



MacDonald Mines Exploration Ltd.

Notice of Annual and Special Meeting of Shareholders

Notice is hereby given that the Annual and Special Meeting of Shareholders (the “**Meeting**”) of MacDonald Mines Exploration Ltd. (the “**Corporation**”) will be held online via MS Teams video conference with a sign-in meeting ID of **224 528 087 948** (access passcode: **B6CZdr**) on September 4, 2024 at 1:00 p.m. (Toronto time) for the following purposes:

1. **TO RECEIVE** the financial statements of the Corporation for the fiscal year ended December 31, 2023 and 2022 and the auditors’ report thereon;
2. **TO APPOINT** the auditors of the Corporation, and to authorize the board of directors to fix their remuneration;
3. **TO ELECT** the directors of the Corporation;
4. **TO CONSIDER** and if thought fit, to pass an ordinary resolution, ratifying and approving the Corporation’s 10% rolling stock option plan and make such changes to the Plan as may be required or approved by regulatory authorities; and
5. **TO TRANSACT** such other business as may properly come before the Meeting.

Details of the foregoing matters are contained in the accompanying management information circular dated July 16, 2024 (the “**Circular**”) of the Corporation.

IMPORTANT NOTICE

As the Company will be holding the Meeting by video conference only, shareholders are urged to vote on matters prior to the Meeting by proxy and to listen to the Meeting via video conference. Shareholders will not be able to vote at the Meeting. Registered shareholders or proxyholders representing registered shareholders participating in the Meeting by video conference will not be considered to be present in person at the Meeting for the purposes of determining quorum. Voting will be conducted exclusively by proxy in advance of the Meeting.

We encourage you to make sure that your votes are represented at the Meeting. Additional information on how to attend the virtual Meeting and to vote your shares in advance of the Meeting is enclosed. Please take the time to vote using the proxy form or voting instruction form sent to you in accordance with the instructions thereon so that your shares are voted according to your instructions and represented at the Meeting.

The Corporation has determined to deliver this notice of Meeting and the Circular and form of proxy (collectively, the “**Meeting Materials**”) to shareholders by posting the Meeting Materials online at <https://docs.tsxtrust.com/2052> in accordance with the notice and access notification mailed to shareholders of the Corporation. The use of the notice and access procedures under applicable securities laws will significantly reduce the Corporation’s printing and mailing costs.

The Meeting Materials will be available online <https://docs.tsxtrust.com/2052> and will remain on the website for one full year. The Meeting Materials will also be available under the Corporation’s SEDAR profile at www.sedarplus.ca. All shareholders of the Corporation will receive a notice and access notification containing information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Shareholders wishing to receive paper copies of the Meeting Materials can request them from the Corporation by calling toll-free at 1-866-600-5869. The Corporation will mail paper copies of the Meeting Materials to requesting shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting.

The board of directors has fixed July 16, 2024 as the record date for determining the shareholders who are entitled to receive notice and to vote at the Meeting. Shareholders are encouraged to attend the live webcast of the Meeting and are requested to read the Circular and complete the proxy or voting instruction form in accordance with the instructions included thereon no later than by 1:00 p.m. (Toronto time) on August 30, 2024. Shareholders should notify TSX Trust Company Inc., Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, of any change to their mailing address. As an alternative to completing and submitting an instrument of proxy, registered shareholders may vote

electronically via the Internet at www.voteproxyonline.com or by telephone by contacting TSX Trust Company at 1-866-600-5869. Please note that beneficial shareholders may also vote electronically via the Internet by following the instructions on the voting instruction form sent to them by their Intermediary. Please review the Circular for additional information.

DATED this 16th day of July, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Mike England"

Mike England, Interim Chief Executive Officer



MacDonald Mines Exploration Ltd.

**MACDONALD MINES EXPLORATION LTD.
MANAGEMENT INFORMATION CIRCULAR (the “Circular”)**

This Circular is provided in connection with the solicitation of proxies by management of MacDonald Mines Exploration Ltd. (the “Corporation”) for use at the annual and special meeting (the “Meeting”) of the holders (“Shareholders”) of Class A common shares of the Corporation (“Shares”). The Meeting will be held on September 4, 2024 at 1:00 p.m. (Eastern time) in a virtual only format which will be conducted via MS Teams video conference with a sign-in meeting ID of **224 528 087 948** (access passcode: **B6CZdr**), or at such other time or place to which the Meeting may be postponed or adjourned, for the purposes set forth in the Notice of Meeting accompanying this Circular.

Unless otherwise specified, information contained in this Circular is as of July 16, 2024. No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

All references to Shareholders in this Circular and the accompanying Form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the Corporation at nominal cost. All costs of solicitation by management will be borne by the Corporation.

Virtual Meeting

To mitigate risks to the health and safety of the Company’s shareholders, employees and other stakeholders, the Company will be holding its meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the virtual Meeting, but not to vote. All voting must be conducted exclusively by proxy in advance of the Meeting. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as a guest. Please see “General Proxy Information” below.

The Meeting will be held via video conference and teleconference. Registered shareholders participating via video conference and teleconference will not be able to vote at the Meeting as the Company’s scrutineer must take steps to verify the identity of registered shareholders.

The Company encourages its shareholders to allow sufficient time to attend via video conference and sign into the Meeting before it begins.

We encourage you to make sure that your votes are represented at the Meeting. Additional information on how to attend the virtual meeting and to vote your shares in advance of the Meeting is enclosed. Please take the time to vote using the Form of Proxy or VIF sent to you in accordance with the instructions thereon so that your shares are voted according to your instructions and represented at the Meeting.

Notice and Access

The Corporation is utilizing the notice-and-access provisions of National Instrument 51-102 – “*Continuous Disclosure Obligations*” and National Instrument 54-101 – “*Communication with Beneficial Owners of Securities of a Reporting Issuer*” (“**NI 54-101**”) for the Meeting (“**Notice and Access**”). Notice and Access is a set of rules that permits the Corporation to reduce the volume of materials that must be physically mailed to shareholders by allowing the Corporation to deliver Meeting materials to shareholders electronically by providing shareholders with access to these materials online.

