

**ARCTIC STAR EXPLORATION CORP.**  
1111 Melville Street, Suite 1100  
Vancouver, British Columbia V6E 3V6  
Telephone: (604) 689-1799

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of Arctic Star Exploration Corp. (the “**Company**”) will be held at Suite 1100 – 1111 Melville Street, Vancouver, British Columbia, on Tuesday, October 3, 2023, at 10:00 a.m., (Pacific Time).

The Meeting is to be held for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company, together with the auditor's report thereon and related management discussion and analysis for the year ended December 31, 2022.
2. To set the number of directors at five (5).
3. To elect directors of the Company for the ensuing year.
4. To appoint A Chan & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration.
5. To consider and, if thought fit, to pass an ordinary resolution of Shareholders approving the continuation of the Company’s Omnibus Equity Incentive Compensation Plan, as more particularly described in the accompanying Information Circular.
6. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or at any adjournment thereof.

An Information Circular accompanies this Notice and contains details of the matters to be considered at the Meeting.

A copy of the audited consolidated financial statements for the year ended December 31, 2022, report of the auditor and related management discussion and analysis will be made available at the Meeting, and copies are available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

**Registered shareholders who are unable to attend the Meeting in person and wish to ensure that their shares will be voted at the Meeting, must complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy.**

**If your shares are held in a brokerage account, you are not a registered shareholder. Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting.**

**DATED** at Vancouver, British Columbia, this 1<sup>st</sup> day of September, 2023.

**BY ORDER OF THE BOARD**

*“Patrick Power”*

**PATRICK POWER**  
**President and Chief Executive Officer**

**ARCTIC STAR EXPLORATION CORP.**

1111 Melville Street, Suite 1100  
Vancouver, British Columbia V6E 3V6  
Telephone: (604) 689-1799

**MANAGEMENT INFORMATION CIRCULAR**

(as at August 28, 2023, except as otherwise indicated)

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Arctic Star Exploration Corp. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the Company’s shareholders (the “**Shareholders**”) to be held on October 3, 2023, at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “**Common Shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name, and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. Beneficial Shareholders, who do not hold their Common Shares in their own name, as “**Registered Shareholders**”, should read “Advice to Beneficial Shareholders” within for an explanation of their rights.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

**Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority to the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and

- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

### **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) use a touch-tone phone to transmit voting choices to the toll-free number given in the proxy. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the proxy access number; or
- (c) log onto Computershare's website at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions provided on the website and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In either case you must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Company's board of directors (the "**Board**") at its discretion without notice. **Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.**

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States of America (the "**U.S.**" or the "**United States**") the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee

for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

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

These securityholder materials are sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

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

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge's instructions. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted at the Meeting as per your instructions; or (b) have an alternate representative chosen by you duly appointed to attend and vote your Common Shares at the Meeting.**

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the “**BCA**” and the “**Act**”), as amended, certain of its directors and its executive officers are residents of Canada, and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 1100 – 1111 Melville Street, Vancouver, BC V6E 3V6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

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

The board of directors (the “**Board**”) of the Company has fixed August 28, 2023 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares. As of the Record Date, there were 203,067,036 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors and there are no cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, there were no persons or corporations that 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.

### **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company's financial year ended December 31, 2022, the report of the auditor thereon, and the respective management's discussion and analysis, will be placed before Shareholders at the Meeting for their consideration. No formal action will be taken at the Meeting to approve the financial statements. If any shareholder has questions regarding such financial statements, such questions may be brought forward at the Meeting. Copies of the audited consolidated financial statements are available through the internet on SEDAR, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast on the ordinary resolutions at the Meeting is required to pass the resolution to set the number of directors, to vote on the election of directors, and the resolution to appoint the auditor, as described herein. If there are more nominees for election of directors or for appointment of the Company's auditor than there are vacancies to fill, the nominee receiving the greatest number of votes will be elected or appointed.

### **NUMBER OF DIRECTORS**

At the Meeting, the Shareholders will be asked to pass an ordinary resolution to set the number of directors to be elected to the Board at five (5) directors. The number of directors will be approved if the affirmative vote of the majority Common Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at five (5).

Management recommends the approval of the resolution to set the number of directors of the Company at five (5).

