

APEX RESOURCES INC.
(the “**Company**”)
Suite 615 – 625 Howe Street
Vancouver, British Columbia V6C 2T6
Telephone: (604) 628-0519 Fax: (604) 628-0446

INFORMATION CIRCULAR

(As of July 11, 2023, except as indicated)

The Company is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general and special meeting (the “**Meeting**”) of the Company to be held on **Tuesday, August 15, 2023** at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our” refer to **Apex Resources Inc.** “common shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold common shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

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

The only methods by which you may appoint a person as proxy are submitting a Proxy by mail, hand delivery or fax.

Voting by Proxyholder

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

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

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

In respect of a matter for which a choice is not specified in the Proxy, or where both choices have been specified, in favour or all matters described herein, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.

Notice and Access

The Company is not sending this Circular to registered or beneficial shareholders using “notice-and-access” as defined under National Instrument 54-101 (“NI 54-101”).

Registered Shareholders

Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed form of Proxy and returning it to the Company’s transfer agent, Odyssey Trust Company (“**Odyssey Trust**”), by mail or by hand to the Proxy Department, Suite 702, 67 Yonge St., Toronto, ON M5E 1J8;
- (b) using the Internet through the website of the Company’s transfer agent at To Vote Your Proxy Online please visit: <https://login.odysseytrust.com/pxlogin> and click on VOTE. You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by Internet, do not mail this proxy;
- (c) by e-mail to proxy@odysseytrust.com;
- (d) by fax to Odyssey Trust, to the attention of the Proxy Department at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international); or
- (e) by internet <https://login.odysseytrust.com/pxlogin> and follow the online voting instructions given to you.

In all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Should you wish to contact Odyssey Trust, please refer to the following:

General Shareholder Inquiries:

By phone:	1-587-885-0960
By fax:	1-800-517-4553
By email:	proxy@odysseytrust.com
By regular mail:	702, 67 Yonge Street, Toronto ON M5E 1J8

Beneficial Shareholders

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

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company 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 Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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

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

Pursuant to National Instrument 54-101 of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Odyssey Trust in the envelope provided or by facsimile. In addition, Odyssey Trust provides both telephone voting and Internet voting as described on the VIF itself which contain complete instructions. Odyssey Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form (the "**Broadridge VIF**") which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

Revocation of Proxies

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

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Odyssey Trust or at the Company's office, Suite 615 – 625 Howe Street, Vancouver, BC V6C 2T6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder's common shares.

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

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

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

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value of which 36,162,445 common shares are issued and outstanding and an unlimited number of First Preference Shares without par value, of which none are issued or outstanding. Persons who are registered holders of the common shares at the close of business on July 11, 2023, the record date ("**Record Date**") for the Meeting, will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each common share held.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, common shares carrying 10% or more of the voting rights attached to all common shares of the Company.

ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at three (3).

The Company does not have an executive committee, has a Corporate Governance and Compensation Committee ("CGCC") and is required to have an audit committee (the "**Audit Committee**"). Members of the each committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of common shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾
Jay Roberge , British Columbia, Canada President, CEO and Director ^{(2) (3)}	President and Chief Executive Officer of the Company and of Pantera Silver Corp.	April 1, 2022	NIL
Linda Dandy , P.Geo. ^{(2) (3)} British Columbia, Canada Director	Geologist	May 28, 2014	NIL
Adam Pankratz , MBA, MA ^{(2) (3)} British Columbia, Canada Director	Professor, University of British Columbia	April 1, 2023	500,000

Notes:

- (1) Common shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as the Record Date, based upon information furnished to the Company by individual directors. Unless otherwise indicated, such common shares are held directly.
- (2) Member of the Audit Committee.
- (3) Member of the CGCC.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.

Except as set out below, to the knowledge of the Company, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar 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; or
 - (ii) was subject to a cease trade or similar 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, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or

- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Linda Dandy was a director of the Company when the British Columbia Securities Commission issued a Cease Trade Order (CTO) (November 19, 2020) on the shares of the Company for technical report filing deficiencies on the Company's properties. The CTO was subsequently revoked on November 25, 2021 once the required technical reports were filed.

The following directors of the Company hold directorships in other reporting issuers as set out below:

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>
Jay Roberge	Pantera Silver Corp., Copaur Metals Corp., Gold Digger Resources.
Linda Dandy	N/A
Adam Pankratz	Rokmaster Resources Inc.

