nil

Note:

- (1) “In-the-Money Options” means the excess of the market value of the Company’s shares on November 30, 2020, over the exercise price of the options. The market price for the Company’s common shares on November 30, 2020, was \$0.06.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Greg Andrews President & CEO	78,636	-	-
Matthew Anderson CFO	8,902	-	-
David Dreisinger Vice-President Technologies	37,092	-	-
Randy Miller Vice-President Exploration	44,511	-	-

Notes:

- (1) All options granted to the NEOs vested on the date of grant.

Narrative Discussion

The following information is intended as a brief description of the Stock Option Plan.

1. The maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company's shares traded through the facilities of the TSX Venture Exchange (the "**Exchange**") prior to the announcement of the option grant, or such other price as may be required or permitted by the Exchange, or if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The Board shall not grant options to any one person in any 12-month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the Board grants and announces the granting of the option.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 90 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three-month period.

Pension Plan Benefits

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

Termination and Change of Control Benefits

As indicated earlier in this Circular, the Company has entered into the Andrews Agreement with Mr. Greg Andrews. Pursuant to the terms of the Andrews Agreement, if within twelve (12) months following a Change of Control (as defined below), the Andrews Agreement is terminated by the Company without cause, or if Mr. Andrews resigns with or without good cause within twelve (12) months following a Change of Control, then in either case he will be entitled to receive as severance an amount equal to two times his yearly remuneration or \$560,000. In addition, if Andrews Agreement is terminated without cause at any time other than following a Change of Control, Mr. Andrews is entitled to receive a severance payment of \$280,000.

As indicated earlier in this Circular, the Company has entered into the Miller Employment Agreement with Dr. Randy Miller. Pursuant to the terms of the Miller Employment Agreement, if within twelve (12) months following a Change of Control (as defined below), the Miller Employment Agreement is terminated by the Company without cause, or if Dr. Miller resigns with or without good cause within twelve (12) months following a Change of Control, then in either case he will be entitled to receive as severance an amount equal to 1.5 times his yearly remuneration or \$240,000. In addition, if Miller Employment Agreement is terminated without cause

at any time other than following a Change of Control, Dr. Miller is entitled to receive a severance payment of \$160,000.

A “Change of Control” is defined in the Andrews Agreement and the Miller Employment Agreement as (a) the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, as such terms are defined in the *Securities Act* (British Columbia), of common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 50% or more of the outstanding common shares of the Company and such shareholding exceeds the collective shareholding of the current directors of the Company, excluding any directors acting in concert with the acquiring party; or (b) the removal, by special resolution of the shareholders of the Company, of more than 51% of the then incumbent Board, or the election of a majority of Board members to the Board who were not nominees of the Company’s incumbent Board at the time immediately preceding such election; or (c) consummation of a sale of all or substantially all of the assets of the Company; or d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as (a) to (c) above. The Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs responsibilities.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors of the Company (other than directors who are also NEOs) during the Company’s most recently completed financial year:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jocelyn Bennett	18,000	Nil	44,511	Nil	Nil	Nil	62,511
George Molyviatis ⁽²⁾	18,000	Nil	44,511	Nil	Nil	Nil	62,511
Leo Power	18,000	Nil	19,288	Nil	Nil	Nil	37,288

Note:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:
- | | |
|--------------------------|-----------|
| Risk-free interest rate: | 0.85% |
| Expected dividend yield: | N/A |
| Expected volatility: | 87% |
| Expected life of option: | 5.0 years |
- The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company’s financial statements.

Narrative Discussion

Directors are compensated through the grant of stock options. Independent directors are paid directors fee of \$1,500 per month. Effective May 1, 2021, the director fees will be \$ 3,000 per month.

On June 2, 2021, the Company entered into a consulting agreement with Leo Power (the “**Power Agreement**”) pursuant to which Mr. Power agreed to perform consulting services to the Company in addition to his duties as Director. The Power Agreement is for \$75,000 per annum (\$6,250 per month). The Power Agreement is effective June 1, 2021 and will continue automatically for successive terms of one year.

On June 2, 2021, the Company paid a \$75,000 consulting fee to Mr. George Molyviatis for consulting services in addition to his duties as Director.