### **ELECTION OF DIRECTORS**

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Buddy Doyle, Scott Eldridge, Patrick Power, Darryl Sittler and Thomas Yingling. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each nominee now holds, each nominee's principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned, directly or indirectly, by each nominee, or over which each nominee exercised control or direction as at August 28, 2023:

Nominee, Position with the Company and Residence	Occupation, Business or Employment <sup>(1)</sup>	Director Since	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>Buddy Doyle</b> Executive V.P., Corporate Development & Director British Columbia, Canada	Geologist, graduated 1981, B. App. Sc worked for various subsidiaries of Rio Tinto from 1981 to 2004; Director of Amarillo Gold Corporation (February 2004 to 2018), a junior natural resources mining company listed on the TSX Venture Exchange; Director of Sanatana Resources Inc. (November 2006 to present), a company listed on the TSX Venture Exchange; a company listed on the TSX Venture Exchange; Director of Lakewinn Resources Corp. (formerly Equitorial Exploration Corp.) (September 2016 to present), a company listed on the TSX Venture Exchange; and sole proprietor of Lithosphere Services Inc., a geological consulting and management firm, since March 2005.	July 31, 2017	1,454,970 <sup>(3)</sup>
<b>Scott Eldridge<sup>(2)</sup></b> Director British Columbia, Canada	Director of Lithion Energy Cop. (November 2016 to present), a company listed on the TSX Venture Exchange; CFO & VP Finance of Amarillo Gold Cop. (October 2014 to November 2017), a mining company listed on the TSX Venture Exchange; President & CEO of Euroscandic International Group (September 2008 to November 2014), a private advisory firm raising debt and equity for mining companies.	July 31, 2017	20,000 <sup>(4)</sup>
<b>Patrick Power</b> Chairman, President, CEO and Director British Columbia, Canada	Director of, a mining company listed on the TSX; and director of Lakewinn Resources Corp. (formerly known as Equitorial Exploration Corp.) (formerly known as Equitorial Capital Corp.) (September 2010 to present), a company listed on the TSX Venture Exchange.	July 31, 2017	2,293,512 <sup>(5)</sup>
<b>Darryl Sittler<sup>(2)</sup></b> Director Ontario, Canada	Former NHL professional hockey player; Ambassador to Maple Leaf Sports and Entertainment; member of the board of directors of several mineral exploration companies.	March 25, 2022	667,000 <sup>(6)</sup>
<b>Thomas Yingling<sup>(2)</sup></b> Corporate Secretary & Director British Columbia, Canada	CEO and President of Green Battery Minerals Inc. (formerly Berkwook Resources Ltd.) (January 18, 2017 to present), President of Brahma Communications Corp. (July 1993 to present), a private investment consulting firm; President, Chief Executive Officer and director of Pennant Energy Inc. (April 2003 to November 2012), a junior natural resources company listed on the TSX Venture Exchange until April 2014 and now a wholly owned subsidiary of Blackbird Energy Inc., a TSX Venture Exchange issuer.	July 31, 2017	516,524 <sup>(7)</sup>

**Notes:**

- 1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled has been furnished by the respective nominees.

- 2) Member of the Audit Committee.
- 3) Mr. Doyle holds 104,220 common shares directly and 1,350,750 Common Shares indirectly through Lithosphere Services Inc. Mr. Doyle also holds: options to purchase 21,000 Common Shares of the Company at a price of \$0.45 until April 25, 2024; options to purchase 83,000 Common Shares of the Company at a price of \$0.08 until February 7, 2025; options to purchase 1,000,000 Common Shares of the Company at a price of \$0.07 until February 9, 2026; options to purchase 500,000 Common Shares of the Company at a price of \$0.12 until April 26, 2026; and options to purchase 100,000 Common Shares of the Company at a price of \$0.18 until June 10, 2026. Mr. Doyle also holds warrants to purchase 857,000 Common Shares of the Company at a price of \$0.10 per share until May 11, 2024 through Lithosphere Services Inc.
- 4) Mr. Eldridge holds 20,000 Common Shares in the name of 087444 BC Ltd. Mr. Eldridge also holds options to purchase 100,000 Common Shares of the Company at a price of \$0.07 until February 9, 2026.
- 5) Mr. Power holds 2,288,632 Common Shares indirectly through 0800025 BC Ltd and 4,880 Common Shares through his RRSP. Mr. Power also holds options to purchase 1,000,000 common shares of the Company at a price of \$0.18 until June 10, 2026.
- 6) Mr. Sittler holds 150,000 Common Shares through D and L Sittler, Jt. Owners and 50,000 Common Shares through a spousal TFSA. Mr. Sittler also holds warrants to purchase 400,000 Common Shares of the Company at a price of \$0.10, expiring March 10, 2024; options to purchase 500,000 Common Shares of the Company at a price of \$0.05 until May 26, 2028 and 500,000 deferred share units convertible into Common Shares of the Company at a price of \$0.05 until May 26, 2028.
- 7) Mr. Yingling holds 514,623 Common Shares directly; 1,774 Common Shares in the name of Brahma Communications Corp.; 7 Common Shares under RRSP - D. Yingling and 120 Common Shares under RRSP - T. Yingling. Mr. Yingling also holds: options to purchase 10,000 Common Shares of the Company at a price of \$0.45 until January 6, 2022; 83,000 Common Shares of the Company at a price of \$0.08 until February 7, 2025; options to purchase 400,000 Common Shares of the Company at a price of \$0.07 until February 9, 2026; options to purchase 500,000 Common Shares of the Company at a price of \$0.12 until April 26, 2026; and warrants to purchase 228,571 Common Shares of the Company at a price of \$0.10 per share, expiring on July 8, 2024.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.