The board of directors of the Company (the “**Board**”) believes that it functions independently of management. To enhance its ability to act independently of management, the Board may meet in the absence of members of management and the non-independent directors, if and when necessary, or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

From time to time, the independent directors of the Company may meet in the absence of the non-independent directors. During 2022, the independent directors did not formally meet in absence of the non-independent directors. Given the size and constitution of the Board, and current stage of development of the Company, the Board believes that the meetings held by the directors in 2022 together with the mandate of the Board were sufficient to adequately facilitate open and candid discussion amongst the independent directors during the year.

Given the current size of the Company and its Board and management, the Board does not feel that it is necessary at this time to formalize position descriptions or corporate objectives for, if any, the Chairman of the Board, the Chairman of each committee of the Board, or the President and CEO in order to delineate their respective responsibilities. Accordingly, the roles of the executive officers of the Company are delineated on the basis of the customary practice.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company’s CGCC is responsible for reviewing compensation for the Company’s directors and senior management. The CGCC makes recommendations to the Board which then has the power to approve or reject the compensation.

To determine compensation payable, the CGCC reviews compensation paid for directors and NEOs (as defined below under “**Summary Compensation Table**”) of companies of similar size and stage of development in the mineral exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the CGCC annually reviews the performance of the NEOs in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

The Company's compensation policies and its stock option plan (the “**Existing Plan**”) are designed to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and of its subsidiaries and to closely align the personal interests of such directors, officers and employees with those of the shareholders by providing them with the opportunity, through stock options, to acquire shares in the capital of the Company.

Option-based awards

The Company grants option-based awards to executive officers through its Existing Plan, which was implemented by the Company's Board on May 16, 2003, amended on June 24, 2008, and subsequently approved by the TSX Venture Exchange and the Company's shareholders. The Existing Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Existing Plan provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants of the Company or a subsidiary of the Company, if any.

The Company adopted a new 10% rolling stock option plan (the “**New Plan**”) on July 14, 2023 to include new requirements pursuant to TSXV Policy 4.4 Security Based Compensation (the “**Policy**”) which came into effect on November 24, 2021. If approved by the shareholders of the Company at the Meeting, the New Plan will replace the Existing Plan.

The New Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes Option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option grants require approval of the Board.

The New Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

See Particulars of Matters to be Acted Upon – Adoption of New Stock Option Plan for further information on the Company's New Plan.

The Board generally grants options to corporate executives on the recommendation of the CGCC. As part of its annual work plan, the CGCC reviews, among other things, executive compensation and makes appropriate recommendations to the Board regarding such compensation, including but not limited to the grant of options. Options may be granted at other times of the year to individuals commencing employment with the Company.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 (“**Statement of Executive Compensation**”) (the “**Form 51-102F6**”)) sets forth all annual and long term compensation for services in all capacities to the Company for the two most recently completed financial years of the Company ended December 31, 2022 and 2021 (to the extent required by Form 51-102F6) in respect of each of the individuals comprised of each CEO and CFO who acted in such capacity for all or any portion of the two most recently completed financial years, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the CEO and the CFO), as at December 31, 2022 and 2021 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the “**Named Executive Officers**” or “**NEOs**”).

The Company had four NEOs during the year ended December 31, 2022 and 2021 and the aggregate direct remuneration paid or payable to the Company's NEOs was \$255,000 (including Option Based Awards).

Summary Compensation Table

Name and Principal Position	Financial Year Ended Dec. 31	Salary (\$)	Share based awards (\$)	Option-based awards (number of options)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
Jay Roberge CEO	2022 ⁽¹⁾	Nil	N/A	400,000	N/A	N/A	N/A	\$45,000 ⁽¹⁾	\$45,000
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arthur Troup Former CEO	2022 ⁽²⁾	\$45,000	N/A	50,000	N/A	N/A	N/A	Nil	\$45,000
	2021	\$67,500	N/A	Nil	N/A	N/A	N/A	Nil	\$67,500
	2020	\$37,500	N/A	Nil	N/A	N/A	N/A	Nil	\$37,500
Horng Kher (Marc) Lee CFO	2022	Nil	N/A	200,000	N/A	N/A	N/A	\$120,000 ⁽³⁾	\$120,000
	2021	Nil	N/A	Nil	N/A	N/A	N/A	\$45,000 ⁽³⁾	\$45,000
	2020	Nil	N/A	Nil	N/A	N/A	N/A	\$25,000 ⁽³⁾	\$25,000
Michael Kordysz VP	2022 ⁽⁴⁾	Nil	N/A	314,000	N/A	N/A	N/A	\$45,000 ⁽⁴⁾	\$45,000
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) This amount was paid to a private company owned by Jay Roberge for technical, consulting and administrative services. Mr. Roberge was appointed CEO of the Company in April, 2022.

