



## MANAGEMENT INFORMATION CIRCULAR

(As at May 1, 2025 (the “**Record Date**”) and in Canadian dollars, except where indicated)

### PERSONS MAKING THIS SOLICITATION OF PROXIES

This Management Information Circular (“**Circular**”) is provided in connection with the solicitation by the management of Lara Exploration Ltd. (the “**Corporation**”) of proxies (“**Proxies**”) from registered shareholders and voting instruction forms (“**VIFs**”) from the beneficial shareholders (collectively, “**Shareholders**”) of common shares of the Corporation (“**Shares**”) in respect of the annual general meeting of Shareholders (the “**Meeting**”) to be held at the time and place and for the purposes set out in the notice of meeting (the “**Notice of Meeting**”).

Although it is expected that the solicitation of Proxies and VIFs will be primarily by mail, Proxies and VIFs may also be solicited personally or by telephone, facsimile or other solicitation services. The costs of the solicitation of Proxies and VIFs will be borne by the Corporation.

The Corporation has given notice of the Meeting in accordance with the “Notice and Access” procedures of National Instrument 51-102 Continuous Disclosure Obligations (“**NI 51-102**”) and National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting (“**NI 54-101**”). In accordance with NI 51-102 and NI 54-101, the Corporation has sent the Notice of Meeting and the Proxy or VIF, but not this Circular, directly to its registered Shareholders. Instead of mailing this Circular to Shareholders, the Corporation has posted the Circular on its website pursuant to the “Notice and Access” procedures of NI 51-102 and NI 54-101. Shareholders may request a paper copy of this Circular be sent to them by contacting the Corporation as set out under “Additional Information” at the end of this Circular.

Pursuant to NI 54-101, arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries, banks, trust companies, trustees and their agents, nominees and other intermediaries (“**Intermediaries**”) to forward the Notice of Meeting and a VIF to each of the unregistered (beneficial) owners of the Shares held of record by Intermediaries that have consented to allow their addresses to be provided to the Corporation (“**NOBOs**”). The Corporation may reimburse the Intermediaries for reasonable fees and disbursements incurred by them in doing so.

The Corporation does not intend to pay Intermediaries to forward the Notice of Meeting and VIF to those beneficial Shareholders that have refused to allow their address to be provided to the Corporation (“**OBOs**”). Accordingly, OBOs will not receive the Notice of Meeting and VIF unless their respective Intermediaries assume the cost of forwarding such documents to them.

None of the directors of the Corporation have informed the Corporation’s management in writing that they intend to oppose the approval of any of the matters set out in the Notice of Meeting.

### REGISTERED SHAREHOLDERS

Only persons registered as Shareholders in the Corporation’s Central Security Register maintained by its registrar and transfer agent or duly appointed proxyholders of registered Shareholders (“**Proxyholders**”) will be recognized, or may make motions or vote at the Meeting.

## BENEFICIAL SHAREHOLDERS

**The information set forth in this section is of significant importance as many Shareholders do not hold Shares in their own name.**

If Shares are listed in an account statement provided to a Shareholder (a “**Beneficial Shareholder**”) by a broker, those Shares, in all likelihood, will **not** be registered in the Shareholder’s name. It is more likely that such Shares will be registered under the name of an Intermediary. Shares held by Intermediaries on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting shares for the Beneficial Shareholders. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

As provided for NI 54-101, the Corporation has elected to obtain a list of its NOBOs from Intermediaries, and deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF instead of a Proxy. A VIF enables a Shareholder to provide instructions to the registered holder of its Shares as to how those shares are to be voted at the Meeting and allows the registered Shareholder of those Shares to provide a Proxy voting the Shares in accordance with those instructions. VIFs should be completed and returned in accordance with its instructions. As indicated in the VIF, Internet voting is also allowed. The results of the VIFs received from NOBOs will be tabulated and appropriate instructions respecting voting of Shares to be represented at the Meeting will be provided to the registered Shareholders.

The forms of VIF requesting voting instructions supplied to Beneficial Shareholders are substantially similar to the Proxy provided directly to the registered Shareholders by the Corporation, however, their purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. A VIF has its own return instructions, which should be carefully followed by Beneficial Shareholders to ensure their Shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining voting instructions from OBOs to Broadridge Investor Communications in Canada and the United States of America. Broadridge prepares a machine-readable VIF, mails the VIF and other proxy materials for the Meeting to OBOs and asks them to return the VIF to Broadridge. It then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

**A Beneficial Shareholder may use their VIF to vote their own Shares directly at the Meeting if the Beneficial Shareholder inserts their own name as the name of the person to represent them at the Meeting. The VIF must be returned to Computershare, Broadridge or other Intermediary well in advance of the meeting to have the Shares voted. Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.**

Shareholders with any questions respecting the voting of Shares held through a broker or other Intermediary, should contact that broker or other Intermediary for assistance.

## UNITED STATES SHAREHOLDERS

This solicitation of Proxies and VIFs involves securities of a company located in Canada and is being effected in accordance with the corporate and securities laws of the province of British Columbia, Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation. Shareholders should be aware that

disclosure and proxy solicitation requirements under the securities laws of British Columbia, Canada differ from the disclosure and proxy solicitation 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 Corporation is incorporated under the *Business Corporations Act* (British Columbia), some 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.

### **APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES AND VIFS**

Only persons registered as Shareholders in the Corporation's Central Security Register maintained by its registrar and transfer agent or duly appointed proxyholders of registered Shareholders will be recognized or may make motions or vote at the Meeting.

The persons named (the "**Management Designees**") in the Proxy or VIF have been selected by the board of directors of the Corporation (the "**Board**") and have agreed to represent, as Proxyholder, the Shareholders appointing them.

**A Shareholder has the right to designate a person (who need not be a Shareholder and, for a VIF, can be the appointing Shareholder) other than the Management Designees as their Proxyholder to represent them at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Proxy or VIF the name of the person to be designated and by deleting therefrom the names of the Management Designees or, if the Shareholder is a registered Shareholder, by completing another proper form of Proxy and delivering the Proxy or VIF in accordance with its instructions.** Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as Proxyholder and provide instructions on how their Shares are to be voted. The nominee should bring personal identification with them to the Meeting.

A Shareholder may indicate the manner in which the Proxyholders are to vote on behalf of the Shareholder, if a poll is held, by marking an "X" in the appropriate space of the Proxy. **If both spaces are left blank, the Proxy will be voted as recommended by management for any matter requiring a "For" or "Against" vote, and in favour of the matter for any matter requiring a "For" or "Withhold" vote.**

**The Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting.** As at the date of this Circular, the Corporation's management is not aware that any amendments or variations are to be presented at the Meeting. If any amendments or variations to such matters should properly come before the Meeting, the Proxies hereby solicited will be voted as recommended by management.

To be valid, the Proxy or VIF must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Proxy or VIF). The completed Proxy or VIF must then be returned in accordance with its instructions. Proxies (but not VIFs, unless the VIF has Computershare's name and address on the top right corner of the first page) and proof of authorization can also be delivered to the Corporation's transfer agent,

**Computershare Investor Services Inc. (Attn: Proxy Department)**

**Fax:** 1-866-249-7775 (within North America)  
(+1) 416-263-9524(outside North America)

**Mail:** 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Canada  
(toll free information line: 1-800-564-6253)

**Courier:** 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9, Canada

**Internet:** [www.investorvote.com](http://www.investorvote.com)

at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Proxies and VIFs received after that time may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion, and the Chairman is under no obligation to accept or reject late Proxies.

A Proxy will be revoked by a Shareholder personally attending at the Meeting and voting their Shares. A Shareholder may also revoke their Proxy in respect of any matter upon which a vote has not already been held by depositing an instrument in writing (which includes an Proxy bearing a later date) executed by the Shareholder or by their authorized attorney in writing, or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized, to one of the following:

**Computershare** as set out above

**Lara Exploration Ltd.**

Attn: Kim Casswell  
Suite 501, 543 Granville Street  
Vancouver, British Columbia, V6C 1X8  
Canada  
or by fax to (+1) 604-688-1157

the Corporation's registered office  
**O'Neill Law LLP**  
Attn: Christian Cu  
Suite 704, 595 Howe Street  
Vancouver, British Columbia V6C 2T5  
Canada  
or by fax to 1-866-687-5792

at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or by depositing the instrument in writing with the Chairman of such Meeting, prior to the commencement of the Meeting or of any adjournment thereof. VIFs may only be revoked in accordance with their specific instructions.

**VOTING OF PROXIES AND VIFS**

Voting at the Meeting will be by making a verbal statement of Yes / In Favour or No / Against, each registered Shareholder and each Proxyholder having one vote, unless a poll is required (if the number of Shares represented by Proxies and VIFs that are to be voted against a motion are greater than 5% of the

votes that could be cast at the Meeting) or requested, whereupon each registered Shareholder and Proxyholder is entitled to one vote for each Share held or represented, respectively.

Each Shareholder may instruct their Proxyholder how to vote their Shares by completing the blanks on the Proxy or VIF. All Shares represented at the Meeting by properly executed Proxies and VIFs will be voted or withheld from voting when a poll is requested or required and, where a choice with respect to any matter to be acted upon has been specified in the Proxy or VIF, such Shares will be voted in accordance with such specification. **In the absence of any such specification on the Proxy or VIF as to voting, the Management Designees, if named as Proxyholder or nominee, will vote in favour of the matters set out therein.**

**The Proxy or VIF confers discretionary authority upon the Management Designees, or other person named as Proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting.**

To approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a “special resolution” in which case a majority of 66-2/3% of the votes cast will be required.