### **Penalties, Sanctions and Cease Trade Orders**

No proposed director is, as at the date of this information circular, or has been, within ten (10) years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company, in respect of which the information circular is being prepared) 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; or
- c. 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 the ten (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 had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **APPOINTMENT OF AUDITOR**

A Chan & Company LLP, Chartered Profession Accountants (“**A Chan & Company**”), Suite 114B, 8988 Fraserton Court, Burnaby, British Columbia, V5J 5H8, will be nominated at the Meeting for appointment as auditor of the Company at a remuneration to be fixed by the directors.

At the Meeting, Shareholders shall be called upon to appoint A Chan & Company as auditors of the Company, to hold office until the next Annual General Meeting of Shareholders, and to authorize the directors to fix their remuneration.

**The Board unanimously recommends that the Shareholders vote for the appointment of A Chan & Company, as auditors of the Company, to hold office until the next Annual General Meeting of Shareholders, and to authorize the directors to fix their remuneration.**

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

#### **The Audit Committee’s Charter**

The Company’s audit committee (the “**Audit Committee**”) has a charter (the “**Audit Committee Charter**”), the full text of which is attached hereto as Schedule “A”.

### **COMPOSITION OF THE AUDIT COMMITTEE**

The following directors comprise the Audit Committee:

<b>Name</b>	<b>Independence</b>	<b>Financial Literacy</b>
Darryl Sittler	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Scott Eldridge	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Thomas Yingling	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

**Notes:**

- (1) As determined by the Board in accordance with section 1.4 of NI 52-110.
- (2) Section 1.6 of 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 issuer’s financial statements.”

## **Relevant Education and Experience**

All of the Audit Committee members are businessmen with experience in financial matters. Each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavor. In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee in the realm of reporting companies from their experience, respectively, as directors of public companies other than the Company.

Each member of the audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See further information for each audit committee member below.

### ***Scott Eldridge - Director***

Mr. Eldridge is experienced in the financial industry focused on the resource sector. He is co-founder, president & CEO of Euroscandic International Group Inc., a private company offering investment banking services to natural resource companies. During his time in the industry, he has been responsible for raising in excess of \$500 million in combined equity and debt financing for mining projects varying from exploration to construction financing around the globe. He has a B.B.A from Capilano University, and M.B.A. from Central European University.

### ***Thomas Yingling – Corporate Secretary and Director***

Mr. Yingling benefits from over 25 years' experience managing publicly traded companies. He has served as President and CEO and/or a director of other resource based public companies. During that time Mr. Yingling has specialized in corporate finance, assisting in raising capital, corporate communications and strategic planning for the companies. Mr. Yingling has built and maintained strong business relationships in North America, Europe and Asia. Mr. Yingling is President CEO and Director of Berkwood Resources Ltd.

### ***Darryl Sittler - Director***

Mr. Sittler played in the National Hockey league from 1970 to 1985 for the Toronto Maple Leafs, the Philadelphia Flyers, and the Detroit Red Wings.

Since retiring from the NHL, Mr. Sittler was elected to the Hockey Hall of Fame in 1989. In 1991 he rejoined the Maple Leaf organization as a consultant to the President which includes public relations and corporate relations. In 2003 the Leaf's honored Mr. Sittler by raising his number 27 banner to hang in the Scotiabank Arena. Today, Mr. Sittler continues his role as an ambassador to Maple Leaf Sports and Entertainment and travels across Canada doing public speaking, autograph signings, and appearances for various companies, charities, and organizations. Over the past number of years, Mr. Sittler continues to serve as a director to mineral exploration companies' boards and has accumulated over 22 years of experience in our industry.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than A Chan & Company.

### **Reliance on Certain Exemptions**

The Company's auditor, A Chan & Company, has not provided any material non-audit services.

### **Pre-approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter, a copy of which is attached hereto as Schedule "A". Those procedures include the requirement that the Audit Committee pre-approve any non-audit services to be provided by the Company's external Auditor, such pre-approval being waived under specified circumstances.

### **External Auditor Service Fees**

The Audit Committee is mandated to review the nature and amount of any non-audit services that may be provided by A Chan & Company to the Company to ensure auditor independence. Fees incurred with A Chan & Company for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Year Ended December 31, 2022</b>	<b>Fees Paid to Auditor in Year Ended December 31, 2021</b>
Audit Fees <sup>(1)</sup>	\$25,000	\$30,600
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	\$1,000	\$1,000
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>\$26,000</b>	<b>\$31,600</b>

#### **Notes:**

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters

reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services 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 fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

### **Exemption**

The Company is a "venture issuer" as defined in NI 52-110 and relies 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**

Corporate Governance relates to the activities of the Board of Directors. National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Policy 58-201 mandates disclosure of corporate governance practices which disclosure is set out below. The Board is committed to sound corporate governance practices in the interest of its Shareholders and contribute to effective and efficient decision making. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses.