In accordance with the Notice and Access provisions, a notice and a form of proxy or voting instruction form (the “**Notice Package**”) has been sent to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. The Notice of Meeting, the Circular and the financial statements (collectively, the “**Proxy-Related Materials**”) have been made available online to Shareholders at <https://docs.tsxtrust.com/2052> and under the Corporation’s SEDAR (the System for Electronic Document Analysis and Retrieval) profile at www.sedar.com. The Corporation will directly send the Notice Package to Non-Registered Holders (as hereinafter defined).

For the Meeting, the Corporation is using Notice and Access for both registered and non-registered (or beneficial) Shareholders (the “**Non-Registered Holders**”). Neither registered Shareholders nor Non-Registered Shareholders will receive a paper copy of this Circular unless they contact the Corporation after it is posted, in which case the Corporation will mail this Circular within three business days of any request provided the request is made *prior* to the Meeting. Shareholders wishing to receive paper copies of the Proxy-Related Materials can request same from the TSX Trust Corporation by calling toll-free 1-866-600-5869. In order to ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that Shareholders ensure their request is received by the Corporation no later than 1:00 p.m. (Toronto time) on August 23, 2024.

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

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

GENERAL PROXY INFORMATION

Appointment and Revocation of Proxies

The persons named as proxy-holder in the accompanying form of proxy, being Mike England, Interim Chief Executive Officer and Fiona Fitzmaurice, Chief Financial Officer, were designated by Management. **A Shareholder wishing to appoint another person (who need not be a Shareholder) to represent him or her at the Meeting has the right to do so, either by striking out the names of those persons named in the accompanying form of proxy and inserting the desired person's name in the blank space provided in the form of proxy or by completing another form of proxy.** A proxy to be valid must be deposited, together with the power of attorney or other authority, if any, under which it is signed or a notarized certified copy thereof, at the office of the Corporation's Transfer Agent and Registrar, TSX Trust Company Inc., Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 or by fax at 416-595-9593, or as otherwise instructed on the proxy, so that it is received no later than 1:00 p.m. (Toronto time) on August 30, 2024 or, in the event of an adjournment or postponement of the Meeting, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the adjourned or postponed Meeting.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by either executing a form of proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or by such Shareholder’s authorized attorney in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized by a certified resolution authorizing the revocation, and by filing the form of proxy bearing a later date or the revocation of proxy either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or by filing the form of proxy with TSX Trust Company Inc., Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Fax: 416-595-9593, or by filing the revocation of proxy with the chairman of the Meeting on the day of the Meeting, or any adjournment thereof.

Notice to Non-Registered Shareholders

The information set forth in this section is of significant importance to many Shareholders as a substantial number of them do not hold Shares in their own name. Only registered holders of Shares of the Corporation or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed RRSPs, RRIFs, RESPs, TFSA's and similar plans) that the Non-Registered Holder deals with in respect of the Shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to NOBOs

In accordance with the requirements of NI 54-101, the Corporation will have caused its agent to distribute copies of the Notice Package directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner (“**Non-Objecting Beneficial Owner**” or “**NOBO**”).

The Notice Package distributed by the Corporation’s agent to NOBOs includes a voting instruction form (a “**VIF**”). If you are a Non-Registered Holder, please carefully review the instructions on the VIF for completion and deposit.

Distribution to OBOs

In addition, the Corporation will have caused its agent to deliver copies of the Notice Package to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Holders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**Objecting Beneficial Owner**” or “**OBO**”).

Intermediaries are required to forward the Notice Package to OBOs unless the OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge Investor Communications to forward the Notice Package to OBOs. Generally, those OBOs who have not waived the right to receive the Notice Package will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of Shares beneficially owned by the OBO, but which is otherwise incomplete. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with the TSX Trust Company in the manner set out above in this Circular, with respect to the Shares beneficially owned by such OBO: or
- (b) more typically, be given a voting instruction form which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. The purpose of this procedure is to permit the OBO to direct the voting of Shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to appoint a different proxyholder to vote at the Meeting, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or voting instruction for is to be delivered.

The Corporation has determined not to pay the fees and costs of Intermediaries for their services in delivering the Notice Package to OBOs in accordance with NI 54-101.

All references to Shareholders in this Circular and the accompanying instrument of proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

Quorum

The presence of Shareholders or proxy-holders entitled to cast votes at the Meeting holding a minimum of 10% of the

outstanding Shares (as defined herein) entitled to vote thereat will constitute a quorum. The Corporation's list of Shareholders as of the Record Date (as defined below) has been used to deliver to Shareholders the Notice of Meeting and this Circular as well as to determine who is eligible to vote.

Voting of Proxies

Shares represented by properly executed proxies in favour of persons designated in the enclosed form of proxy **will be voted for the matters to be transacted at the Meeting, or withheld from voting or voted against, if so indicated on the form of proxy.**

The persons named in the enclosed form of proxy will vote the Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Shares will be voted FOR setting the number of directors at four, FOR the appointment of auditors and for the directors to fix their remuneration, FOR the election of all directors noted below and FOR the approval of the Corporation's rolling Stock Option Plan (as defined herein).**

The enclosed form of proxy when properly completed and delivered, and not revoked, may confer discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations to matters referred to herein and with respect to other matters which may properly come before the Meeting. In the event amendments or variations to matters referred to herein are properly brought before the Meeting, or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Circular, the Management knows of no such amendment, variation or other matter, which may be presented at the Meeting.

Voting Securities and Principal Holders Thereof

The Corporation was incorporated pursuant to the *Quebec Mining Companies Act* as MacDonald Mines Limited on December 23, 1936 and continued as "MacDonald Mines Exploration Ltd." from October 19, 1992 to October 31, 2011 pursuant to the *Companies Act* (Quebec). On November 1, 2011, the Corporation continued under the *Canada Business Corporations Act*. The Corporation's authorized capital consists of an unlimited number of Class "A" Common Shares and an unlimited number of preference shares, issuable in series. As of the date of this Circular, there were 38,077,158 Shares issued and outstanding and no preference shares outstanding. Unless the Chairman of the Meeting elects to exercise discretion and accept subsequently received proxies, only Shareholders of record on July 16, 2024 (the "**Record Date**") who have completed and delivered a valid form of proxy in the manner and subject to the provisions described herein by 1:00 p.m. on August 30, 2024 will have their Shares voted at the Meeting. Each Share carries one vote for all matters at the Meeting. To the knowledge of the directors and officers of the Corporation, as of the date of this Circular, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to all outstanding Shares of the Corporation.