## QUORUM

The Corporation’s Articles provide that a quorum for the transaction of business at any meeting of Shareholders is two Shareholders, Proxyholders or duly authorized representatives of corporate Shareholders, who are personally present and represent not less than 10% of the issued Shares.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Shares, which are the only shares entitled to be voted at the Meeting. As at the Record Date, the Corporation had 49,524,772 Shares issued and outstanding. Shareholders are entitled to one vote for each Share held.

To the knowledge of the directors and executive officers of the Corporation, no one beneficially owned, directly or indirectly, or exercised control or direction over, voting securities carrying more than 10% of the voting rights attached to the Shares as at the Record Date except as indicated below:

Name	Number of Common Shares Owned or Controlled at the Record Date	Percentage of Outstanding Shares
Global Strategic Management, Inc. d/b/a Adrian Day Asset Management <sup>(1)</sup>	8,100,240	16.36%

(1) An arm’s length boutique asset management firm based in San Juan, Puerto Rico.

## STATEMENT OF EXECUTIVE COMPENSATION

Unless otherwise noted the following information is for the Corporation's last completed financial year (which ended December 31, 2024) and, since the Corporation has subsidiaries, is prepared on a consolidated basis.

### A. Named Executive Officers

For the purposes of this Circular, a Named Executive Officer ("NEO") means each of the following individuals during the most recently completed financial year:

- (a) the chief executive officer ("CEO") of the Corporation;
- (b) the chief financial officer ("CFO") of the Corporation; and
- (c) each of the Corporation's three most highly compensated executive officers, or individuals acting in a similar capacity, other than the CEO and CFO, if their individual total compensation (excluding the value of any pension) was more than \$150,000 for that financial year.

### B. Compensation Discussion and Analysis

The Compensation Committee of the Board is responsible for ensuring that the Corporation has appropriate procedures for reviewing executive compensation and making recommendations to the Board with respect to the compensation of the Corporation's executive officers. The Compensation Committee seeks to ensure that total compensation paid to all executive officers is fair and reasonable and is consistent with the Corporation's compensation philosophy. Neither the Board nor the Compensation Committee of the Board considers the implications of the risks associated with the Corporation's compensation policies and practices.

The Compensation Committee is also responsible for recommending compensation for the directors and officers and granting stock options to the directors, officers and employees of, and consultants to, the Corporation pursuant to the Corporation's Stock Option Plan (the "**Option Plan**"). Stock options already held by NEOs are considered when granting new options to them.

Nominees for participation in, and grants of Performance Compensation Units under, the Company's Performance Bonus Compensation Plan are recommended by the Company's CEO and approved by the Board. (See "Performance Bonus Compensation Plan" under "Statement of Executive Compensation".)

No NEO or director is permitted to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, 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.

#### *Compensation Components*

Compensation paid to the Corporation's NEOs consists of cash and equity-based compensation. No specific formulas are used to assign a specific weighting to each of these components. Instead, the Board considers the Corporation's performance and assigns compensation based on this assessment and the recommendations of the Compensation Committee.

In assessing the compensation of its directors and executive officers, including the NEOs, the Corporation does not have any formal objectives, criteria or analysis in place. Compensation payable to executive officers and directors is currently reviewed and recommended by the Corporation's Compensation Committee, and ultimately approved by the Board, on an annual basis. The Corporation has not established specific performance criteria or goals to which total compensation or any significant element of total compensation to be paid to any NEO is dependent. NEOs' performance is reviewed in light of the Corporation's objectives from time to time and such officers' compensation is also compared to executive officers of companies of similar size and stage of development in the mineral exploration industry. Though the Corporation does not have pre-existing performance criteria, objectives or goals, the Corporation's Compensation Committee reviews all compensation arrangements and policies in place.

The Compensation Committee also relies on the experience of its members as officers and directors of other companies in similar lines of business as the Corporation. The other companies of which they are currently a director are identified under the heading "Disclosure of Corporate Governance Practices – Directorships" of this Circular. The purpose of this comparison to similar companies is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards for the Compensation Committee's approval.

#### *Base Salary*

The Compensation Committee performs an annual assessment of all NEO compensation levels. The review for each NEO is based on an assessment of factors such as

- current competitive market conditions,
- compensation levels within the peer group, and
- particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual.

Using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, the Compensation Committee then recommends to the Board what should be the base salaries of the CEO, CFO and other NEOs, and the Board sets the base salaries of the CEO and CFO and other NEOs.

#### *Annual Incentive Awards*

Awards under the Corporation's annual incentive plan are made by way of cash bonuses, which are based on the Corporation's success in reaching its objectives and individual performance. The Compensation Committee recommends, and the Board approves, annual incentives for each NEO.

To determine its recommendations, the Compensation Committee reviews corporate performance objectives during the year. During the last financial year, the principal objectives included:

- Exploration success, including the discovery of material mineralization in one or more of the Corporation's properties;
- Acquisition of new properties;
- Sales and joint ventures of properties and the formation of strategic alliances;
- Capital management;
- Successful management of the Corporation's environmental, community, and safety objectives;
- Maintaining compliance with the regulatory and disclosure framework;
- Increasing investor interest in the Corporation; and
- Increasing the Corporation's market capitalization.

The Compensation Committee assesses each NEO's performance on the basis of their respective contribution to the achievement of corporate goals as well as to needs of the Corporation that arise on a day-to-day basis. This assessment is used by the Compensation Committee in developing its recommendations to the Board with respect to the determination of annual incentive for the NEOs.

#### *Long-Term Compensation*

Long-term compensation is paid in the form of grants of stock options and grants of performance compensation units under the Company's Performance Bonus Compensation Plan.

#### Stock Option Plan

The Board established the Option Plan to encourage share ownership and entrepreneurship on the part of the directors, management and employees. The Compensation Committee believes that the Option Plan aligns the interests of the NEOs' with the interests of Shareholders by linking a component of compensation to the longer-term performance of the Shares.

Options are generally granted on an annual basis, subject to the imposition of trading black-out periods, in which case options scheduled for grant will be granted subsequent to the end of the black-out period. All options granted to NEO's are recommended by the Compensation Committee and approved by the Board. In monitoring stock option grants, the Compensation Committee takes into account the level of options granted by comparable companies for similar levels of responsibility and considers each NEO based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Compensation Committee also makes the following determinations:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each stock option; and



- the other materials terms and conditions of each stock option grant.

The Compensation Committee makes these determinations subject to and in accordance with the provision of the Option Plan.

#### Performance Bonus Compensation Plan

Nominees for participation in, and grants of Performance Compensation Units under, the Company's Performance Bonus Compensation Plan are recommended by the Company's CEO and approved by the Board. (See "Performance Bonus Compensation Plan" under "Statement of Executive Compensation".)

### **C. Summary Compensation Table**

The following table contains a summary of the compensation paid to the NEOs during the Corporation's last three financial years.

Name and principal position	Year Ended December 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans (\$)	Long term incentive plans (\$)			
<b>Miles F. Thompson</b> Chair, Former President & Former CEO <sup>(1)</sup>	2024	210,048	0	0	0	0	0	0	210,048
	2023	202,330	0	172,250 <sup>(6)</sup>	0	0	0	0	374,580
	2022	140,862	0	0	0	0	0	0	140,862
<b>Simon H. Ingram</b> President & CEO <sup>(1)</sup>	2024	210,048	0	117,405 <sup>(5)</sup>	0	0	0	0	327,453
	2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>William Tsang</b> CFO <sup>(2)</sup>	2024	75,000 <sup>(4)</sup>	0	0	0	0	0	0	75,000
	2023	50,000 <sup>(4)</sup>	0	25,837 <sup>(6)</sup>	0	0	0	0	75,837
	2022	1,484 <sup>(4)</sup>	0	0	0	0	0	0	1,484
<b>David L. Miles</b> Former CFO <sup>(3)</sup>	2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
	2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
	2022	34,142 <sup>(4)</sup>	0	0	0	0	0	0	34,142
<b>Michael R. Bennell</b> Vice-President, Exploration	2024	180,000	0	0	0	0	0	0	180,000
	2023	56,075	0	172,250 <sup>(6)</sup>	0	0	0	0	228,325
	2022	175,025	0	0	0	0	0	0	175,025

- (1) Mr. Thompson resigned as President and CEO of the Corporation on January 8, 2024 and Mr. Simon Ingram was appointed in his place. Mr. Thompson remains the Chair and a director of the Corporation.
- (2) Mr. Tsang was appointed CFO of the Corporation on December 12, 2022.
- (3) Mr. Miles resigned as CFO of the Corporation on December 12, 2022.
- (4) Pursuant to a Management Services Agreement between the Corporation and Seabord Management Corp. ("Seabord"), Mr. Miles' and Mr. Tsang's remuneration was paid by Seabord. See "Management Contracts" for a description of the material terms of the Management Services Agreement.
- (5) The "grant date fair value" of options has been determined by using the Black-Scholes model. See discussion below. The stock option benefit is the grant date fair value using the Black-Scholes option pricing model using the following assumptions: stock price - \$0.54, exercise price - \$0.54, an option life of five years, a risk-free interest rate of 3% and a volatility of 61%. See the table under "Incentive Plan Awards" for the 'in-the-money' value of these options on December 31, 2024.
- (6) The "grant date fair value" of options has been determined using the Black-Scholes model. See discussion below. The stock option benefit is the grant date fair value using the Black-Scholes option pricing model using the following

assumptions: stock price - \$0.79, exercise price - \$0.79, an option life of five years, a risk-free interest rate of 3.24% and a volatility of 61%. See the table under “Incentive Plan Awards” for the ‘in-the-money’ value of these options on December 31, 2024.