### **Independence of the Board**

The Board currently consists of five directors. The independent members of the Board, as defined in National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, are Messrs. Eldridge and Sittler. Messrs. Doyle, Power and Yingling are not independent as they are officers of the Company.

### **Management Supervision by Board**

The operations of the Company do not support a large Board, and the Board has determined that the current size and constitution of the Board is appropriate for the Company's current stage of development. In the event of a conflict of interest at a meeting of the Board, the conflicted director will, in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of his or her interest to the meeting and abstain from voting on or against the approval of such participation.

### **Directorships**

The following directors are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Exchange</b>
Buddy Doyle	Santana Resources Inc. Lake Winn Resources Corp.	TSXV NEX, Frankfurt
Scott Eldridge	Aretto Wellness Inc. Nevada Lithium Resources Inc.	CSE CSE
Patrick Power	Lake Winn Resources Corp.	NEX, Frankfurt
Darryl Sittler	Frontline Gold Corporation	TSXV
Thomas Yingling	Green Battery Minerals Inc.	TSXV, Frankfurt, OTCQB

### **Orientation and Continuing Education**

New directors to the Board are provided with access to recent publicly filed documents of the Company, all reports and the Company's internal financial information, access to management, experts and consultants, and a summary of significant corporate and securities responsibilities.

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 and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

### **Ethical Business Conduct**

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

### **Nomination of Directors**

The Board has responsibility for identifying and assessing potential Board candidates. Recruitment of new directors has generally resulted from recommendations made by directors, management and Shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

### **Board Committees**

Scott Eldridge and Darryl Sittler are independent directors. They have the responsibility of determining compensation for the directors and senior management. To determine compensation payable, the independent directors review compensation paid for directors and Chief Executive Officers of corporations of similar size and stage of development in its industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management, while taking into account the financial and other resources of the Company. In setting the compensation, the independent directors annually review the performance of the Chief Executive Officer in light of the Company's objectives.

There are no other committees other than the Audit Committee.

### **Assessments**

The Board has not developed written descriptions or objectives for its executives and looks to generally accepted industry standards as adequately delineating the roles and responsibilities of such persons. There is no formal process for regular assessment of the Board, its committees and individual directors. Rather the Board informally assesses performance through ongoing dialogue amongst Board members.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

The following compensation information is provided as required under Form 51-102F6V for Venture Issuers (the “**Form**”), as such term is defined in NI 51-102.

For the purposes of this Statement of Executive Compensation:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries; and

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, requirements and was not acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2022, based on the definition above, the NEOs of the Company were Patrick Power, Executive Chairman, President, CEO and director; Brijender Jassal, CFO; Buddy Doyle, Executive Vice-President of Corporate Development and director; and Thomas Yingling, Corporate Secretary and director. The directors of the Company who were not NEOs during the financial year ended December 31, 2022 were Sean Charland, Scott Eldridge and Darryl Sittler.

## Director and Named Executive Officer Compensation

The following compensation table, excluding options and compensation securities, provides a summary of the compensation paid by the Company to its NEOs and the Board members for the two most recently completed financial years ended December 31, 2022 and December 31, 2021. Options and compensation securities are disclosed under the heading “Stock Options and Other Compensation Securities” below.

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 (\$)
Sean Charland <sup>(1)</sup> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Buddy Doyle <sup>(2)</sup> Executive V.P., Corporate Development and Director	2022	66,300	Nil	Nil	Nil	Nil	66,300
	2021	84,850	Nil	Nil	Nil	Nil	84,850
Scott Eldridge <sup>(3)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Brijender Jassal <sup>(4)</sup> CFO	2022	84,000	Nil	Nil	Nil	Nil	84,000
	2021	84,000	Nil	Nil	Nil	Nil	84,000
Patrick Power <sup>(5)</sup> Chairman, President, CEO and Director	2022	180,000	252,000	Nil	Nil	Nil	432,000
	2021	180,000	Nil	Nil	Nil	Nil	180,000
Thomas Yingling <sup>(6)</sup> Corporate Secretary and Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Darryl Sittler <sup>(7)</sup> Director	2022	45,000	Nil	Nil	Nil	Nil	45,000
	2021	Nil	Nil	Nil	Nil	Nil	Nil

### Notes:

- (1) Mr. Charland was a director from July 31, 2017 to February 28, 2023.
- (2) Mr. Doyle was appointed as a director and Executive V.P., Corporate Development on July 31, 2017.
- (3) Eldridge was appointed to the board of directors on July 31, 2017.
- (4) Mr. Jassal was appointed CFO on July 31, 2021.
- (5) Mr. Power was appointed as a director on July 31, 2021, as Executive Chairman on November 20, 2017 and President and CEO on October 23, 2018.
- (6) Mr. Yingling was appointed as a director and Corporate Secretary on July 31, 2017.
- (7) Mr. Sittler was appointed as a director on March 25, 2022.