Particulars of Matters to be Acted Upon at the Meeting

Unless otherwise noted, approval of matters to be placed before this Meeting will be by an "ordinary resolution". An ordinary resolution is a resolution approved by a simple majority (50% plus 1) of the votes cast by Shareholders of the Corporation entitled to vote at the Meeting as represented by proxy. A special resolution is a resolution approved by 66 2/3% of the votes cast by Shareholders entitled to vote at the Meeting as represented by proxy.

(1) FINANCIAL STATEMENTS

The audited annual financial statements for the year ended December 31, 2023 and 2022 will be tabled at the Meeting, but no vote will be taken thereon.

(2) APPOINTMENT OF AUDITORS AND AUTHORIZE THE DIRECTORS TO FIX THEIR REMUNERATION

It is proposed to appoint Davidson & Company LLP, Chartered Professional Accountants, of Toronto, Ontario as auditors of the Corporation for the fiscal year ending December 31, 2023, and to authorize the board of directors (the

“Board”) to fix their remuneration. Davidson & Company LLP, Chartered Professional Accountants were first appointed as the Corporation’s auditors in 2023.

Unless such authority is withheld, the persons named in the enclosed Form of Proxy intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants as auditors of the Corporation for the fiscal year ending December 31, 2023 and to authorize the Board to fix their remuneration.

(3) ELECTION OF DIRECTORS

The directors of the Corporation are all elected annually. Each director elected will hold office until the conclusion of the next annual general meeting of the Shareholders, unless a director’s office is earlier vacated in accordance with the by-laws of the Corporation, or the provisions of the *Canada Business Corporations Act*. The Board has determined that the number of directors to be elected at the Meeting is four. The persons named in the following table are Management’s nominees to the Board. The table also lists the year they became a director, their principal occupations or employment within the five preceding years, and the number of Shares of the Corporation beneficially owned, directly or indirectly, by each of them as of July 16, 2024. **Unless a proxy specifies that the Shares it represents are to be withheld from voting in favour of the candidates proposed below, the proxies named in the accompanying form of proxy intend to vote in favour of the candidates proposed below.**

Name, Province and Country of Residence and Position with the Corporation	Principal Occupation	Date First Appointed	No. of Shares Owned or Controlled ⁽¹⁾
Mike England ⁽¹⁾ Ontario, Canada <i>Director, Interim President and CEO</i>	Interim President and CEO, MacDonald Mines Exploration Ltd. (April 19, 2023 - present) President, CEO and Director of Golden Lake Exploration Inc. (May, 2019- present)	April 19, 2023	Nil ⁽⁵⁾
Stuart Adair ^{(2) (3)} Ontario, Canada <i>Director</i>	Chief Financial Officer, Peerage Realty Partners Inc. (June 2022 – present) Chief Financial Officer, Accord Financial Corp. (2002 – 2022); Director Pedro Resources Limited	December 6, 2019	2,611,344 ⁽⁴⁾
Amanda Fullerton ^{(2) (3)} Ontario, Canada <i>Director</i>	VP Legal and Corporate Secretary, Gran Colombia Gold Corp. (March 2019 – present) Corporate Secretary, Denarius Silver Corp (February 2021- present) Vice-President, Legal and Corporate Secretary, Aris Gold Corp. (February 2020 - February 2021) Vice-President Legal, MacQuarie Capital Markets Canada Ltd. (March 2014 – March 2019)	June 7, 2022	Nil ⁽⁷⁾
Kevin Tanas ⁽²⁾⁽³⁾ Ontario Canada <i>Director</i>	Principal, Technology and Expert Solutions, Mining, Minerals & Metals, Worley (February 2020 to present) Principal Metals and Mining Consulting, Wood Mackenzie (January 2018 – Oct 2019); Principal Mining Consultant and Vice President of Business Development - North America, RPMGlobal (September 2011 – January 2018)	May 4, 2017	Nil ⁽⁶⁾

Notes:

- (1) Not being within the knowledge of the Corporation, the foregoing information has been furnished by the respective nominees individually or taken from public sources.
- (2) Member of Audit Committee.
- (3) Member of Compensation Committee.
- (4) Mr. Adair also holds 439,000 stock options.

- (5) Mr. England also holds 250,000 stock options
- (6) Mr. Tanas also holds 410,000 stock options.
- (7) Ms. Fullerton also holds 305,000 stock options.

Cease Trade Orders and Bankruptcies

Other than as set forth below, to the best of the Corporation's knowledge, no proposed director of the Corporation is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued while the proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

BTU Metals Corp. (formerly BTU Capital Corp.), a company of which Mike England became a director in April of 2009, was issued a cease trade order dated September 8, 2014 by the BC Securities Commission for failing to file annual audited financial statements for the period ending April 30, 2014, within the required time period. BTU Metals Corp. was reinstated in good standing with the BC Securities Commission and the TSX Venture Exchange on June 20, 2017.

No proposed director: (a) is at the date hereof, or has been with 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.; or (b) has, or within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the best of the Corporation's knowledge, no proposed director of the Corporation has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

(4) APPROVAL OF STOCK OPTION PLAN

The Corporation's current 10% rolling amended and restated stock option plan (the "**Stock Option Plan**") was approved by directors on June 30, 2022 and received initial approval by the Corporation's shareholders at its general meeting held on August 9, 2022. The TSX Venture Exchange (the "**TSX-V**") requires listed companies that have "rolling" stock option plans in place to receive shareholder approval of such plans on a yearly basis. Accordingly, the shareholders of the Corporation will be asked at the Meeting to ratify and approve the Stock Option Plan. The Board and Shareholders of the Corporation have previously approved the Corporation's Stock Option Plan for the benefit of the directors, officers, employees and consultants of the Corporation that complies with the applicable rules and policies of the TSX-V.