The Corporation calculates the “grant date fair value” amounts in the ‘Option-based Awards’ column using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors in valuing the option-based awards, including the exercise price of the options, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. Calculating the value of stock options using this methodology is very different from a simple “in-the-money” value calculation. Stock options that are well “out-of-the-money” can still have a significant “grant date fair value” based on a Black-Scholes valuation. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The value of the in-the-money options currently held by each NEO (based on Share price less option exercise price) as at the end of the Corporation’s last financial year is set forth in the ‘Value of Unexercised in-the-money Options’ column of the “Outstanding Share-Based and Option-Based Awards” table below.

## **Employment and Consulting Agreements**

### *President and CEO*

Simon Ingram was appointed as the Corporation's President and CEO on January 8, 2024. The Corporation has a Consulting Agreement dated January 1, 2023 with Tayra Limited, a company controlled by Mr. Ingram. Under the terms of the consulting agreement, the Corporation pays Tayra a fee of £10,000 for providing the services of Mr. Ingram as President and CEO of the Corporation, plus reimbursement for reasonable medical, travel and other reasonable out of pocket expenses. The Corporation agreed to issue 400,000 stock options upon execution of the consulting agreement, with additional options and performance compensation unit grants at the discretion of the Corporation's Board.

Either the Corporation or Mr. Ingram may, for any reason and in their sole discretion, terminate the Consulting Agreement by giving 60 days written notice to the other. Upon such termination, the Corporation shall pay Mr. Ingram the equivalent of 24 months of remuneration. In addition to such payment, any stock options or other rights to purchase or acquire securities of the Corporation held by Mr. Ingram that would otherwise vest within the following three years shall vest immediately and he shall be paid any discretionary bonus or other payment in respect of merit of service performance which have been earned or declared payable but not yet paid.

In the event of a change of control of the Corporation which results in a termination of the agreement within six months of the change of control, Mr. Ingram shall also be entitled to compensation equal to 24 months of remuneration, payable within five days of such termination. In addition to such payment, any stock options or other rights to purchase or acquire securities of the Corporation held by Mr. Ingram that have not vested shall vest immediately and he shall be paid any discretionary bonus or other payment in respect of merit of service performance which have been earned or declared payable but not yet paid

### *Chair and Former President and Former CEO*

Miles F. Thompson resigned as the Corporation's President and CEO on January 8, 2024. Mr. Thompson continues to act as the Chair and as a director of the Corporation. The Corporation continues to compensate Mr. Thompson for providing his services as Chair of the Corporation pursuant to the terms of his Consulting Agreement dated November 1, 2017, as amended October 27, 2020 and September 14, 2023. The agreement currently provides for the remuneration of Mr. Thompson at the rate of £10,000 per

month plus monthly medical and travel insurance benefits of approximately £225. In addition to the remuneration payable under this agreement, the Corporation may pay bonuses and grant stock options and performance compensation units at the discretion of the Corporation's Board.

Either the Corporation or Mr. Thompson may, for any reason and in their sole discretion, terminate the Consulting Agreement by giving 60 days written notice to the other. Upon such termination, the Corporation shall pay Mr. Thompson the equivalent of 12 months of remuneration plus a further one month of remuneration for each year of service by him since December 1, 2011, up to a maximum of 24 months of remuneration (including such initial 12 months). In addition to such payment, any stock options or other rights to purchase or acquire securities of the Corporation held by Mr. Thompson that would otherwise vest within the following three years shall vest immediately and he shall be paid any discretionary bonus or other payment in respect of merit of service performance which have been earned or declared payable but not yet paid.

In the event of a change of control of the Corporation which results in a termination of the agreement within the six-month period following the change of control, Mr. Thompson shall also be entitled to compensation equal to 24 months of remuneration, payable within five days of such termination. In addition to such payment, any stock options or other rights to purchase or acquire securities of the Corporation held by Mr. Thompson that have not vested shall vest immediately and he shall be paid any discretionary bonus or other payment in respect of merit of service performance which have been earned or declared payable but not yet paid.

#### *Vice President, Exploration*

The Corporation has a Consulting Agreement dated July 1, 2007, as amended June 1, 2010, May 1, 2011, April 11, 2022, and September 14, 2023 with Michael Bennell whereby he is retained to act as the Corporation's Vice-President of Exploration. The agreement provides for the remuneration of Mr. Bennell at the rate of \$15,000 per month. In addition to the remuneration payable under this agreement, the Corporation may grant stock options and performance compensation units to Mr. Bennell at the discretion of the Corporation's Board of Directors.

Either the Corporation or Mr. Bennell may, for any reason and in their sole discretion, terminate the Consulting Agreement by giving 60 days written notice to the other. Upon any such termination without cause, the Corporation shall pay Mr. Bennell one month's remuneration for each year of service by him since July 1, 2006. In the event of a change of control of the Corporation which results in a termination of the agreement within the six-month period following the change of control, Mr. Bennell shall also be entitled to compensation equal to 24 months of remuneration, payable within five days of such termination. In addition to such payment, any stock options or other rights to purchase or acquire securities of the Corporation held by Mr. Bennell that have not vested shall vest immediately and he shall be paid any discretionary bonus or other payment in respect of merit of service performance which have been earned or declared payable but not yet paid.

#### *Other Contracts*

The Corporation has not entered into any other employment or consulting contracts with its other Named Executive Officers.

## D. Incentive Plan Awards

### *Outstanding Share-Based and Option-Based Awards*

The following table sets out, for each NEO, the incentive stock options to purchase Shares under the Option Plan (option-based awards) and Share grants under the Stock Grant Program (share-based awards) held as of the last financial year (December 31, 2024). The closing price of the Shares on the TSX Venture Exchange (“**TSX-V**”) on that date was \$1.34 per share.

Name & Position	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (vested-unvested)	Option exercise price (\$ per share)	Option expiration date (m/d/y)	Value of unexercised ‘in-the-money’ <sup>(2)</sup> options (\$)	Number of shares that have not vested (#)	Market or payout value of share-based awards that have not vested <sup>(3)</sup> (\$)	Market or payout value of share-based awards that have vested but have not been paid out (\$)
Miles F. Thompson Chair, Former President & Former CEO <sup>(1)</sup>	400,000 - 0 300,000 - 0	0.79 0.76	04/19/2028 09/01/2025	220,000 174,000	0	N/A	N/A
Simon H. Ingram President & CEO <sup>(1)</sup>	400,000 – 0	0.54	01/28/2029	320,000	0	N/A	N/A
William Tsang CFO	60,000 – 0 20,000 - 0	0.79 0.76	04/19/2028 09/01/2025	33,000 11,600	0	N/A	N/A
Michael R. Bennell VP Exploration	400,000 - 0 300,000 - 0	0.79 0.76	04/19/2028 09/01/2025	220,000 174,000	0	N/A	N/A

- (1) Mr. Thompson resigned as President and CEO of the Corporation on January 8, 2024 and Mr. Simon Ingram was appointed in his place. Mr. Thompson remains the Chair and a director of the Corporation.
- (2) Options are “in the money” if the market price of the Shares is greater than the exercise price of the options. The value of such options is the product of the number of Shares multiplied by the difference between the exercise price and the closing market price of the Shares on the financial year end. Options which were not vested at the financial year end are not included in this value.
- (3) The value of a share-based award is the product of the number of Shares issuable on the vesting date multiplied by the closing market price on the vesting date.

The Compensation Committee’s approach to recommending options to be granted is consistent with prevailing practice in the mineral exploration industry. Grants of options depend on the length of service of the NEOs. Therefore, there are no formulae followed or performance goals or significant conditions which must be met before options are granted. Options are always granted at the prevailing market price of the Shares.

### *Value of Share-Based and Option-Based Awards Vested or Earned During the Year*

The following table sets out the share-based and option-based awards that vested in, and non-equity awards that were earned by, the NEOs during the last financial year.

Name & Position	Value vested or earned during the year		
	Option-based Awards Vested <sup>(2)</sup> (\$)	Share-based Awards Vested <sup>(3)</sup> (\$)	Non-equity Incentive Plan Compensation Earned (\$)
Miles F. Thompson Chair, Former President & Former CEO <sup>(1)</sup>	0	0	0
Simon H. Ingram President & CEO <sup>(1)</sup>	117,405	0	0
William Tsang CFO	0	0	0
Michael R. Bennell VP Exploration	0	0	0

(1) Mr. Thompson resigned as President and CEO of the Corporation on January 8, 2024 and Mr. Simon Ingram was appointed in his place. Mr. Thompson remains the Chair and a director of the Corporation.

(2) The value of an option-based award is the product of the number of Shares issuable on the exercise of the option on the vesting date multiplied by the difference between the exercise price and the closing market price on the vesting date. The stock option benefit is the grant date fair value has been calculated using the Black-Scholes option pricing model, which is described above. See the table under “Outstanding Share-based and Option-based Awards to NEOs” for the “in-the-money” value of these options on December 31, 2024.

(3) The value of a share-based award is the product of the number of Shares issuable on the vesting date multiplied by the closing market price on the vesting date.

### ***Option-based Awards Exercised During the Year***

No option-based awards were exercised during the Corporation’s last completed financial year by the NEOs.