## Stock Options and Other Compensation Securities

### Omnibus Equity Incentive Compensation Plan

On August 29, 2022, the board of directors adopted an Omnibus Equity Incentive Compensation Plan, which was approved by shareholders at the Company’s annual general meeting held on October 3, 2022 (the “**Omnibus Plan**”). The Omnibus Plan replaces the Company’s previous Stock Option Plan dated for

reference May 26, 2015 (the “**Original Stock Option Plan**”) and no further options to purchase Common Shares have been or will be granted under the Original Stock Option Plan from and after the effective date of the Omnibus Plan.

The Omnibus Plan provides flexibility to the Company to grant equity-based incentive awards (“**Awards**”) in the form of stock options (“**Options**”) and deferred share units, performance share units and restricted share units (collectively “**Share Units**”), described in detail below. All future grants of equity-based Awards will be made pursuant to, or as otherwise permitted by, the Omnibus Plan, and no further equity-based awards will be made pursuant to the Company’s prior Option Plan. The Omnibus Plan supersedes and replaces the Company’s Option Plan, dated as originally adopted by the Board of Directors on May 26, 2015 and ratified by the shareholders of the Company at the Company’s annual meeting held on June 24, 2015.

The purpose of the Omnibus Plan is to promote the interests of the Company and its stockholders by aiding the Company in attracting and retaining employees, officers, consultants, advisors and non-employee directors capable of assuring the future success of the Company, to offer such persons incentives to put forth maximum efforts for the success of the Company’s business and to compensate such persons through various stock and cash-based arrangements and provide them with opportunities for stock ownership in the Company, thereby aligning the interests of such persons with the Company’s stockholders.

#### *Summary of Material Terms*

The purpose of the Omnibus Plan is to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants; (ii) align the interests of eligible participants in the Omnibus Plan (“**Participants**”) with that of other Shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Common Shares as long-term investments.

The Omnibus Plan is administered by the Board and provides that the Board may, from time to time, in its discretion, and in accordance with TSXV requirements or any other stock exchange on which the Common Shares are listed (the “**Exchange**”), grant to eligible Participants, non-transferable awards (the “**Awards**”). Such Awards include stock options (“**Options**”), restricted share units (“**RSUs**”), deferred share units (“**DSUs**”) and performance share units (“**PSUs**”).

Under the Omnibus Plan, the maximum number of Shares issuable at any time pursuant to outstanding Awards will be equal to 10% of the Outstanding Issue, as measured as at the date of any Award grant.

No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above noted total number of Shares reserved for issuance pursuant to the settlement of Awards

The Omnibus Plan is an “evergreen” plan, as Common Shares covered by Awards which have been exercised or settled, as applicable, and Awards which expire or are forfeited, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Omnibus Plan.

The maximum number of Common Shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding Common Shares, unless the Company obtains disinterested shareholder approval as required by the policies of the Exchange. The aggregate number of Common Shares for which Awards may be issued to any one consultant within any 12-month period shall



not exceed 2% of the outstanding Common Shares, calculated on the date an Award is granted to the consultant. The aggregate number of Common Shares for which Options may be issued to any persons retained to provide Investor Relations Activities (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding Shares, calculated on the date an Option is granted to such persons.

Further, unless disinterested shareholder approval as required by the policies of the Exchange is obtained: (i) the maximum number of Common Shares for which Awards may be issued to insiders of the Company (as a group) at any point in time shall not exceed 10% of the outstanding Common Shares; and (ii) the aggregate number of Awards granted to insiders of the Company (as a group), within any 12-month period, shall not exceed 10% of the outstanding Common Shares, calculated at the date an Award is granted to any insider.

The Omnibus Plan provides for customary adjustments or substitutions, as applicable, in the number of Common Shares that may be issued under the Omnibus Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction.

In the event of an actual or potential Change of Control (as is defined in the Omnibus Plan) of the Company, the Board shall have discretion as to the treatment of Awards, including whether to (i) accelerate, conditionally or otherwise, on such terms as it sees fit, the vesting date of any Awards; (ii) permit the conditional redemption or exercise of any Awards, on such terms as it sees fit; (iii) otherwise amend or modify the terms of any Awards; and (iv) terminate, following the successful completion of a Change of Control, on such terms as it sees fit, the Awards not exercised prior to the successful completion of such Change of Control. If there is a Change of Control, any Awards held by a Participant shall automatically vest following such Change of Control, if the Participant is an employee, officer or a director and their employment, or officer or director position is terminated within 12 months following the Change of Control, provided that no acceleration of Awards shall occur in the case of a Participant that was retained to provide Investor Relations Activities unless the approval of the Exchange is either obtained or not required.