The Stock Option Plan is a "rolling" plan as described in TSX-V Policy 4.4, that being a revolving or regenerating plan under which Shares not exceeding a fixed proportion of the Corporation's issued and outstanding Shares may be reserved from time to time for issuance under the Stock Option Plan. Below is a summary of the Stock Option Plan. The Stock Option Plan was last approved by the Shareholders on August 9, 2022. The following is a summary of the Stock Option Plan:

- The maximum number of Shares to be issued pursuant to the Stock Option Plan shall not exceed 10% of the issued and outstanding Shares of the Corporation at the time of the stock option grant.
- The total number of Shares set aside for the exercise of options on behalf of one person shall at no time represent more than 5% of the Corporation's issued and outstanding Shares.

- The exercise price of the Shares, upon exercise of each option granted under the Stock Option Plan, shall be at a price fixed for such options by the Board at the time of the respective grant, but such a price shall be not less than the greater of closing price on the day before the grant and \$0.05.
- Options granted have a maximum term of five years from the date of the grant.
- Options are non-assignable and non-transferable.
- Options vest immediately upon grant (subject to a four month and one day hold period).
- If an optionee ceases to be involved with the Corporation (other than as a result of termination with cause), any option held by such optionee may be exercised within 90 days from when such optionee ceases to be involved with the Corporation.
- In the event of optionee's death, his or her heirs or administrators may exercise any portion of that outstanding option up to a period of one year from the date of the optionee's death or the termination date of the option, whichever is earlier.
- The allotment of the Shares and the Corporation's obligation to issue Shares pursuant to the Stock Option Plan are subject to the Corporation obtaining the required authorization from the applicable regulatory authorities pertaining to the allotment of those options, to the issuance and distribution of Shares under option, and if need be, to the listing of the Shares under option on any stock exchange on which the Corporation's Shares are listed for trading. The Corporation shall expend its best efforts to obtain all of the required approvals to give effect to the Stock Option Plan.

Within the limitations set forth in the Stock Option Plan, the Board is authorized to provide for the grant, exercise, and method of exercise of options, all on such terms (which may vary as between options) as it shall determine. All decisions and interpretations made by the Board shall be binding and conclusive on the Corporation and all persons eligible to participate in the Stock Option Plan.

Shareholders are asked to pass the following ordinary resolution authorizing the approval of the Stock Option Plan:

“BE IT HEREBY RESOLVED as an ordinary resolution of the Corporation that:

1. the continued use of the Corporation's existing amended and restated stock option plan (the **“Stock Option Plan”**), all as more particularly described in the Circular, is hereby ratified, confirmed and approved;
2. the Corporation be and is hereby authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan, entitling the option holders to purchase up to that number of Shares that is equal to 10% of the issued and outstanding shares of the Corporation at the time of the grant; and
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Stock Option Plan required by the TSX Venture Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the implementation of the Stock Option Plan.”

The Board recommends that the Shareholders vote FOR the adoption of this resolution. In order to be approved, this resolution must be approved by not less than a majority of the votes cast at the Meeting. Unless a proxy specifies that the Shares it represents are to be withheld from voting in favour of the resolution proposed above, the proxies named in the accompanying form of proxy intend to vote in favour of this resolution.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Management knows of no other matters as of the date of this Circular to come before the Meeting other than as set forth above. Should any other matters properly come before the Meeting, the Shares represented by the proxies solicited hereby will be voted on such matters in accordance with the best judgment of the person named as proxy-holder.

Statement of Corporate Governance Practices

The Board is of the view that the Corporation's corporate governance policies and practices, outlined below, are consistent with the corporate governance guidelines set out in National Policy 58-201 – *Corporate Governance Guidelines*. The following disclosure is provided in accordance with the corporate governance disclosure prescribed by Form 58-101F2 of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (Venture Issuers).

The Board of Directors

National Instrument 58-101 defines an “independent director” as a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is in turn defined as a relationship, which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgment. At the date of this Circular, the Board is comprised of four members, of which three are “independent directors” within the meaning of National Instrument 58-101. These are Stuart Adair, Amanda Fullerton and Kevin Tanas. Mike England is considered to be non-independent as he is Chief Executive Officer of the Corporation. Certain directors of the Corporation are also directors of other reporting issuers (or equivalent in a foreign jurisdiction) as follows:

<u>Name of Director</u>	<u>Other reporting issuer (or equivalent in a foreign jurisdiction)</u>
Stuart Adair	None
Amanda Fullerton	McFarlane Lake Mining Limited
Kevin Tanas	None
Mike England	Sky Gold Corp., BTU Metals Corp., Imagine Lithium Inc., Golden Lake Exploration Inc., Rockland Resources Ltd., and CNJ Capital Investments Inc.

Orientation and Continuing Education

The Corporation does not provide a formal orientation and education program for new directors. New directors are given an opportunity to familiarize themselves with the Corporation by visiting the Corporation's corporate offices, meeting with other directors either personally or through phone conversations, reviewing the rules and regulations of the stock exchange where the Shares are listed, and reviewing the Corporation's by-laws and related documents. Moreover, new directors are invited to speak with the Corporation's solicitors and auditors to become familiar with their legal responsibilities.

Ethical Business Conduct

The role of the Board is to oversee the conduct of the Corporation's business, to set corporate policy and to supervise Management, which is responsible to the Board for the day-to-day conduct of business. However, given the size of the Corporation, material transactions are addressed at the Board level. The Board discharges five (5) specific responsibilities as part of its overall “stewardship responsibility”. These are: *Strategic Planning Process*: given the Corporation's size, the strategic plan is elaborated directly by Management, with input from and assistance of the Board; *Managing Risk*: the Board directly oversees most aspects of the business of the Corporation and thus does not require the elaboration of “systems” or the creation of committees, other than the Audit Committee of the Board, to effectively monitor and manage the principal risks of all aspects of the business of the Corporation; *Appointing, Training, and Monitoring Senior Management*: no elaborate system of selection, training and assessment of Management has been established, as those measures would prove too costly; however, the Board closely monitors Management's performance, which is measured against the overall strategic plan, through reports by and regular meetings with Management; *Communication Policy*: it is and has always been the unwritten policy of the Board to communicate effectively with its Shareholders, other stakeholders, and the public generally through statutory filings and mailings, as well as news releases; the Shareholders are also given an opportunity to make comments or suggestions at Shareholder meetings; these comments and suggestions are then factored into the Board's decisions; and *Ensuring the integrity of the Corporation's Internal Control and Management Information System*: given the involvement of the Board in operations, the reports from and the meetings with Management, the Board can effectively track and monitor the implementation of approved strategies.