### **E. Pension Plan Benefits**

The Corporation does not have a pension plan, defined benefits plan, defined contribution plan or deferred compensation plan.

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

Other than described above under ‘Summary Compensation Table – Employment and Consulting Agreements’ and as described below, the Corporation has not provided or agreed to provide any compensation to any NEOs as a result of a change of control of the Corporation, its subsidiaries or affiliates.

### **Performance Bonus Compensation Plan**

The Corporation has adopted a Performance Bonus Compensation Plan (the “Bonus Plan”), the purpose of which is to provide the Corporation with a mechanism to motivate eligible directors, officers, employees and consultants of the Corporation to align their interests with those of the Corporation’s shareholders, the long term goals of the Corporation and to maximize the returns to the Corporation’s shareholders in the event that the Corporation is involved in a change of control or a majority of the business assets of the Corporation are sold or disposed of (including by way of a spinout) (collectively a “Fundamental Transaction”).

Under the provisions of the Bonus Plan, in the event of a Fundamental Transaction, a bonus amount will be distributed to each of the participants under the Bonus Plan (the “Participants”) pro rata to the number of performance compensation units (“PCU’s”) granted to each of them. Participants under the Bonus Plan are nominated by the Corporation’s CEO and approved by the Corporation’s Board. Grants of PCU’s must be approved by the Board, who may fix vesting conditions to be attached to any PCU grant. Settlement of all amounts payable to Participants under the Bonus Plan will be in cash, provided that with the prior approval of the Exchange, the Bonus Plan provides that a Participant may elect to have the amounts payable to them settled in shares of the Corporation.

The total amount that may be distributed to Participants is the total of the Initial Bonus Pool amount and any Subsequent Bonus Pool amount (each as described below), provided that the maximum aggregate bonus that may be distributed to all Participants is equal to 10% of the Corporation’s market capitalization at the time of the Fundamental Transaction based on the actual or deemed price (as the case may be) of each Share determined in the context of the Fundamental Transaction (the “Transaction Share Value”).

The Initial Bonus Pool amount is the total of the following amounts:

- (a) 8% of the amount by which the Transaction Share Value exceeds 2 times the initial share hurdle price of \$0.65 (the “Initial Share Hurdle Price”) multiplied by the number of Shares outstanding at December 31, 2022, being 45,801,014 Shares (the “Initial Shares Outstanding”):

$$8\% \times [\text{Transaction Share Value} - (2 \times \text{Initial Share Hurdle Price})] \times \text{Initial Shares Outstanding}$$

- (b) 5% of the amount by which the Transaction Share Value exceeds 3 times the Initial Share Hurdle Price multiplied by the Initial Shares Outstanding:

$$5\% \times [\text{Transaction Share Value} - (3 \times \text{Initial Share Hurdle Price})] \times \text{Initial Shares Outstanding}$$

- (c) 3% of the amount by which the Transaction Share Value exceeds 4 times the Initial Share Hurdle Price multiplied by the Initial Shares Outstanding:

$$3\% \times [\text{Transaction Share Value} - (4 \times \text{Initial Share Hurdle Price})] \times \text{Initial Shares Outstanding}$$

- (d) 8% of the amount by which the Transaction Share Value exceeds the initial warrant hurdle price of \$1.00 (the “Initial Warrant Hurdle Price”) multiplied by the number of warrants outstanding at December 31, 2022, being 3,086,703 warrants (the “Initial Warrants Outstanding”):

$$8\% \times [\text{Transaction Share Value} - (2 \times \text{Initial Warrant Hurdle Price})] \times \text{Initial Warrants Outstanding}$$

- (e) 5% of the amount by which the Transaction Share Value exceeds 3 times the Initial Warrant Value multiplied by the Initial Warrants Outstanding; and

$$5\% \times [\text{Transaction Share Value} - (3 \times \text{Initial Warrant Hurdle Price})] \times \text{Initial Warrants Outstanding}$$

- (f) 3% of the amount by which the Transaction Share Value exceeds 4 times the Initial Warrant Value.

$$3\% \times [\text{Transaction Share Value} - (3 \times \text{Initial Warrant Hurdle Price})] \times \text{Initial Warrants Outstanding}$$

Each time the Corporation completes a subsequent financing (a “Subsequent Equity Financing”), of Shares or securities exercisable, exchangeable or convertible into Shares (“Convertible Securities”) a Subsequent Bonus Pool will be created, with the amount to be added to the total bonus payable upon a Fundamental Transaction calculated as follows:

- (a) 8% of the amount by which the Transaction Share Value exceeds 2 times the price at which Shares were issued under the Subsequent Equity Financing (the “Subsequent Share Hurdle Price”) multiplied by the number of Shares issued under the Subsequent Equity Financing (the “Subsequent Shares Issued”):

$$8\% \times [\text{Transaction Share Value} - (2 \times \text{Subsequent Share Hurdle Price})] \times \text{Subsequent Shares Issued}$$

- (b) 5% of the amount by which the Transaction Share Value exceeds 3 times the Subsequent Share Hurdle Price multiplied by the Subsequent Shares Issued:

$$5\% \times [\text{Transaction Share Value} - (3 \times \text{Subsequent Share Hurdle Price})] \times \text{Subsequent Shares Issued}$$

- (c) 3% of the amount by which the Transaction Share Value exceeds 3 times the Subsequent Share Hurdle Price multiplied by the Subsequent Shares Issued:

$$3\% \times [\text{Transaction Share Value} - (4 \times \text{Subsequent Share Hurdle Price})] \times \text{Subsequent Shares Issued}$$

- (d) 8% of the amount by which the Transaction Share Value exceeds the exercise price of any Convertible Securities issued under the Subsequent Equity Financing (the “Subsequent Warrant Hurdle Price”) multiplied by the total number of Convertible Securities issued under the Subsequent Equity Financing (the “Subsequent Warrants Issued”):

$$8\% \times [\text{Transaction Share Value} - (2 \times \text{Subsequent Warrant Hurdle Price})] \times \text{Subsequent Warrants Issued}$$

- (e) 5% of the amount by which the Transaction Share Value exceeds 3 times the Subsequent Warrant Hurdle Price multiplied by the Subsequent Warrants Issued; and

$$5\% \times [\text{Transaction Share Value} - (3 \times \text{Subsequent Warrant Hurdle Price})] \times \text{Subsequent Warrants Issued}$$

- (f) 3% of the amount by which the Transaction Share Value exceeds 4 times the Subsequent Warrant Hurdle Price multiplied by the Subsequent Warrants Issued; and

$$3\% \times [\text{Transaction Share Value} - (4 \times \text{Subsequent Warrant Hurdle Price})] \times \text{Subsequent Warrants Issued}$$

The Bonus Plan is unfunded and the Corporation is not required to set aside funds to pay its obligations under the Bonus Plan. Settlement of any amounts payable under the Bonus Plan must be made concurrent with, or immediately prior to, the completion of a Fundamental Transaction.

As of the date of this Circular, no grants of PCU’s have been made under the Bonus Plan. As a result, as of the date of this Circular, no amounts are currently payable under the Bonus Plan. If any PCU’s had been granted during the prior fiscal year and a Fundamental Transaction had been completed at a Transaction Share Price of \$1.34 per Share, being the closing price of the Shares on the last trading day of the Corporation’s fiscal year ended December 31, 2024, the total bonus pool amount that would have been payable under the Bonus Plan would have been \$146,563, which amount would have been allocated amongst Participants in the Bonus Plan pro rata to the number of PCU’s held by them.

## G. Director Compensation

The following table describes director compensation for non-executive directors for the last financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total (\$)
Christopher B. Jones	0	0	0	0	0	0	0
William C. Steers	0	0	0	0	0	0	0
Stephen M. Yuzpe	0	0	0	0	0	0	0

The Corporation has calculated the “grant date fair value” amounts in the ‘Option-based Awards’ column using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors in valuing the option-based awards, including the exercise price of the options, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. Calculating the value of stock options using this methodology is very different from a simple “in-the-money” value calculation. Stock options that are well out-of-the-money can still have a significant “grant date fair value” based on a Black-Scholes valuation. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The total compensation shown in the last column is the total compensation of each director reported in other columns. The value of the in-the-money options currently held by each director (based on Share price less option exercise price) is set forth in the ‘Value of Unexercised in-the-money Options’ column of the “Outstanding Share-Based and Option-Based Awards” table below.

The methodology used for determining the remuneration of the Board is similar to that used for the remuneration of NEOs. Remuneration of each Committee Chair is determined on its own merits and circumstances after being carefully considered in light of prevailing economic conditions – both on a corporate level and on a national and international level – and industry norms for such remuneration. Levels of remuneration are usually first informally discussed among the members of the Compensation Committee and with the President before being formally considered and approved by the Board.

### *Share-Based and Option-based Awards to Directors*

The following table sets out, for each director who is not an officer, the stock options to purchase Shares under the Option Plan (option-based awards) and Share grants under the Stock Grant Program (share-based awards) held as of the last financial year (December 31, 2024). The closing price of the Shares on the TSX-V on that date was \$1.34 per share.



Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (vested-unvested)	Option exercise price (\$ per share)	Option expiration date (m/d/y)	Value of unexercised 'in-the-money' options <sup>(1)</sup> (\$)	Number of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have vested but have not been paid out (\$)
Christopher B. Jones	200,000 - 0 50,000 - 0	0.79 0.76	04/19/2028 09/01/2025	110.000 29.000	0	N/A	N/A
William C. Steers	200,000 - 0 50,000 - 0	0.79 0.76	04/19/2028 09/01/2025	110,000 29,000	0	N/A	N/A
Stephen M. Yuzpe	200,000 - 0 50,000 - 0	0.79 0.76	04/19/2028 09/01/2025	110,000 29,000	0	N/A	N/A

(1) Options are “in the money” if the market price of the Shares is greater than the exercise price of the options. The value of such options is the product of the number of Shares multiplied by the difference between the exercise price and the closing market price of the Shares on the financial year end. Options which were not vested at the financial year end are not included in this value.

(2) The value of a share-based award is the product of the number of Shares issuable on the vesting date multiplied by the closing market price on the vesting date.

The Compensation Committee’s approach to recommending options to be granted is consistent with prevailing practice in the mineral exploration industry. Grants of options depend on the length of service of the directors. Therefore, there are no formulae followed or performance goals or significant conditions which must be met before options are granted. Options are always granted at the prevailing market price of the Shares.

### *Value of Share-Based and Option-Based Awards Vested or Earned During the Year*

The following table sets forth, for each director who is not an officer, the values of all incentive plan awards which vested or were earned during the Corporation’s last completed financial year.

Name	Value vested or earned during the year		Non-equity Incentive Plan Compensation Earned (\$)
	Option-based Awards Vested <sup>(1)</sup> (\$)	Share-based Awards Vested <sup>(2)</sup> (\$)	
Christopher B. Jones	0	0	0
William C. Steers	0	0	0
Stephen M. Yuzpe	0	0	0

(1) The value of an option-based award is the product of the number of Shares issuable on the exercise of the option on the vesting date multiplied by the difference between the exercise price and the closing market price on the vesting date. The stock option benefit is the grant date fair value calculated using the Black-Scholes option pricing models described

above. See the table under “Share-based and Option-based Awards to Directors” for the “in-the-money” value of these options on December 31, 2024.

- (2) The value of a share-based award is the product of the number of Shares issuable on the vesting date multiplied by the closing market price on the vesting date.

### ***Option-based Awards Exercised During the Year***

The following table sets forth the particulars of option-based awards exercised during the Corporation’s last completed financial year by the directors.

<b>Name</b>	<b>Securities Acquired on Exercise (#)</b>	<b>Exercise Price</b>	<b>Date of Exercise (m/d/y)</b>	<b>Aggregate Value Realized <sup>(1)</sup> (\$)</b>
Christopher B. Jones	50,000	0.50	10/17/2024	45,000
William C. Steers	50,000	0.50	11/13/2024	54,500
Stephen M. Yuzpe	100,000	0.50	11/13/2024	109,000

- (1) Calculated using the closing market price of the Common Shares on the date(s) of exercise less the exercise price of the Options multiplied by the number of Common Shares acquired.

### **Management Contracts**

The Corporation has entered into a management services agreement (the “Management Services Agreement”) with Seabord Management Corp. (“Seabord”) of Suite 501, 543 Granville Street, Vancouver British Columbia. The Corporation pays C\$17,800 per month to Seabord in consideration of Seabord providing office, reception, secretarial, accounting and corporate records services to the Corporation, including the services of the Chief Financial Officer and the Corporate Secretary.

William Tsang, the current CFO of the Corporation, of British Columbia, Canada, is the owner of a 50% interest in Seabord.

### **Description of Option Plan**

The purpose of the Option Plan to attract and motivate the directors, officers and employees of the Corporation (and any of its subsidiaries), employees of any management company and consultants to the Corporation (collectively the “**Optionees**”) and thereby advance the Corporation’s interests by providing them an opportunity to acquire an equity interest in the Corporation through the exercise of stock options granted to them under the Option Plan.

Pursuant to the Option Plan, the Board, based on the recommendations of the Compensation Committee, may grant options to Optionees in consideration of them providing their services to the Corporation or a subsidiary. The number of Shares subject to each option is determined by the Board within the guidelines established by the Option Plan. The options enable the Optionees to purchase Shares at a price fixed pursuant to such guidelines. The options are exercisable by the Optionee giving the Corporation notice and payment of the exercise price for the number of Shares to be acquired.

The Option Plan authorizes the Board to grant stock options to the Optionees on the following terms:

1. The number of Shares subject to issuance pursuant to outstanding options, in the aggregate, cannot exceed 10% of the outstanding Shares.

2. The number of Shares subject to issuance upon the exercise of options granted under the Option Plan by one Optionee or all Optionees providing investor relations services is subject to the following limitations
  - (a) no Optionee can be granted options during a 12 month period to purchase more than
    - (i) 5% of the issued Shares unless disinterested Shareholder approval has been obtained (such approval has not been sought), or
    - (ii) 2% of the issued Shares, if the Optionee is a consultant, and
  - (b) the aggregate number of Shares subject to options held by all Optionees providing investor relations services cannot exceed 2% in the aggregate.
3. Approval by disinterested Shareholders must be obtained (such approval has not been, nor is it intended to be, sought) if options granted under the Option Plan, together with all of the Corporation's previously established and outstanding stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in
  - (a) the number of Shares reserved for issuance pursuant to stock options granted to insiders exceeding 10% of the Shares outstanding at the time of granting, or
  - (b) the grant to insiders, within a one-year period, of options to purchase that number of Shares exceeding 10% of the outstanding Shares.
4. The exercise price of the options cannot be set at less than the greater of \$0.05 per Share and the closing trading price of the Shares on the day before the granting of the stock options. If the Optionee is subject to the tax laws of the United States of America ("USA") and owns (determined in accordance with such laws) greater than 10% of the Shares, the exercise price shall be at least 110% of the price established as aforesaid.
5. The options may be exercisable for up to 10 years.
6. There are not any vesting requirements unless the Optionee is a consultant providing investor relations services to the Corporation, in which case the options must vest over at least 12 months with no more than one-quarter vesting in any three-month period commencing three months after granting. However, the Board may impose additional vesting requirements and, subject to obtaining any required approval from the TSX-V, may authorize all unvested options to vest immediately. If there is a 'change of control' of the Corporation (due to a take-over bid being made for the Corporation or similar event), all unvested options, subject to obtaining any required approval from the TSX-V, shall vest immediately.
7. The options can only be exercised by the Optionee (to the extent they have already vested) for so long as the Optionee is a director, officer or employee of, or consultant to, the Corporation or any subsidiary or is an employee of the Corporation's management company and within a period thereafter not exceeding the earlier of:
  - (a) the original expiry date;

- (b) 90 days after ceasing to be a director, officer or employee of, or consultant to, the Corporation at the request of the Board or for the benefit of another director or officer (or such later date not exceeding the first anniversary of such cessation as may be reasonably determined by the Board) unless the Optionee is subject to the tax laws of the USA, in which case the option will terminate on the earlier of the 90th day and the third month after the Optionee ceased to be an officer or employee; and
- (c) if the Optionee dies, within one year from the Optionee's death.

If the Optionee is terminated 'for cause', involuntarily removed or resigns (other than at the request of the Board or for the benefit of another director or officer) from any of such positions the option will terminate concurrently or such later date not exceeding the first anniversary of such cessation as may be reasonably determined by the Board.

- 8. All Shares issued upon the exercise of an option granted to a director, officer, promoter or significant shareholder (a person holding more than 10% of the outstanding Shares and who has elected or appointed or has the right to elect or appoint one or more directors or officers) shall be subject to a four month hold period from the time the option was granted.
- 9. Instead of exercising an option and acquiring all of the Shares issuable upon such exercise, an Optionee may elect, subject to the Corporation's approval, to exercise the option on a cashless or next exercise basis in which the difference between the amount which would have been required to exercise the option and the market value of the shares issuable on such exercise is satisfied by the issuance of Shares or a payment to the Optionee.
- 10. The options are not assignable except to a wholly-owned holding company. If the option qualifies as an 'incentive stock option' under the United States Internal Revenue Code, the option is not assignable to a holding company.
- 11. No financial assistance is available to Optionees under the Option Plan.
- 12. Any amendments to outstanding stock options are subject to the approval of the TSX-V and, if required by the TSX-V, of the shareholders of the Corporation, possibly with only 'disinterested shareholders' being entitled to vote. Disinterested Shareholder approval must be obtained for the reduction of the exercise price (including the cancellation and re-issuance of options within a one year period to effectively reduce the exercise price) of options held by insiders of the Corporation. The amendment to an outstanding stock option will also require the consent of the Optionee.
- 13. Any amendments to the Option Plan are subject to the approval of the TSX-V and, if required by the TSX-V or the Option Plan, of the Shareholders of the Corporation, possibly with only 'disinterested Shareholders' being entitled to vote.

No options have been granted under the Option Plan which are subject to Shareholder approval.

The Option Plan does not permit stock options to be transformed into stock appreciation rights.

### **Repricing of Stock Options**

The Corporation did not make any downward repricing of stock options or stock appreciation rights during the year.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as at the end of the Corporation's last completed financial year, information regarding outstanding options, warrants and rights (other than those granted *pro rata* to all shareholders) granted by the Corporation under its equity compensation plans.

### Equity Compensation Plan Information

Plan Category	Number of shares issuable upon exercise of outstanding options, warrants and rights <sup>(1)</sup>	Weighted average exercise price of outstanding options, warrants and rights	Number of shares remaining available for issuance under equity compensation plans <sup>(2)</sup>
Equity compensation plans <b>approved</b> by shareholders	4,060,000	\$0.73	883,477
Equity compensation plans <b>not approved</b> by shareholders	0	N/A	N/A
<b>Total</b>	<b>4,060,000</b>	<b>\$0.73</b>	<b>883,477</b>

(1) Assuming outstanding options, warrants, bonus shares, and rights are fully vested.