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards granted to directors. The following table sets forth details of the outstanding option-based awards for each director of the Company (other than directors who are also NEOs) as at the end of the most recently completed financial year:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jocelyn Bennett	650,000	0.08	August 14, 2021	Nil	Nil	Nil
	650,000	0.08	February 7, 2023	Nil	Nil	Nil
	1,500,000	0.08	November 17, 2025	Nil	Nil	Nil
George Molyviatis ⁽²⁾	650,000	0.08	August 14, 2021	Nil	Nil	Nil
	650,000	0.08	February 7, 2023	Nil	Nil	Nil
	1,500,000	0.08	November 17, 2025	Nil	Nil	Nil
Leo Power	650,000	0.08	August 14, 2021	Nil	Nil	Nil
	650,000	0.08	February 7, 2023	Nil	Nil	Nil
	650,000	0.08	November 17, 2025	Nil	Nil	Nil

Note:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares on November 30, 2020, over the exercise price of the options. The market price for the Company's common shares on November 30, 2020 was \$0.06.

Incentive Plan Awards – Value Vested or Earned During the Year

During the year ended November 30, 2020, the Company granted an aggregate of 3,650,000 stock options to directors of the Company (other than directors who are also NEOs) at the fair value of \$0.0297 per stock option using the Black-Scholes Option Pricing Model with the following assumptions: stock price - \$0.05; exercise price - \$0.08; expected life - 5.0 years; risk-free interest rate - 0.85%; expected volatility - 87% and expected dividends of \$nil. The stock options vested on the date of grant.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding the number of Common Share to be issued upon the exercise of outstanding options, the weighted average exercise price of the outstanding options and Common Shares remaining available for issuance under the Stock Option Plan, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	24,950,000	\$0.08	1,642,707
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
Total	24,950,000	\$0.08	1,642,707

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Circular, none of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or any of its subsidiaries, is indebted to the Company or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended November 30, 2020, was a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associate of any such director, executive officer or proposed nominee, was indebted to the Company or any of its subsidiaries during the financial year ended November 30, 2020, in connection with any security purchase program or other programs.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No “informed person” (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or proposed nominees for election to the Board, or any associates or affiliates of the foregoing, has any material interest, direct or indirect, in any transaction in which the Company has participated since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITOR

Auditor

Management intends to nominate Mao & Ying LLP, Chartered Professional Accountants, for re-appointment as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid thereto. Mao & Ying LLP was first appointed as the Company’s auditor effective January 23, 2015.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MAO & YING LLP, CHARTERED PROFESSIONAL ACCOUNTANTS, AS AUDITOR OF THE COMPANY AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company or any of its subsidiaries are to any substantial degree performed by a person or company other than the directors or executive officers of the Company or any of its subsidiaries.

AUDIT COMMITTEE DISCLOSURE

The Company is required to have an audit committee (the “**Audit Committee**”) comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. The Audit Committee’s primary purpose is to assist the Board in fulfilling its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

Audit Committee Charter

The text of the Audit Committee’s Charter is attached as Schedule “A” to this Circular.

Composition of Audit Committee and Independence

The Company’s current Audit Committee consists of Greg Andrews, Jocelyn Bennett and Leo Power.

NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company’s Board, reasonably interfere with the exercise of the member’s independent judgment. Of the Company’s current Audit Committee members, Jocelyn Bennett and Leo Power are “independent” within the meaning of NI 52-110. Greg Andrews is not “independent” as he is also the President and Chief Executive Officer of the Company.

Relevant Education and Experience

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. All of the members of the Audit Committee are “financially literate” as that term is defined. The following sets out the Audit Committee members’ education and experience that is relevant to the performance of his responsibilities as an audit committee member:

Greg Andrews

Mr. Andrews is the president and CEO of the Company. He has over 20 years of experience in strategic planning, financial and administrative management consulting to public and private companies. He has held positions as General Manager of a Registered Portfolio Management company, General Manager of a Private Family Office and President of a wholesale distribution company. Mr. Andrews has also held various directorships in TSX Venture Exchange listed companies since 1993, including those involved in mining, oil and gas, technology and biotechnology. Mr. Andrews received his Bachelor of Commerce, Finance from the University of Calgary in 1984.

Jocelyn Bennett

Ms. Bennett is a senior partner and director in InCoR, a venture capital company. She is also a managing director of a fiduciary services company in Geneva, Switzerland. Ms. Bennett has a strong financial background and extensive accounting and corporate experience through her involvement with a number of private and public companies.