The Board's Relations with Management

The frequent interaction between Management and Board members, both inside and outside of Board meetings, ensures that the Board is properly informed and the Board members' experience is brought to bear when needed by the Corporation. The Board is sensitive to corporate governance issues and seeks to set up the necessary structures to ensure the effective discharge of its responsibilities without creating additional overhead costs or reducing the return on Shareholders' equity. The Board remains committed to ensuring the long-term viability of the Corporation, as well as the well-being of its employees and to the communities in which it operates. The Board has also adopted a policy of permitting individual directors under appropriate circumstances to engage legal, financial or other expert

advisors at the Corporation's expense.

Nomination of Directors, Assessment & Compensation

The Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development and given the size of the Board. While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with business expertise, and in particular, knowledge of mineral exploration, corporate law or finance. Nominations tend to be the result of recruitment efforts by Management or its directors, which are then presented to the Board for consideration. Annually the Board assesses the contribution of the Board as a whole and each individual Director, in order to determine whether each is functioning effectively. If prudent, changes are made. The Board determines the compensation for the Corporation's directors and officers, based on industry standards and the Corporation's financial situation. Other than stock options granted to directors from time to time, the directors currently do not receive any remuneration for their acting in such capacity.

Board and Senior Management Diversity

In 2019, amendments to the CBCA were adopted requiring new disclosure of the number of: (i) women; (ii) aboriginal peoples; (iii) people with disabilities; and (iv) members of visible minorities (collectively, the "**Designated Groups**") on the Board and in senior management positions with the Corporation.

The Corporation recognizes the benefits of having a diverse Board and management. Due to the relatively small size of the Board and stage of development of the Corporation, it has not adopted a formal diversity policy in respect of the Designated Groups, and instead has sought to increase diversity through the recruitment efforts of its officers and directors. The Corporation remains receptive to increasing the diversity of the Board and management taking into account the skills, background, experience and knowledge desired at any particular time by the Board and its committees.

The Corporation has not adopted term limits for directors and does not support the adoption of quotas or targets regarding representation by the Designated Groups on the Board or in senior management positions. All such appointments and renewals are made based on merit, in the context of the skills, experience, independence, knowledge and other qualities which the Corporation as a whole requires to be effective, with due regard for the benefits of diversity (including the level of representation by members of the Designated Groups). The Corporation considers the representation of the Designated Groups in identifying and nominating new directors and members of senior management. In order to gather the information required to assess levels of diversity for the Corporation to comply with the new diversity disclosure requirements under the CBCA, exiting and proposed directors and members of senior management of the Corporation will be asked whether they self-identify as belonging to one or more of the designated groups, on a voluntary basis. All responses will be considered in the context of the broader skills matrix sought by the Corporation for its respective positions from time to time.

The Corporation feels its corporate governance practices are appropriate and effective, given its relatively small size and the nature of its operations. These practices allow the Corporation to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excess administrative burden or delay.

As of the date of this Circular, the Corporation has a total of four directors and two members of senior management. The number and proportion of directors and members of senior management who self-identify as being a member of the four Designated Groups has been furnished by the respective directors and members of senior management on a voluntary basis and such responses have not been independently verified by the Corporation. The number and proportion of directors and members of senior management who self-identify as being a member of the four Designated Groups are as follows:

Directors

One of the members of the Board of Directors of the Corporation currently serving as at April 30, 2022 identifies as being a member of the four Designated Groups; that being women. One of the current directors who is standing for re-election, being a woman, is a member of the Designated Group and if all four director nominees are elected by the shareholders on September 4, 2024, twenty-five percent (25%) of directors will belong to one of the four Designated

Groups.

Senior Management

Fifty percent (50%) of the Corporation's senior management, being the CFO, identify as belonging to one of the four Designated Groups, that being women.

Audit Committee

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”) requires the Corporation, as a “venture issuer”, to disclose annually in its Circular the disclosure required by Form 52-110F2 with respect to the Corporation's Audit Committee, its auditors and certain other matters. The Audit Committee and the Compensation Committee are the only standing committees of the Board.

Audit Committee Charter & Composition of the Audit Committee

The responsibilities and operation of the Audit Committee are set out in the Corporation's Audit Committee Charter, a copy of which is included as Appendix A of this Circular. The Board has established an Audit Committee comprised of three directors: Stuart Adair, Amanda Fullerton and Kevin Tanas, all of whom are financially literate for purposes of National Instrument 52-110, and all are independent directors. As a “venture issuer” for purposes of National Instrument 52-110, the Corporation is relying on an exemption provided in section 6.1 thereunder from certain requirements regarding the composition of the audit committee, including the requirement that all members qualify as “independent”.

Relevant Education and Experience

Stuart Adair

Mr. Adair is a seasoned finance executive who has been investing in the junior mining sector for over 25 years. He has been CFO of Accord Financial Corp. (TSX:ACD), a TSX-listed commercial finance company, since 2002. At Accord Financial, Stuart is involved in capital and risk management, strategic planning, acquisitions, corporate taxes, as well as financial management and reporting. Through his tenure, he developed and implemented Accord's corporate governance policies, including Board of Directors and Audit Committee mandates, Code of Ethics, Whistleblower Policy, Securities Trading Policy and Majority Voting Policy. He ensures governance policies are adhered to as well as disclosed in regulatory filings. Stuart is a Chartered Professional Accountant, Chartered Accountant (CPA, CA) and holds a B.A. from Sheffield University, U.K., and an M.A. in Economics from Queens University, Kingston, Canada.

Kevin Tanas

Mr. Tanas currently serves as Principal, Technology and Expert Solutions, Mining, Minerals and Metals for Worley. He previously held the positions of Principal, Metals and Mining Consulting for Wood Mackenzie, and Principal Mining Consultant, Vice President of Business Development – North America for RPMGlobal. Kevin's 20 years of experience encompasses mine project development, mine operations, and technical and commercial advisory consulting. His expertise lays in mine design and planning, economic analysis, and mine technology. Kevin has acted as Study Manager and as Qualified Person providing technical services to base metals, precious metals, iron ore, lateritic ore, coal, and energy sectors. His operational and consulting experience spans the Americas, EMEARC, and Australia. He holds a B.Sc. in Mine Engineering from Queen's University and is registered as a Professional Engineer with PEO.