(2) Excluding the number of Shares issuable upon exercise of outstanding options, warrants and rights shown in the second column.

## CORPORATE GOVERNANCE

National Policy 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. That information is disclosed below.

### Board of Directors

The Board has responsibility for the stewardship of the Corporation including responsibility for strategic planning, identification of the principal risks of the Corporation's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Corporation's internal control and management information systems.

The Board sets long-term goals and objectives for the Corporation and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Corporation to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Corporation and its business. The Board is responsible for protecting Shareholders' interests and ensuring that the incentives of the Shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Corporation's business including financial risks through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and

through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Corporation is authorized to act without Board approval on all ordinary course matters relating to the Corporation's business.

The Board also monitors the Corporation's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution.

The Board is responsible for the appointment of the CEO, President and other senior management and monitoring of their performance.

The Board has not adopted a written mandate or code setting out the foregoing obligations since it believes it is adequately governed by the requirements of applicable corporate and securities law (both common and statute law), which provide that the Board has responsibility for the stewardship of the Corporation. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Corporation's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Corporation's internal control and management information systems.

The Board considers that the following directors are "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholding: Christopher B. Jones, William C. Steers and Stephen M. Yuzpe. The Board considers that Miles F. Thompson, the Chair, and Simon Ingram, President and CEO of the Corporation, are not independent because they are members of management.

The Board facilitates its exercise of independent supervision over the Corporation's management through regular meetings of the Board.

The Board does not hold regularly scheduled meetings without the non-independent directors and members of management. Since the beginning of the Corporation's last financial year, the independent directors did not hold any ad hoc meetings without the non-independent directors and management.

When a matter being considered involves a director, that director does not vote on the matter. As well, the directors regularly and independently confer amongst themselves and thereby keep apprised of all operational and strategic aspects of the Corporation's business.

Miles Thompson acts as Chair of the Board and is responsible for presiding over all meetings of the directors and Shareholders. He is not an independent director, however, the independent directors either have significant experience as directors and officers of publicly traded companies or as members of the financial investment community and, therefore, do not require the guidance of an independent Chair of the Board in exercising their duties as directors.

### **Descriptions of Roles**

The Board has not established written descriptions of the positions of CEO or chair of any of the committees of the Board (except as may be set out in a charter applicable to a committee) as it feels they

are unnecessary and would not improve the function and performance of the Board, CEO or committee. The role of the Chair is delineated by the nature of the overall responsibilities of the Board or the committee.

The Board has not set limits on the objectives to be met by the CEO but believes that such limits and objectives should depend upon the circumstances of each situation and that to formalize these matters would be restrictive and unproductive.

## Directorships

Some of the directors or proposed directors are presently a director of one or more other reporting issuers (public companies), as follows:

Director	Other Issuers	Director	Other Issuers
Miles F. Thompson	0	Stephen M. Yuzpe	0
Christopher B. Jones	0	William C. Steers	Arht Media Inc. Jade Power Trust Sulliden Mining Capital Inc.
Simon H. Ingram	0		

## Orientation and Continuing Education

The Board takes the following measures to ensure that all new directors receive a comprehensive orientation regarding their role as a member of the Board, its committees and its directors, and the nature and operation of the Corporation.

The first step is to assess a new director's set of skills and professional background since each new director brings a different skill set and professional background. Once that assessment has been completed, the Board is able to determine what orientation to the nature and operations of the Corporation's business will be necessary and relevant to each new director.

The second step is taken by one or more existing directors, who may be assisted by the Corporation's management, to provide the new director with the appropriate orientation through a series of meetings, telephone calls and other correspondence.

The Corporation has a Board Policy Manual, which provides a comprehensive introduction to the Board and its committees.

The Board takes the following measures to provide continuing education for its directors to maintain the skill and knowledge necessary for them to meet their obligations as directors:

- the Board annually reviews the Corporation's Charters, Policies and Mandate of the Board which comprise the Board Policy Manual, a copy of which is available to the directors; and
- there are technical presentations at Board meetings, focusing on a property or a summary of various properties. The 'question and answer' portions of these presentations are a valuable learning resource for the non-technical directors.

## **Ethical Business Conduct**

To comply with its legal mandate, the Board seeks to foster a culture of ethical conduct by striving to ensure the Corporation carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board

- has adopted a written Code of Business Conduct and Ethics for its directors, officers, employees and consultants.
- has established a Whistleblower Policy that details complaint procedures for financial concerns.
- encourages management to consult with legal and financial advisors to ensure the Corporation is meeting those requirements.
- is cognizant of the Corporation's timely disclosure obligations and reviews material disclosure documents such as financial statements, Management's Discussion & Analysis ("MD&A") and press releases prior to distribution.
- relies on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Corporation's external auditor.
- actively monitors the Corporation's compliance with the Board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

The Board must also comply with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as relevant securities regulatory instruments and stock exchange policies, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

## **Nomination of Directors**

To identify new candidates for nomination for election as directors, the Board considers the advice and input of the Corporate Governance Committee, the members of which are listed under "Particulars of Matters to be Acted Upon – 4. Election of Directors" and which is composed of a majority of independent directors, regarding:

- the appropriate size of the Board, the necessary competencies and skills of the Board as a whole and the competencies and skills of each director individually; and
- the identification and recommendation of new individuals qualified to become new Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as directors.



## **Other Board Committees**

In addition to the Audit Committee, described in the next section, the Board has established the following committees. The functions and members of these committees are described below.

*Compensation Committee:* The Compensation Committee is responsible for the review of all compensation (including stock options) paid by the Corporation to the Board, executive officers and employees of the Corporation and any subsidiaries, to report to the Board on the results of those reviews and to make recommendations to the Board for adjustments to such compensation.

The Committee consists of three directors, all of whom are independent (outside, non-management) directors (William C. Steers – (Committee Chair), Christopher B. Jones and Stephen M. Yuzpe). Each member of the Committee has direct experience relevant to their responsibilities on the Committee including acting as officers and directors of other publicly traded companies so that they are familiar with remuneration in the Corporation's industry.

For further details on the role of the Compensation Committee, refer to "Compensation Discussion and Analysis".

*Corporate Governance Committee:* The Corporate Governance Committee is responsible for advising the Board of the appropriate corporate governance procedures that should be followed by the Corporation and the Board and monitoring whether they comply with such procedures.

The Committee consists of three directors, all of whom are independent (outside, non-management) directors (Stephen M. Yuzpe (Committee Chair), Christopher B. Jones, and William C. Steers).

## **Assessments**

The Board and the Corporate Governance Committee have not established a process to regularly assess the Board and its committees with respect to their effectiveness and contributions. Nevertheless, their effectiveness is subjectively measured on an ongoing basis by each director based on their assessment of the performance of the Board, its committees or the individual directors compared to their expectation of performance. In doing so, the contributions of an individual director are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of initially nominating the individual to the Board.

## **AUDIT COMMITTEE**

National Instrument 52-110 *Audit Committees* ("NI 52-110") of the Canadian securities administrators requires the Corporation's Audit Committee to meet certain requirements. It also requires the Corporation to disclose in this Circular certain information regarding the Audit Committee. That information is disclosed below.

## Overview

The Audit Committee of the Board is principally responsible for

- recommending to the Board the external auditor to be nominated for election by the Corporation's shareholders at each annual general meeting and negotiating the compensation of such external auditor.
- overseeing the work of the external auditor, including the resolution of disagreements between the auditor and management regarding the Corporation's financial reporting.
- pre-approving all non-audit services to be provided to the Corporation by the auditor.
- reviewing the Corporation's annual and interim financial statements, MD&A and press releases regarding earnings before they are reviewed and approved by the Board and publicly disseminated by the Corporation.
- reviewing the Corporation's financial reporting procedures and internal controls to ensure adequate procedures are in place for the Corporation's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph.

The Corporation's auditor reports directly to the Audit Committee.

## The Audit Committee's Charter

The Board has adopted a Charter for the Audit Committee, which sets out the Committee's mandate, organization, powers and responsibilities. The complete Charter is attached as a schedule to this Circular.

## Composition of the Audit Committee

The Audit Committee consists of three directors. Unless it is a 'Venture Issuer' (an issuer the securities of which are not listed or quoted on any of the Toronto Stock Exchange, a market in the USA other than the over-the-counter market, or a market outside of Canada and the USA) as of the end of its last financial year, NI 52-110 requires each of the members of the Committee to be independent and financially literate. Since the Corporation is a 'Venture Issuer' (its securities are listed on the TSXV, but are not listed or quoted on any other exchange or market) it is exempt from this requirement. In addition, the Corporation's governing corporate legislation requires the Corporation to have an Audit Committee composed of a minimum of three directors, a majority of whom are not officers or employees of the Corporation. The Audit Committee complies with this requirement.

The following table sets out the names of the members of the Audit Committee and whether they are 'independent' and 'financially literate'.

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Christopher B. Jones	Yes	Yes
William C. Steers	Yes	Yes
Stephen M. Yuzpe (Committee Chair)	Yes	Yes

- (1) To be considered to be independent, a member of the Committee must not have any direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Committee must have 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 Corporation's financial statements.