Neither the Awards nor the securities which may be acquired pursuant to the exercise of the Awards have been registered under the United States Securities Act of 1933 (the “**U.S. Securities Act**”) or under any securities law of any state of the United States of America and are considered “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act) and any Common Shares will be affixed with an applicable restrictive legend as set forth in the Award Agreement. Provisions of the Omnibus Plan relating to U.S. Taxpayers can be found in Article 17 of the Omnibus Plan.

### ***Options***

Subject to the terms and conditions of the Omnibus Plan, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Common Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be lower than the last closing price of the Common Shares on the Exchange less any discount permitted by the rules or policies of the Exchange at the time the Option is granted. Such

price upon exercise of any Option shall be payable to the Company in full in cash, by certified cheque or by wire transfer, by a cashless exercise or a net exercise.

In connection with a cashless exercise, the Participant shall elect, on a notice of exercise, to receive a loan from a brokerage firm, which the Company has an arrangement with, to purchase the underlying Common Shares. Upon the sale by the brokerage firm of an equivalent number of Common Shares received from the exercise of the Options to repay the loan made to the Participant, the Participant shall elect to receive either the balance of the Common Shares following the sale or the cash proceeds from the balance of the Common Shares.

In connection with a net exercise, the Participant shall elect on a notice of exercise to receive an amount equal to the number of underlying Common Shares listed on the Exchange that is the equal to the quotient obtained by dividing: (a) the product of the number of Options being exercised multiplied by the difference between the five-day volume weighted average price of the underlying Common Shares so listed and the exercise price of the subject Options; by (b) the five-day volume weighted average price of the underlying Common Shares so listed; provided, however, that persons retained to provide investor relations activities shall not be permitted to exercise an Option using the net exercise method.

Unless otherwise specified in an Award agreement granting Options, Options shall vest subject to Exchange policies, and the Board may in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Subject to any requirements of the Exchange, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black out period, Options may be exercised for a period of up to ten years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the "**Termination Date**") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such Options, to determine whether to accelerate the vesting of such Options, cancel such Options with or without payment and determine how long, if at all, such Options may remain outstanding following the Termination Date, provided, however, that in no event shall such Options be exercisable for more than 12 months after the Termination Date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 90 days after the Termination Date.

### ***RSUs***

Subject to the terms and conditions of the Omnibus Plan, the Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Board shall determine.

No RSU may vest before one year following the date it is granted or issued. The vesting of RSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction.

Unless otherwise specified in an Award agreement granting RSUs, RSUs shall vest at the discretion of the Board, subject to the policies of the Exchange, provided that, and subject to the Board's discretion: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Board shall have discretion, with respect to such RSUs, to determine whether cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Omnibus Plan.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Company in settlement of such RSU: (i) in a number of Common Shares (issued from treasury) equal to the number of RSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award agreement for the grant of the RSUs.

Participants holding RSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

### ***DSUs***

Subject to the terms and conditions of the Omnibus Plan, the Board may grant DSUs to Participants in such amounts and upon such terms (including the requirement that Participants pay a stipulated purchase price for each DSU, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of the Exchange, or holding or sale restrictions placed on the Common Shares by the Company upon vesting of such DSUs) as the Board shall determine.

When and if DSUs become payable, the Participant issued such DSUs shall be entitled to receive payment from the Company in settlement of such DSU: (i) in a number of Common Shares (issued from treasury) equal to the number of DSUs being settled, or (ii) in any other form, all as determined by the Board at its sole discretion. The Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award agreement for the grant of the DSUs. Participants holding DSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain DSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each DSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all DSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

No DSU may vest before one year following the date it is granted or issued. The vesting of DSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction, provided, however, that in the event that a Participant ceases to be an eligible Participant under the Omnibus Plan, no DSU granted to that Participant shall remain outstanding for a period of more than 12 months following the Termination Date, provided that any DSUs that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

### ***Performance Awards***

Subject to the terms and conditions of the Omnibus Plan, the Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Board shall determine. Each PSU shall have an initial value equal to the fair market value of a Common Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Subject to the terms of the Omnibus Plan, the Board, in its sole discretion, may pay earned PSUs in the form of a number of Common Shares issued from treasury equal to the number of earned PSUs at the end of the applicable performance period. Any Common Shares may be granted subject to any restrictions deemed appropriate by the Board.