Amanda Fullerton

Ms. Fullerton has been the Vice-President, Legal & Corporate Secretary of GCM Mining Corp. since March 25, 2019. She has also been the Corporate Secretary at Denarius Silver Corp. since February 2021. She was a Vice President, Legal (and prior thereto, Associate, Legal) of Macquarie Capital Markets Canada Ltd. from March 24, 2014, to March 22, 2019. Prior thereto, Ms. Fullerton was an associate with Fasken Martineau DuMoulin LLP from September 2008 to March 2011 and MacLeod Dixon LLP (now Norton Rose Fulbright LLP) from March 2011 to March 2014 and practiced in the areas of corporate finance, mergers and acquisitions and corporate/commercial law, focused primarily on the mining industry.

In addition to the background and experience noted with respect to each member of the Audit Committee, all members of the Audit Committee have direct access to the Corporation's auditors and to Management in order to raise questions,

seek clarifications and otherwise assess the Corporation's financial statements and its financial reporting procedures and policies.

Audit Committee Oversight

Since January 1, 2022, the commencement of the Corporation's fiscal year, to its year ended December 31, 2023, all recommendations of the Audit Committee to nominate or compensate an external auditor were adopted by the Board. The Audit Committee has not adopted any specific policies and procedures regarding the engagement of non-audit services but does review such matters as they arise.

External Auditor Service Fees (By Category)

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

Fiscal year Ended	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2023	\$30,000	Nil	\$2,300	Nil
December 31, 2022	\$49,500	Nil	\$2,300	Nil

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit of the Corporation's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other columns.

Reliance on Certain Exemptions

Since January 1, 2022, the commencement of the Corporation's fiscal year, to its year ended December 31, 2023, the Corporation has not relied on an exemption provided under National Instrument 52-110 whereby approval for a *de minimis* amount of non-audit services is not required, nor has the Corporation obtained or relied upon any exemption from a securities regulatory authority or regulator from the requirements of National Instrument 52-110, other than the exemption in Section 6.1 of that Instrument.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation of Executive Officers

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the most highly compensated executive officer, other than the CEO and CFO, who was serving as an executive officer at the end of financial year ended December 31, 2023 and whose total compensation exceeded \$150,000, for that financial year (collectively, "NEO" or the "Named Executive Officers") and for the directors of the Corporation.

As of the year-ended December 31, 2023 the Corporation had no individuals that qualified as NEOs.

Compensation of Directors

The directors of the Corporation have no standard compensation arrangements, or any other arrangements, with the Corporation. Directors do not receive any fee-based compensation in their capacities as a director although they are eligible to participate in the Stock Option Plan. Other than as disclosed below, the directors had no arrangements with the Corporation where they were compensated for services as consultants or experts. Compensation to directors who do provide services in the normal course of business are approved by Management. Compensation to NEOs who also act as directors is disclosed under the heading "Statement of Executive Compensation" above.

The following table is a summary of the compensation paid, directly or indirectly, to the Named Executive Officers and directors of the Corporation for the two most recently completed financial years.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Fiscal Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All other compensation (\$)	Total compensation (\$)
Mike England ⁽¹⁾ <i>Interim President & CEO Director</i>	2023	\$45,000	Nil	Nil	Nil	Nil	\$45,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Gregor Romain ⁽²⁾ <i>Former President & CEO</i>	2023	\$37,500	Nil	Nil	Nil	Nil	\$37,500
	2022	\$143,750	Nil	Nil	Nil	Nil	\$143,750
Fiona Fitzmaurice <i>Chief Financial Officer</i>	2023	\$120,000	Nil	Nil	Nil	Nil	\$120,000
	2022	\$110,000	Nil	Nil	Nil	Nil	\$110,000
Stuart Adair <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	\$1,000	Nil	Nil	Nil	Nil	\$1,000
Kevin Tanas <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Amanda Fullerton <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Steven Butler ⁽⁴⁾ <i>Former Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mike England was appointed Interim CEO and Director effective April 19, 2023 and currently holds those positions
- (2) Gregory Romain was appointed President & CEO effective January 17, 2022 and resigned from these positions effective March 30, 2023
- (3) Steven Butler was appointed director of the Company on August 10, 2022 and resigned on April 5, 2023.

Stock Options and Other Compensation Securities

During the financial year ended December 31, 2023, the following compensation securities were granted or previously issued and were outstanding to the directors and Named Executive Officers by the Corporation:

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽⁴⁾	Date of Issue or Grant	Expiry Date	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at year end (\$)
Mike England ⁽¹⁾ <i>Interim President & CEO Director</i>	Stock Option	250,000 (0.66%)	May 12, 2023	May 12, 2028	\$0.06	\$0.06	\$0.06
Gregory Romain ⁽²⁾ <i>Former President & CEO Director</i>	Stock Option	100,000 125,000 (0.59%)	March 21, 2023 January 17, 2022	March 21, 2028 January 17, 2028	\$0.06 \$0.50	\$0.07 \$0.40	\$0.06

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽⁴⁾	Date of Issue or Grant	Expiry Date	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at year end (\$)
Fiona Fitzmaurice <i>Chief Financial Officer</i>	Stock Option	54,000 50,000 85,000 100,000 75,000 (0.96%)	February 2, 2020 August 21, 2020 Nov. 25, 2021 May 12, 2023 March 21, 2023	February 2, 2025 August 21, 2025 Nov. 25, 2026 May 12, 2023 March 21, 2023	\$0.80 \$1.30 \$0.50 \$0.06 \$0.10	\$0.75 \$0.95 \$0.40 \$0.06 \$0.07	\$0.06
Stuart Adair <i>Director</i>	Stock Option	85,000 40,000 134,000 100,000 80,000 (1.16%)	February 2, 2020 August 21, 2020 Nov. 25, 2021 May 12, 2023 March 21, 2023	February 2, 2025 August 21, 2025 Nov. 25, 2026 May 12, 2023 March 21, 2023	\$0.80 \$1.30 \$0.50 \$0.06 \$0.10	\$0.75 \$0.95 \$0.40 \$0.06 \$0.07	\$0.06
Kevin Tanas <i>Director</i>	Stock Option	30,000 60,000 40,000 100,000 100,000 80,000 (1.08%)	Sept. 9, 2019 February 2, 2020 August 21, 2020 Nov. 25, 2021 May 12, 2023 March 21, 2023	Sept. 9, 2019 February 2, 2025 August 21, 2025 Nov. 25, 2026 May 12, 2023 March 21, 2023	\$1.00 \$0.80 \$1.30 \$0.50 \$0.06 \$0.10	\$1.00 \$0.75 \$0.95 \$0.40 \$0.06 \$0.07	\$0.06
Amanda Fullerton <i>Director</i>	Stock Option	125,000 100,000 80,000 (0.81%)	Nov. 25, 2021 May 12, 2023 March 21, 2023	Nov. 25, 2026 May 12, 2023 March 21, 2023	\$0.50 \$0.06 \$0.10	\$0.40 \$0.06 \$0.07	\$0.06
Steven Butler ⁽³⁾ <i>Former Director</i>	Stock Option	80,000 125,000 (0.54%)	March 31, 2023 August 10, 2022	March 31, 2028 August 10, 2027	\$0.06 \$0.10	\$0.06 \$0.07	\$0.06