## Relevant Education and Experience

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Corporation to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting,

are as follows:

Name of Member	Education	Experience
Christopher B. Jones	Member of the Institute of Canadian Chartered Professional Accountants, Institute of Chartered Financial Analysts in Ontario, and Institute of Chartered Business Valuators.  Honours Business Administration Degree Ivey Business School University of Western Ontario London, Ontario	Mr. Jones is an experienced business advisor and Chartered Professional Accountant at Williams & Partners LLP, an accounting firm. He is experienced in business valuation, fairness opinions, due diligence, litigation support, purchase price accounting, damages quantification, audit support and other transactional work. Prior to joining Williams & Partners, Mr. Jones worked with Duff & Phelps Canada Ltd., a leading provider of global financial advisory, valuation and investments banking services.
William C. Steers	Honours Business Administration Degree Ivey Business School University of Western, London, Ontario	Following graduation, Mr. Steers briefly worked at Price Waterhouse, Toronto on special audits followed by over 35 years in project development in Latin America and Africa involving major infrastructure projects. Mr. Steers is the Managing Partner of Weatherhaven Brazil, the Managing Director of IMC Brasil and a director of Docas Investimentos, a Brazilian investment fund, Verolme Shipyards, a shipyard, Intelig Telecomunicacoes, a telecommunication company, and Kamewa do Brasil, a private investment company.

Name of Member	Education	Experience
Stephen M. Yuzpe (Committee Chair)	<p>Bachelor of Science Engineering (Mechanical) Degree Queen's University, Kingston, Ontario</p> <p>Professional Engineering Designation and Master of Business Administration Ivey Business School London, Ontario</p>	Mr. Yuzpe has over 25 years of executive and financial management experience with public and private corporations. Over his career, Mr. Yuzpe has developed specific expertise in financings, restructurings, financial and internal reporting, strategic development and business planning, corporate governance, investor relations, regulatory compliance, and treasury management. Mr. Yuzpe is a CFA charter holder and holds the ICD.D designation from the Institute of Corporate Directors.

## Complaints

The Audit Committee has established a “Whistleblower Policy” which outlines procedures for the confidential, anonymous submission by employees regarding the Corporation’s accounting, auditing and financial reporting obligations, without fear of retaliation of any kind. If an applicable individual has any concerns about accounting, audit, internal controls or financial reporting matters which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual may report their concern in writing and forward it to the Chairman of the Audit Committee in a sealed envelope labelled “*To be opened by the Audit Committee only*”. Further, if the applicable individual wishes to discuss any matter with the Audit Committee, this request should be indicated in the submission. Any such envelopes received by the Corporation will be forwarded promptly and unopened to the Chairman of the Audit Committee.

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

The Audit Committee will retain as part of its records, any complaints or concerns for no less than seven years. The Audit Committee will keep a written record of all such reports or inquiries and make quarterly reports on any ongoing investigation, which will include steps taken to satisfactorily address each complaint.

The Audit Committee did not receive any complaints during the last completed financial year.

The “Whistleblower Policy” is reviewed by the Audit Committee on an annual basis and is included as an addendum to the Audit Committee Charter attached hereto.

## Audit Committee Oversight

Since the commencement of the Corporation’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Exemptions in NI 52-110 regarding *De Minimis* Non-audit Services or on a Regulatory Order Generally**

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

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Corporation's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Corporation, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit),
2. the exemption in Section 3.4 (*Events Outside Control of Member*) of NI 52-110,
3. the exemption in Section 3.5 (*Death, Disability or Resignation of Audit Committee Member*) of 52-110, or
4. an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in section III.B "Powers and Responsibilities – Performance & Completion by Auditor of its Work" of the Charter.

### **External Auditor Service Fees (By Category)**

The following table discloses the fees billed to the Corporation by its external auditor during the last two financial years.

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup> (\$)</b>	<b>Audit Related Fees <sup>(2)</sup> (\$)</b>	<b>Tax Fees <sup>(3)</sup> (\$)</b>	<b>All Other Fees (\$)</b>
December 31, 2024	40,000	0	0	0
December 31, 2023	39,000	0	0	0

- (1) The aggregate fees billed by the Corporation's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed in the "Audit Fees" column. These fees are charged by the Corporation's auditor for a file review by the Canadian Public Accountability Board.
- (3) The aggregate fees billed for professional services rendered by the Corporation's auditor for tax compliance, tax advice and tax planning.

### **Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations**

Since the Corporation is a Venture Issuer, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 *Composition of the Audit Committee* (as described in 'Composition of the Audit Committee' above) and Part 5 *Reporting Obligations* of NI 52-110 (which requires certain

prescribed disclosure about the Audit Committee in the Corporation's Annual Information Form, if any, and this Circular).

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

No individual who is, or who at any time during the last completed financial year was, a director or executive officer of the Corporation, a proposed nominee for election as a director of the Corporation or an associate of any such director, officer or proposed nominee is, or at any time since the beginning of the last completed financial year has been, indebted to the Corporation or any of its subsidiaries and no indebtedness of any such individual to another entity is, or has at any time since the beginning of such year been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

### **INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON**

Other than disclosed in this Circular, the Corporation is not aware of any material interest of any executive officer, director or nominee for director, or anyone who has held office as such since the beginning of the Corporation's last financial year, or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors except for the current and future directors and executive officers of the Corporation and its subsidiaries, if any, inasmuch as, in the following year, they may be granted options to purchase Shares pursuant to the Option Plan, ratification of which will be sought at the Meeting.

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

Other than as disclosed herein and the Corporation's MD&A for the last financial year (see 'Additional Information' below), there are no material interests, direct or indirect, of current directors, executive officers, any persons nominated for election as directors, or any Shareholder who beneficially owns, directly or indirectly, more than 10% of the outstanding Shares, or any known associates or affiliates of such persons, in any transaction within the last financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the Board the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

#### **1. Report of Directors**

The Board will provide a report on the events of its last financial year at the meeting. No approval or other action needs to be taken at the Meeting in respect of this report.

#### **2. Financial Statements, Audit Report and Management's Discussion & Analysis**

The Board has approved the financial statements of the Corporation, the auditor's report thereon, and the MD&A for the year ended December 31, 2024, all of which will be tabled at the Meeting. No approval or other action needs to be taken at the Meeting in respect of these documents.

### 3. Set Number of Directors to be Elected

The Corporation currently has five directors. Accordingly, it will be proposed at the Meeting that five directors be elected to hold office until the next annual general meeting of Shareholders or until their successors are elected or appointed.

**Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote in favour of the ordinary resolution setting the number of directors to be elected at five.**

### 4. Election of Directors

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's province or state and country of residence, principal occupation at the present and during the preceding five years (unless shown in a previous management information circular), the period during which the nominee has served as a director, and the number of Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Record Date.

**The Board recommends that Shareholders vote in favour of the following proposed nominees. Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote for the election of the persons named in the following table to the Board.**

Management does not contemplate that any of such nominees will be unable to serve as directors. Each director elected will hold office until the next annual general meeting of Shareholders or until their successor is duly elected, unless their office is earlier vacated in accordance with the constating documents of the Corporation or the provisions of the corporate law to which the Corporation is subject.

<b>Name and Province or State &amp; Country of Residence</b>	<b>Present Office and Date First Appointed a Director</b>	<b>Principal Occupation <sup>(4)</sup> During the Past Five Years</b>	<b>Number of Shares <sup>(5)</sup></b>
<b>Miles F. Thompson</b> London, United Kingdom	Chair of the Board, Director since February 15, 2006	Chair of the Board of the Corporation. President and CEO of the Corporation from February 15, 2006 to January 8, 2024.	4,788,943
<b>Simon H. Ingram</b> Surrey, United Kingdom	President, CEO and Director since January 8, 2024	President and CEO of the Corporation; Director of Tayra Limited, a private company undertaking propriety investment and advisory services from September 2020 – present; Director of AuVerdi Capital, a private company undertaking propriety investment and advisory services in natural resource industries from May 2007 to June 2022.	1,369,510
<b>Christopher B. Jones<sup>(1) (2) (3)</sup></b> Ontario, Canada	Director since November 21, 2011	Chartered Professional Accountant- Williams & Partners LLP (accounting firm).	311,980

<b>Name and Province or State &amp; Country of Residence</b>	<b>Present Office and Date First Appointed a Director</b>	<b>Principal Occupation <sup>(4)</sup> During the Past Five Years</b>	<b>Number of Shares <sup>(5)</sup></b>
<b>William C. Steers</b> <sup>(1) (2) (3)</sup> Ontario, Canada	Director since May 25, 2016	Managing partner at IMC Consultoria Representacao Com. Int. Ltda.  Director of Indústrias Verolme-Ishibras S.A. (private manufacturer and repairer of ships, vessels, and off-shore platforms for oil exploration and production) and Docas Investimentos S.A. (private investment company).	261,000
<b>Stephen M. Yuzpe</b> <sup>(1) (2) (3)</sup> Ontario, Canada	Director since November 13, 2019	Formally President and Chief Financial Officer of The Fertility Partners Inc. (private company respecting North American in-vitro fertilization clinicians).  Formally Senior Managing Director of Sprott Inc., and President and Chief Executive Officer of Sprott Resource Holdings Inc.	227,000

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance Committee.
- (4) Includes occupations for preceding five years unless the director was elected at the previous Annual General Meeting and was shown as a nominee for election as a director in the Circular for that meeting.
- (5) Number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the Record Date.
- (6) None of the proposed directors is to be elected under any arrangement or understanding between the proposed director and the Corporation or a third party (other than the directors and executive officers of the Corporation acting in that capacity).