Participants holding PSUs may, if the Board so determines, be credited with dividends paid with respect of the underlying Common Shares or dividend equivalents while they are so held in a manner determined by the Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Company, shall be set out in each PSU award agreement and determined in the sole discretion of the Board, and need not be uniform among all PSUs issued pursuant to the Omnibus Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

No PSU may vest before one year following the date it is granted or issued. The vesting of PSUs may be accelerated in limited circumstances, in the case of the death of Participant or upon a Participant ceasing to

be an eligible participant under the Omnibus Plan in connection with a change of control, take-over bid, Reverse Take-Over or other similar transaction, provided, however, that in the event that a Participant ceases to be an eligible Participant under the Omnibus Plan, no PSU granted to that Participant shall remain outstanding for a period of more than 12 months following the Termination Date, provided that any PSUs that have not been settled within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date.

Participants who are investor relations service providers cannot receive any security-based compensation other than Options.

The foregoing summary of the Omnibus Plan is not complete and is qualified in its entirety by reference to the Omnibus Plan, which is available on the Company's SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## Stock Options and Other Compensation Securities

### Outstanding Compensation Securities

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's Option Plan that were outstanding to NEOs and directors of the Company who were not NEOs during the financial year ended December 31, 2022.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant M/D/Y	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 M/D/Y
<b>Sean Charland</b> Former Director	Options	160,000 (0.08%)	02/9/2021	\$0.07	\$0.07	\$0.09	02/9/2026
<b>Buddy Doyle</b> Executive V.P., Corporate Development & Director	Options	21,000 (0.01%)	04/25/2019	\$0.45	\$0.35	\$0.40	04/25/2024
		83,000 (0.04%)	02/7/2020	\$0.08	\$0.08	\$0.04	02/07/2025
		1,000,000 (0.49%)	02/9/2021	\$0.07	\$0.07	\$0.09	02/9/2026
		500,000 (0.25%)	04/26/2021	\$0.12	\$0.12	\$0.09	04/26/2026
		100,000 (0.05%)	06/10/2021	\$0.18	\$0.16	\$0.09	06/10/2026
<b>Scott Eldridge</b> Director	Options	100,000 (0.05%)	02/9/2021	\$0.07	\$0.07	\$0.09	02/9/2026

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant M/D/Y	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 M/D/Y
Brijender Jassal CFO	Options	21,000 (0.01%)	04/25/2019	\$0.45	\$0.35	\$0.40	04/25/2024
		83,000 (0.04%)	02/7/2020	\$0.08	\$0.08	\$0.04	02/7/2025
		400,000 (0.20%)	02/9/2021	\$0.07	\$0.07	\$0.09	02/9/2026
		400,000 (0.20%)	04/26/2021	\$0.12	\$0.12	\$0.09	04/26/2026
		100,000 (0.05%)	06/10/2021	\$0.18	\$0.16	\$0.09	06/10/2026
Patrick Power Chairman, President, CEO and Director	Options	1,000,000 (0.49%)	06/1/2021	\$0.18	\$0.16	\$0.09	06/1/2026
Thomas Yingling Corporate Secretary & Director	Options	83,000 (0.04%)	02/7/2020	\$0.08	\$0.08	\$0.04	02/7/2025
		400,000 (0.20%)	02/9/2021	\$0.07	\$0.07	\$0.09	02/9/2026
		500,000 (0.25%)	04/26/2021	\$0.12	\$0.12	\$0.09	04/26/2026

### Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by any of the NEOs or directors of the Company during financial year ended December 31, 2022.

### Employment, Consulting and Management Agreements

The Company entered into an employment agreement with Mr. Patrick Power effective January 1, 2019, with regards to his employment as the President and Chief Executive Officer of the Company. The agreement is for a 12-month term and is automatically renewed for subsequent 12-month terms unless earlier terminated. Pursuant to the agreement, the Company has agreed to pay Mr. Power a base salary of \$15,000 per month and Mr. Power is eligible to annually receive a discretionary bonus.

The Company entered into an employment agreement with Mr. Brijender Jassal effective November 1, 2018, with regards to his employment as the Chief Financial Officer of the Company. The agreement is for a 12-month term and is automatically renewed for subsequent 12-month terms unless earlier terminated.

Pursuant to the Agreement, the Company has agreed to pay Mr. Jassal a base salary of \$7,000 a month and Mr. Jassal is eligible to annually receive a discretionary bonus.

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

The Company’s compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company’s business objectives of improving overall corporate performance and creating long-term value for the Company’s shareholders. The compensation program is intended to reward executive officers based on individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company’s current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long-term incentives such as stock options.

The Board has not created or appointed a compensation committee given the Company’s current size and stage of development. All tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

### Pension Plan

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

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The following table sets out equity compensation plan information as at the end of the Company’s financial year ended December 31, 2022.