Notes:

- (1) Mike England was appointed Interim CEO and Director effective April 19, 2023 and currently holds those positions.
- (2) Gregory Romain was appointed President & CEO effective January 17, 2022 and resigned from these positions effective March 30, 2023. The options granted to Mr. Romain subsequently expired 90 days from the effective date he ceased to be a director or officer.
- (3) Steven Butler was appointed director of the Company on August 10, 2022 and resigned on April 5, 2023. The options granted to Mr. Butler subsequently expired 90 days from the effective date he ceased to be a director.
- (4) Percentage of options issued compared to the total issued and outstanding shares of the Company as at December 31, 2023, being 37,877,158.

During the financial year ended December 31, 2023, the following compensation securities were exercised by the directors and Named Executive Officers of the Corporation:

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Date of Exercise	Exercise Price per Security (\$)	Closing Price per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
Mike England ⁽¹⁾ <i>Interim President & CEO Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Date of Exercise	Exercise Price per Security (\$)	Closing Price per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
Gregory Romain ⁽²⁾ <i>Former President & CEO Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Fiona Fitzmaurice <i>Chief Financial Officer</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stuart Adair <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Tanas <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Amanda Fullerton <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Steven Butler ⁽³⁾ <i>Former Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mike England was appointed Interim CEO and Director effective April 19, 2023 and currently holds those positions.
- (2) Gregory Romain was appointed President & CEO effective January 17, 2022 and resigned from these positions effective March 30, 2023.
- (3) Steven Butler was appointed director of the Company on August 10, 2022 and resigned on April 5, 2023.

Compensation Discussion and Analysis

The main objectives of the Corporation's compensation program are: (a) to offer a competitive compensation program that will attract and retain senior management with qualifications critical to the Corporation's long-term success; and (b) to develop a sense of ownership in employees/consultants, thereby encouraging all employees/consultants to act in the best interest of the Corporation and create shareholder value. The Corporation does not have a formal compensation program. Compensation packages are designed to encourage and reward employees/consultants on the basis of individual and corporate performance, both in the short and long term and to align their interests with Shareholder's interests. In addition to a salary/consulting fee providing a certain level of income, executive officers and consultants participate in the Stock Option Plan (on the assumption that the performance of the Share price over the long term is an important indicator of long-term performance). In order to conserve the Corporation's cash position, periodically employees/consultants will receive shares in lieu of cash consideration.

Option-based awards

The Compensation Committee reviews the performance of the Corporation from time to time and the level of Option-Based Awards is then determined taking into consideration corporate and individual performance. Previous grants of Option-Based Awards are also taken into consideration in making this determination. The Corporation has not adopted a formal policy with respect to the purchase of financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by NEOs or directors; however, the Board would strongly discourage such practice by any NEO or director and the Board is not aware of any such instrument having ever been purchased by a NEO or director.

Compensation Table – Narrative Discussion

The Corporation's NEOs are compensated in several ways. The forms of compensation received are: (a) salary and/or consulting fees which are primarily based on the amount of time spent working on Corporation matters and on the achievements made by the Corporation during the year. This could include stock appreciation, the geological prospects of the Corporation's land holdings, the amount of capital raised during the year and various other factors; (b) stock options are awarded in order to provide the NEOs continuing incentive to assist in achieving the

Corporation's short- and long-term goals and objectives; and (c) Shares issued by the Corporation in lieu of salary or consulting fees in order to conserve the Corporation's limited cash resources. All types of compensation are in place to both attract and retain key personnel and to provide incentive to achieve the Corporation's goal's, one of which is the appreciation of the Corporation's stock price. The amount of compensation given to NEOs is based upon an assessment of compensation paid the similar individuals in companies who are in a similar business to the Corporation. While no formal benchmark is followed, the Board primarily reviews a basket of junior mining companies listed on the TSX-V.

Pension Arrangements

The Corporation does not have any pension arrangements in place for its NEOs.

STOCK OPTIONS GRANTED AND OUTSTANDING

The following table sets out the number of Shares reserved for issuance under the Corporation's Stock Option Plan, the weighted average exercise price, and the number of Shares available for issuance as of December 31, 2023.

	Number of Securities to be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities in Column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders (the only such plan is the Stock Option Plan)	3,069,500	\$0.43	718,215 ⁽¹⁾
Equity compensation plans not approved by security holders (the Corporation does not have any such plan)	Nil	Nil	Nil
Total	3,069,500	\$0.43	718,215 ⁽¹⁾

- (1) Based on 38,877,158 Shares issued and outstanding as at December 31, 2023, which allows for the reservation of up to 3,787,715 Shares pursuant to the grant of stock options on the basis that the stock options granted under the Stock Option Plan may not exceed 10% of the number of outstanding Shares at any given time.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, no executive officer, nor any of their respective associates or affiliates is or has been at any time indebted to the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

No senior management functions of the Corporation were performed to any substantial degree by any person other than the directors and executive officers of the Corporation or its subsidiaries.