To the best of the Corporation's knowledge, no proposed director:

- a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued
- (i) while the proposed director was acting as a director, chief executive officer or chief financial officer of that company, or
- (ii) after the proposed director ceased to be a director, chief executive officer or chief financial officer of that company but resulted from an event that occurred while acting in such capacity;
- b) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while acting in that capacity, or within a year of 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 the assets of the proposed director;

- c) has, within the 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 their assets;
- d) has entered into, at any time, a settlement agreement with a securities regulatory authority; or
- e) has been subject, at any time, to any penalties or sanctions imposed by
  - (i) a court relating to securities legislation or a securities regulatory authority, or
  - (ii) a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for the proposed director.

The above information has been furnished by the respective proposed directors individually.

## **5. Appointment and Remuneration of an Auditor**

The management of the Corporation proposes to nominate De Visser Grey LLP, Chartered Professional Accountants, of Vancouver, British Columbia, for re-election as auditor of the Corporation to hold office until the close of the next Annual General Meeting of shareholders at a remuneration approved by the Audit Committee. De Visser Grey LLP, Chartered Professional Accountants, were appointed as the Corporation's auditor on October 11, 2022.

**The Board recommends that Shareholders vote in favour of the re-election of De Visser Grey LLP, Chartered Professional Accountants, as the Corporation's auditor. Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote in favour of the re-election of De Visser Grey LLP, Chartered Professional Accountants, as the Corporation's auditor.**

## **6. Ratification of Stock Option Plan**

The Option Plan is described under 'Executive Compensation – Stock Option Plan'.

TSX-V policy requires stock option plans which reserve for issuance up to 10% (instead of a fixed number) of a listed company's shares be approved annually by its Shareholders. The approval is being sought at the Meeting by way of an ordinary resolution.

Following approval of the Option Plan by the Shareholders any options granted pursuant to the Option Plan will not require further Shareholder or TSX-V approval unless the exercise price is reduced or the expiry date is extended for an option held by an insider of the Corporation.

**The Board recommends that Shareholders vote in favour of the proposed resolution. Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote in favour of the ordinary resolution approving the Option Plan.**

## **OTHER BUSINESS**

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, **it is intended that the Proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information for the Corporation's most recently completed financial year is provided in its comparative financial statements and MD&A which are filed on SEDAR. Shareholders may contact the Corporation at Suite 501, 543 Granville Street, Vancouver, British Columbia V6C 1X8, Canada by mail, telecopier (1-604-688-1157), telephone (1-604-669-8777; collect if necessary) or e-mail ([kcasswell@seabordservices.com](mailto:kcasswell@seabordservices.com)) to request copies of the Corporation's financial statements and MD&A.

**DATED** this 6<sup>th</sup> day of May, 2025.

## **ON BEHALF OF THE BOARD OF DIRECTORS**

(signed) KIM C. CASSWELL  
Secretary



**LARA EXPLORATION LTD.**

**AUDIT COMMITTEE CHARTER**

**I. MANDATE**

The Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Lara Exploration Ltd. (the “**Company**”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “**Auditor**”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

**II. STRUCTURE AND OPERATIONS**

A. Composition

The Committee shall be comprised of three or more members, each of whom is a director of the Company. A majority of the members of the Committee shall not be officers, employees or control persons of the Company or of an associate or affiliate of the Company.

B. Qualifications

Each member of the Committee must be able to read and understand financial statements of the nature and form issued by the Company.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until the earlier of (i) the end of the next annual general

meeting of the Company's shareholders; (ii) the death of a member, or (iii) the resignation, disqualification or removal of a member. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall appoint a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet as frequently as required but not less than once respecting the Company's financial statements for its most recently completed fiscal year. The Committee should meet with the Auditor and management to review the Company's annual financial statements in a manner consistent with, and to discharge its duties under, Section III of this Charter. The Committee may discharge its duties respecting the Company's three, six and nine month financial statements by each member signing a resolution in writing respecting such statements rather than meeting in person or conference telephone or video call.

The Committee's Chair, any member of the Committee, the Auditor, the Chairman of the Board or the Chief Financial Officer may call a meeting by notifying the Company's Secretary who shall notify the members of the Committee.

The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers, employees or control persons of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

### **III. DUTIES**

#### **A. Introduction**

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

#### **B. Powers and Responsibilities**

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

##### *Independence of Auditor*

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.

3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

*Performance & Completion by Auditor of its Work*

5. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
6. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
7. Pre-approve all auditing services and permitted non-audit services, and the fees and terms thereof, to be performed for the Company by the Auditor unless such non-audit services:
  - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of fees paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
  - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (c) are promptly brought to the attention of the Committee by the Company's management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

*Internal Financial Controls & 'Whistleblower' Policy*

8. Establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Preparation of Financial Statements*

9. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial

statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

10. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
11. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
12. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
13. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
  - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
  - (b) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

*Public Disclosure by the Company*

14. Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A) and press releases respecting earnings before the Board approves and the Company publicly discloses this information.
15. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
16. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

*Manner of Carrying Out its Mandate*

17. Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
18. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
19. Meet separately, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor.
20. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.
21. Make periodic reports to the Board, as necessary.
22. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
23. Annually review the Committee's own performance.
24. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
25. Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

F. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

Approved by the Board of Directors: April 14, 2021



## **LARA EXPLORATION LTD.**

### **WHISTLEBLOWER POLICY**

#### Scope of the Whistleblower Policy

The Audit Committee (the “**Audit Committee**”) of the Board of Directors (the “**Board**”) of Lara Exploration Ltd. (the “**Corporation**”) is responsible under Canadian securities laws for overseeing the Corporation’s accounting and financial reporting processes, the audit of the Corporation’s annual financial statements and monitoring compliance with the financial reporting laws applicable to the Corporation and to all other corporations, trusts, partnerships or other entities which may be established by the Corporation (the “**Other Entities**”). The integrity of the Corporation’s financial information is of paramount importance to the Audit Committee and to the Board.

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”) outlines certain aspects of audit committee responsibilities. The Audit Committee understands the importance of the responsibilities described in NI 52-110 and intends to be in compliance with such responsibilities. One such responsibility relates to the implementation of procedures for addressing complaints regarding questionable accounting or auditing matters.

This Policy outlines the procedures which the Audit Committee has established for the confidential, anonymous submission by employees of the Corporation and the Other Entities of any complaints or concerns which they may have regarding questionable accounting or auditing matters and the receipt, retention and treatment of such concerns.

#### Procedure for Reporting Concerns

Employees of the Corporation and the Other Entities are encouraged to submit, without fear of retaliation of any kind, all good faith concerns and complaints in respect of the accuracy and integrity of the Corporation’s accounting, auditing and financial reporting. If an individual has any concerns about accounting, audit, internal controls or financial reporting matters which he or she considers to be questionable, incorrect, misleading or fraudulent, such individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual may report the matter to the appropriate supervisor or, alternatively, to the Chairman of the Audit Committee.

The applicable individual should describe his or her complaint or concern in writing and should include sufficient information to allow the Audit Committee to understand and review the written concern. If such individual wishes to remain anonymous, the written communication should clearly indicate this wish for anonymity.

All complaints and concerns should be forwarded to the Chairman of the Audit Committee, at the address noted above, in a sealed envelope labelled as follows:

*“To be opened by the Audit Committee only.”*

Lara Exploration Ltd.  
Suite 501, 543 Granville Street  
Vancouver, BC V6C 1X8  
Canada

If the applicable individual wishes to discuss any matter with the Audit Committee, this request should be indicated in the submission. To facilitate such a discussion, such individual may include a telephone number at which he or she can be contacted. Any such envelopes received by the Corporation or Other Entities will be forwarded promptly and unopened to the Chairman of the Audit Committee.

#### Handling of Concerns Raised

Promptly following the receipt of any complaints or concerns submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

#### Investigations

The Audit Committee has the authority to:

- (a) conduct any investigation which it considers appropriate, and has direct access to the external auditor of the Corporation, as well as officers and employees of the Corporation and Other Entities, as applicable; and
- (b) retain, at the Corporation’s expense, special independent legal counsel, accounting and such other advisors, consultants and experts it deems necessary in the performance of its duties.

In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the anonymity of the applicable individual.

#### Records

The Audit Committee will retain as part of its records, any complaints or concerns for a period of no less than seven years. The Audit Committee will keep a written record of all such reports and inquiries made in connection with such complaints and concerns and make quarterly reports on any ongoing investigation which will include steps taken to satisfactorily address each complaint and concern.

### Employee Protection

All employees of the Corporation and the Other Entities are assured that no retaliation of any kind is permitted against them for reporting complaints or concerns in good faith. No employee of the Corporation and the Other Entities will be adversely affected because they refuse to carry out a directive which, in fact, constitutes corporate fraud, or is a violation of federal or provincial law.

### Policy Does Not Limit Rights under Whistleblower Laws

This Policy is subject to applicable whistleblower laws, which protect any whistle-blowing person's right to provide information to governmental and regulatory authorities. All employees of the Corporation and the Other Entities are not required to seek the Corporation's permission or notify the Corporation of any communications made in compliance with applicable whistleblower laws, and the Corporation will not consider such communications to violate this Policy or any other policy of the Corporation or any agreement between such person and the Corporation.

### Questions about this Policy

Questions regarding this Policy may be directed to the Corporation's Chief Financial Officer or the Chairman of the Audit Committee.

Dated: April 7, 2011

Revised: April 14, 2021