Leo Power

Mr. Power is a graduate of the Kellogg-Schulich Joint MBA program at York University and Northwestern University, Evanston, Illinois in 2005 and holds a Master of Oil and Gas Studies from Memorial University of Newfoundland and Labrador (2008). He is also a graduate of the Institute of Corporate Directors, Directors Education Program of the Rotman School of Management, University of Toronto (2009). Mr. Power currently acts as director of various private corporations.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

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

- (a) the exemption in section 2.4 (in relation to *De Minimis Non-audit Services*) of NI 52-110;
- (b) the exemption in section 6.1.1(4) (in relation to *Circumstances Affecting the Business or Operations of the Venture Issuer*) of NI 52-110;

- (c) the exemption in section 6.1.1(5) (in relation to *Events Outside Control of Member*) of NI 52-110; or
- (d) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

Pursuant to the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Company by the Company's external auditor.

Audit Fees

The following table sets forth the fees billed to the Company by Mao & Ying LLP, the Company's auditor, for the last two fiscal years ended November 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Mao & Ying LLP, Chartered Professional Accountants	(\$)	(\$)
Audit fees ⁽¹⁾	25,000	25,500
Audit related fees ⁽²⁾	-	-
Tax fees ⁽³⁾	1,400	1,400
All other fees ⁽⁴⁾	-	-
Total	<u>26,400</u>	<u>26,900</u>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Exemption in Section 6.1 of NI 52-110

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

Maintaining a high standard of corporate governance is a priority for the Board and Management as both believe that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Company's corporate governance practices, which addresses the matters set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), is set out below:

NI 58-101 requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201 – *Corporate Governance Guidelines* ("NI 58-201"). These Guidelines are not prescriptive but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

Composition of the Board

The Board currently consists of a total of five directors, of which three are considered “independent” within the meaning of NI 52-110. NI 58-201 suggests that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship that could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgement. Jocelyn Bennett, George Molyviatis and Leo Power, are considered “independent” and Greg Andrews and David Dreisinger are not “independent” within the meaning of NI 52-110 as they are executive officers of the Company. If all five nominees are elected the majority of the Board will be considered “independent”.

The Company holds regular meetings to approve quarterly and annual financial statement, Management Discussion and Analysis and other business at the time. The Company also holds meetings “as needed” in the course of business.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee, and the Compensation Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over Management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director. The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees.

Directorships

The following directors of the Company are also directors of other reporting issuers as stated:

- David Dreisinger is a director of Euro Manganese (TSX-V), PolyMet Mining Corp. (TSX, NYSE American) and Cascadero Copper Corporation (TSX-V)
- Leo Power is a director of Minfocus Exploration Corp. (TSX-V).
- Greg Andrews is a director of Cascadero Copper Corporation (TSX-V)

Orientation and Continuing Education

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

While the Company does not yet have a formal continuing education program, the directors individually and as a group are encouraged to keep themselves informed on changing corporate governance and legal issues. Each director is responsible for updating his/ her skills required to meet his/her obligations as directors and keep himself/herself informed about the Company's business and relevant developments outside the Company that effect its business. In addition, management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board.

Ethical Business Conduct

The Board has adopted a formal written Code of Business Conduct (the "Code") for its directors, officers and employees. A copy of the Code is available by written request to the Company at #108, 901 West 3rd Street, North Vancouver, B.C. V7P 3P9, telephone number: (604) 998-3432; Attention: Corporate Secretary. In addition, the Board has adopted a Whistleblower Policy that provides employees the ability to contact the Chair of the Audit Committee.

The Board promotes ethical business conduct through the nomination of members it considers ethical, through avoiding and minimizing conflicts of interest and by having Board members that are independent of corporate matters. Where a director has a material interest in a transaction or agreement concerning the Company, the Board takes such steps as may be prudent to isolate and eliminate or reduce the potential for such a conflict of interest to interfere with the Board's exercise of independent judgement.

In accordance with applicable corporate law, any director who is in a position of conflict must refrain from voting on any resolution of the Board with respect to the conflict. The Board may also require the director to excuse himself or herself from deliberations of the Board.

In addition to the Code and the Whistleblower Policy, the Board has established other policies to encourage and promote a culture of ethical business conduct, including a Disclosure Policy, Insider Trading Policy and Health and Safety Policy.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chairman and a majority of the non-executive directors.