PRESENTATION OF FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the financial year ended December 31, 2023 and the report of the external auditor thereon will be placed before the Meeting. Receipt at the Meeting of reports to the directors and auditors and the Corporation's financial statements for its last completed financial year and the auditors' report thereon will not constitute approval or disapproval of any matters referred to therein.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no Director or Officer of the Corporation, no proposed nominee for election to the Board, no person owning or exercising control over more than 10% of the Corporation's issued and outstanding Shares, and no associate or affiliate of any such person has had any material interest, direct or indirect, in any material transaction involving the Corporation within the fiscal year ended December 31, 2023.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, no Director or Officer of the Corporation, no proposed nominee for election as a Director of the Corporation, nor any associate or affiliate of such persons, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is filed on the System for Electronic Data Analysis and Retrieval (“SEDAR”) and can be accessed on the internet at www.sedarplus.ca. Financial information is provided in the Corporation’s comparative financial statements and in its management discussion and analysis (“MD&A”) for its most recently completed financial year. Shareholders may obtain copies of such financial statements and MD&A on SEDAR at the website www.sedar.com, or by mailing a request to: MacDonald Mines Exploration Ltd., Suite 1001, 145 Wellington Street West, Toronto, Ontario, Canada, M5J 1J1.

DIRECTORS' APPROVAL

The contents of this Notice of Meeting and Circular have been approved by the Board.

DATED the 16th day of July, 2024

ON BEHALF OF THE BOARD OF DIRECTORS:

(signed) “Mike England”
Interim President & CEO



MacDonald Mines Exploration Ltd.

APPENDIX “A”

AUDIT COMMITTEE CHARTER

General and Authority - The Audit Committee (the “Committee”) is appointed by the Board of Directors of MacDonald Mines Exploration Ltd. (the “Corporation”). The Committee is a key component of the Corporation’s commitment to maintaining a higher standard of corporate responsibility. The Committee shall review the Corporation’s financial reports, internal control systems, the management of financial risks and the external audit process. It has the authority to conduct any investigation appropriate to its responsibilities. The Committee shall have the authority to: engage independent counsel and other advisors as it determines necessary to carry out its duties; set and pay the compensation for advisors employed by the Committee; and communicate directly with the internal and external auditors.

Overseeing the External Audit Process – (a) the Committee shall recommend to the Board the external auditor to be nominated, shall set the compensation for the external auditor and shall ensure that the external auditor reports directly to the Committee, (b) the Committee shall be directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting, (c) the Committee shall review the external auditor’s audit plan, including scope, procedures and timing of the audit, (d) the Committee shall pre-approve all non-audit services to be provided by the external auditor, (e) the Committee shall review and approve the Corporation’s hiring policies regarding partners, employees and former partners and employers of the present and former external audit, and (f) the Committee shall review fees paid by the Corporation to the external auditor and other professionals in respect of audit and non-audit services on an annual basis.

Financial Reporting and Internal Controls – (a) The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with generally accepted accounting principles, that the information contained therein is not erroneous, misleading or incomplete and that the audit function has been effectively carried out, (b) the Committee shall report to the Board with respect to its review of the annual audited financial statements and recommend to the Board whether or not same should be approved prior to their being publicly disclosed, (c) the Committee shall review the Corporation’s annual and interim financial statements, management’s discussion and analysis relating to annual and interim financial statements, and earnings press releases prior to any of the foregoing being publicly disclosed by the Corporation, (d) the Committee shall satisfy itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements other than the disclosure referred to in Section 3.2(c) of this Charter, and periodically assess the adequacy of these procedures, (e) the Committee shall oversee any investigations of alleged fraud and illegality relating to the Corporation’s finances, (f) the Committee shall establish procedures for: (1) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and (2) the confidential, anonymous submission by employees of the Corporation or concerns regarding questionable accounting or auditing matters, and (g) the Committee shall meet no less frequently than annually with the external auditor and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls, auditing matters and such other matters as the Committee deems appropriate.

Risk Management and Other Responsibilities - The Committee shall inquire of management and the external auditor regarding significant risks or exposures to which the Corporation may be subject, and shall assess the adequacy of the steps management has taken to minimize such risks. The Committee shall perform any other responsibilities consistent with this charter and any applicable laws as appropriate.

Composition - The Committee shall be composed of three or more directors, the majority of whom are not employees, Control Persons or officers of the Corporation or any of its Associates or Affiliates, as such capitalized terms are defined by the TSX Venture Exchange, (b) if at any time, the Corporation ceases to be exempt from Part 3 of Multilateral Instrument 52-100 - Audit Committees, every audit committee member shall be Independent, as such term is defined in said Instrument, (c) notwithstanding Sections 4.1(a) and 4.1(b) of this Charter, the Committee and its membership shall at all times be so constituted as to meet all current, applicable legal, regulatory and listing

requirements, including, without limitation, securities laws and the requirements of the TSX and the TSX Venture Exchange and of all applicable securities regulatory authorities, and (d) committee members shall be appointed by the Board from time to time. One member shall be designated by the Board to serve as Chair.

Meetings – (a) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable laws. A minimum of three and at least 50% of the members present either in person or electronically shall constitute a quorum. Further, in order for a quorum to be constituted, the majority of members present must not be employees, Control Persons or officers of the Corporation or any of its Associates or Affiliates, as such capitalized terms are defined by the TSX Venture Exchange, (b) if and whenever a vacancy in the Committee shall exist, the remaining members may exercise all of its powers and responsibilities provided that a quorum (as herein defined) remains in office, (c) the time and place at which meetings of the Committee shall be held, and the procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile or electronic means, by giving 48 hours notice, or such greater notice as may be required under the Corporation's By-Laws, provided that no notice shall be necessary if all the members are present either in person or electronically or if those absent have waived notice or otherwise indicated their consent to the holding of such meeting, (d) the Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person, who need not be a member, to act as a secretary at any meeting, (e) the Committee may invite such officers, directors and employees of the Corporation as it deems appropriate, from time to time, to attend meetings of the Committee, (f) Any matters to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all members of the Committee, and such actions shall be effective as though they had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.

Reporting to the Board - The Committee shall report regularly to the Board on Committee activities, findings and recommendations. The Committee is responsible for ensuring that the Board is aware of any matter that may have a significant impact on the financial condition or affairs of the Corporation.

Continued Review of the Charter - The Committee shall review and assess the continued adequacy of this Charter annually and submit such proposed amendments as the Committee sees fit to the Board for its consideration.