Equity Compensation Plan Information			
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	10,323,000 (Options)	\$0.13	9,983,704

<b>Equity Compensation Plan Information</b>			
	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (\$)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>10,323,000 (Options)</b>	<b>\$0.13</b>	9,983,704

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the date of completion of the most recent fiscal year or as at the date hereof.

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

Except as disclosed below, as of the date of this Information Circular, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director, had a material interest, direct or indirect, in any transaction 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. An informed person is one who, generally speaking, is a director or executive officer or a 10% shareholder of the Company.

During the year ended December 31, 2022, the Company had the following transactions with informed persons:

- The Company incurred consulting fees of \$494,000 (2021 - \$185,950) with directors and companies owned by directors.
- The Company incurred accounting fees of \$84,000 (2021 - \$84,000) with an officer of the Company.
- The Company paid rent of \$12,892 (2021 - \$25,803) pertains to rent paid to companies related by a common officer for shared office premises.
- The Company received rent of \$12,882 (2021 - \$nil) pertains to rent paid to companies related by a common officer for shared office premises.
- Exploration expenses include consulting fee \$49,300 (2021 - \$78,900) paid to a Company related to a director.
- \$87,680 (December 31, 2021- \$436,659) was owing to companies controlled by directors and officers of the Company. The amounts due from or to the related parties are unsecured and without interest or stated terms of repayment.



- \$374,940 (December 31, 2021 - \$211,263) was due from a company owned by a director of the Company.
- Accounts receivable includes \$177,500 (December 31, 2021 - \$177,500) from a company related by a common director.

## **MANAGEMENT CONTRACTS**

There are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

## **PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING**

1. Presentation to the Shareholders of the audited financial statements of the Company for the fiscal year ended December 31, 2022.
2. Number of Directors – see “*Election of Directors*” above.
3. Election of Directors – see “*Election of Directors*” above.
4. Appointment of Auditor – see “*Appointment of Auditor*” above.
5. Continuation of Omnibus Equity Incentive Compensation Plan - below.

### **Continuation of Omnibus Equity Incentive Compensation Plan**

The Omnibus Plan is described above in this Information Circular under “*Statement of Executive Compensation – Stock Options and Other Compensation Securities*”. The policies of the TSXV require that “rolling” security based compensation plans receive yearly shareholder approval at a company’s annual general meeting. At the Meeting, Shareholders will be asked to consider, and if thought fit, to pass an ordinary resolution to approve the continuation of the Omnibus Plan until the next annual general meeting of the Company.

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

### ***Shareholder Approval***

**“RESOLVED** as an ordinary resolution, that the Company’s Omnibus Plan, dated for reference August 29, 2022, be ratified and approved for continuation until the next annual general meeting of the Company.”

**In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution.**

A copy of the Omnibus Plan will be available for inspection at the Meeting.

## **ADDITIONAL INFORMATION**

Financial information is provided in the audited financial statements of the Company for the financial year ended December 31, 2022, and in the related management discussion and analysis copies of which are

both filed on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). The consolidated audited financial statements, the report of the auditor and management's discussion and analysis will be placed before the Meeting.

Additional information relating to the Company is filed on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and is available upon request from the Company's Chief Financial Officer at: Suite 1100, 1111 Melville Street, Vancouver, BC, V6E 3V6, or at [binny@arcticstar.ca](mailto:binny@arcticstar.ca). Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

#### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Vancouver, British Columbia, this 1<sup>st</sup> day of September 2023.

**BY ORDER OF THE BOARD**

*"Patrick Power"*

**PATRICK POWER**  
**President and Chief Executive Officer**

## SCHEDULE "A"

### ARCTIC STAR EXPLORATION CORP.

#### *AUDIT COMMITTEE CHARTER*

The following is the text of the Audit Committee's Charter:

#### **1. Overall Purpose / Objectives**

The Audit Committee will assist the Board of Directors in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

#### **2. Authority**

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to set and pay the compensation for any advisors employed by the Audit Committee, to ensure the attendance of Company officers at meetings as appropriate and to communicate directly with the Company's external auditors.

#### **3. Organization**

##### Membership

The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the Audit Committee from the members of the Audit Committee which are not officers or employees of the Company, or a company associated or affiliated with the Company, from time to time.

A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company secretary, or such person as nominated by the Chairman.

##### Attendance at Meetings

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

The proceedings of all meetings will be minuted.

#### **4. *Roles and Responsibilities***

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Review the interim financial statements and disclosures, and obtain explanations from management on whether:
  - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
  - (b) generally accepted accounting principles have been consistently applied;

- (c) there are any actual or proposed changes in accounting or financial reporting practices;
  - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure; and
  - (e) review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to pre-approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.
  - Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
  - Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
  - 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.
  - Establish a procedure for:
    - (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
    - (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
  - Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
  - Endeavor to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
  - Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
  - Perform other functions as requested by the full Board.
  - If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

Review and recommend updates to the charter; receive approval of changes from the Board.