Compensation Committee

The Compensation Committee is a committee comprised of at least three directors whose primary purpose is to enable the Company to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives and review and recommend for Board consideration, all compensation packages, both present and future, for the Company's Management and directors (including annual retainer, meeting fees, bonuses and option grants) including any severance packages. A majority of the members shall not be officers or employees of the Company and shall be unrelated, independent directors.

Members of the Compensation Committee are appointed or reappointed at the meeting of the Board following the Company's annual general meeting and from among the appointees to the Compensation Committee, the

Board shall appoint a chairperson (the “**Compensation Committee Chairperson**”). The duties of the Compensation Committee Chairperson include overseeing the proper functioning of the Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Compensation Committee will meet as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long-term success of the Company. Compensation generally includes the three following components: base salary, annual bonus based on performance and grant of stock options. The Compensation Committee takes into account the North American context of its activities and increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company.

The Compensation Committee is accountable to the Board and reports to the Board at its next regular meeting all deliberations and actions it has taken since any previous report. Minutes of Compensation Committee meetings will be available for review by any member of the Board on request to the Compensation Committee Chairperson.

The members of the Compensation Committee are George Molyviatis, Jocelyn Bennett and Leo Power, all of whom are independent directors.

Assessments

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

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

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

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

Summary of Stock Option Plan

The following information is intended as a brief description of the Stock Option Plan.

1. The Stock Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants of the Company, options to purchase Common Shares of the Company for a period of up to ten years from the date of the grant.
2. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding Common Shares at the time of grant, the exercise price of which, as determined by the Board in its sole discretion, shall not be less

than the closing price of the Common Shares traded through the facilities of the Exchange prior to the announcement of the option grant, or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.

3. The Board shall not grant options to any one person in any 12-month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
4. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan.
5. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire on no later than the 30th day following the date that the option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

As of the date of this Circular, a total of 28,030,000 Common Shares were issuable pursuant to options granted under the Stock Option Plan, representing 8.3% of the issued and outstanding Common Shares of the Company.

Approval of the Stock Option Plan

As the Stock Option Plan provides for a rolling maximum number of Common Shares which may be issuable upon the exercise of options granted under the Stock Option Plan, Exchange Policy 4.4 requires that the Stock Option Plan receive shareholder approval each year at the annual shareholders' meeting. Accordingly, Shareholders are being asked to consider and, if thought appropriate, pass a resolution approving the Stock Option Plan. The Stock Option Plan was initially adopted by the directors of the Company on April 18, 2011 and amended pursuant to section 6.1 of the Stock Option Plan by the directors of the Company on October 19, 2016.

The complete text of the resolution which Management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“WHEREAS the policies of the TSX Venture Exchange require annual shareholder approval for the continuation of the rolling stock option plan of the Company (the **“Stock Option Plan”**);

“UPON MOTION MADE AND CARRIED, IT WAS RESOLVED THAT:

1. that the Company approve and ratify, subject to regulatory approval, the Stock Option Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis.; and
2. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolution."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO APPROVE THE STOCK OPTION PLAN IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST BY THE SHAREHOLDERS AT THE MEETING IS SUFFICIENT FOR THE APPROVAL OF THE STOCK OPTION PLAN.

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

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

Except as described below, no director or executive officer of the Company or any proposed nominee of Management for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors, the confirmation of the Stock Option Plan and the Control Person Resolution.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual consolidated financial statements for the years ended November 30, 2020 and 2019, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, at 604-998-3432.

BOARD APPROVAL

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

DATED at Vancouver, British Columbia, the 28th day of September, 2021.

ON BEHALF OF THE BOARD

(signed) "*Greg Andrews*"

Greg Andrews
Director, President and Chief Executive Officer

SCHEDULE “A” AUDIT COMMITTEE CHARTER

The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The audit committee will:

- (a) review and report to the board of directors of the Company on the following before they are published:
 - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company;
 - (ii) the auditor’s report, if any, prepared in relation to those financial statements,
- (b) review the Company’s annual and interim earnings press releases before the Company publicly discloses this information,
- (c) satisfy itself 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 and periodically assess the adequacy of those procedures,
- (d) recommend to the board of directors:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
 - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of the Company,
- (h) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company’s external auditor,

- (j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, and
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109.

Composition of the Committee

The committee will be composed of 3 directors from the Company's board of directors, a majority of whom will be independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each independent committee member will have no direct or indirect relationship with the Company which, in the view of the board of directors, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditor and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

1. reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
2. reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.