(2) Mr. Troup resigned as CEO of the Company on March 31, 2022. Mr. Troup had an employment agreement with the Company whereby he was entitled to receive \$180,000 per annum as CEO of the Company. As a result of the Company's efforts to conserve cash, Mr. Troup agreed to either defer or forgive a certain portion of his salary during the years ended December 31, 2020 and 2021. The amounts shown in this table represent the amounts that were paid in the respective years. The amounts deferred were \$52,500 and \$112,500 for the years ended December 31, 2020 and 2021 respectively, and the amounts forgiven were \$90,000 for the year ended December 31, 2020. Prior to 2020, Mr. Troup also forgave \$67,500 in salary.

(3) These amounts were paid to Horng Kher (Marc) Lee in his capacity as the Company's CFO. Mr. Lee has a consulting agreement with the Company whereby he is entitled to receive \$120,000 per annum as CFO of the Company. As a result of the Company's efforts to conserve cash, Mr. Lee agreed to either defer or forgive a certain portion of his consulting fee during the years ended December 31, 2020 and 2021. The amounts shown in this table represent the amounts that were paid in the respective years. The amounts deferred were \$35,000 and \$75,000 for the years ended December 31, 2020 and 2021 respectively, and the amounts forgiven were \$60,000 for the year ended December 31, 2020. Prior to 2020, Mr. Lee also forgave \$45,000 in fees.

(4) This amount was paid to a private company owned by Michael Kordysz for business strategy and development services. Mr. Kordysz was appointed VP Business Development and Strategy in April, 2022.

As part of its annual work plan, the CGCC reviews, among other things, executive compensation and makes appropriate recommendations to the Board regarding such compensation.

Incentive Plan Awards

The Company does not have any share-based awards.

The Company currently has in place its Existing Plan whereby a maximum of 2,039,017 common shares of the Company may be reserved for issuance pursuant to the exercise of incentive stock options. The purpose of the Existing Plan is to attract and motivate the directors, officers, employees and consultants of the Company and advance the interests of the Company by affording such person with the opportunity to acquire an equity interest in the Company through rights granted under the Existing Plan to purchase shares of the Company. The Board may, at the time an option is awarded or upon renegotiation of the same, attach restrictions relating to the exercise of the option, including but not limited to vesting provisions. Any such restrictions are indicated on the applicable option

certificate. Notwithstanding the foregoing, options issued to consultants performing investor relations activities must vest in stages over at least twelve months with not more than one-quarter of the options vesting in any three month period.

At the Meeting, the Company is seeking shareholder approval to the adoption of its New Plan.

A total of 964,000 stock options were granted to NEOs and outstanding during the Company's financial year ended December 31, 2022 and there were no stock options granted to NEOs and outstanding during the Company's financial year ended December 31, 2021.

There were no re-pricings of stock options under the Existing Plan or otherwise during the Company's financial years ended December 31, 2022 or December 31, 2021.

The following table discloses the particulars of the option-based awards granted to the NEOs under the Company's Existing Plan which were outstanding as at December 31, 2022.

Outstanding Option-Based Awards

Name	Option-Based Awards			
	Number of Securities Underlying Unexercised Options Exercisable/Unexercisable as at Dec. 31, 2022	Option Exercise Price	Option Expiration Date	Value of Unexercised In-the-Money ⁽¹⁾ Options Exercisable/Unexercisable as at Dec. 31, 2022
Jay Roberge CEO	400,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil
Arthur Troup Former CEO	50,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil
Horng Kher (Marc) Lee CFO	200,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil
Michael Kordysz VP	314,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil

- (1) "In-the-Money" means the excess of the market value of the Company's shares on December 31, 2022 over the exercise price of the options. The last closing price of the Company's common shares on the Exchange during the financial year ended December 31, 2022 was \$0.05.

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended December 31, 2022.

Incentive Plan Awards - Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the financial year ended Dec. 31, 2022 ⁽¹⁾	Share-based awards – Value vested during the financial year ended Dec. 31, 2022 ⁽²⁾	Non-equity incentive plan compensation – Value earned during the financial year ended Dec. 31, 2022
Jay Roberge CEO	Nil	N/A	N/A
Arthur Troup Former CEO	Nil	N/A	N/A
Horng Kher (Marc) Lee CFO	Nil	N/A	N/A
Michael Kordysz VP	Nil	N/A	N/A

- (1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.
- (2) This amount is the dollar value realized calculated by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

Pension Plan Benefits and Other Long-Term Incentives

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

Deferred Compensation Plans

The Company has no deferred compensation plan for NEOs.

Termination and Change of Control Benefits

Except as disclosed below, the Company does not have any compensatory plans, contracts or arrangements that provide for payments to a NEO at, following or in connection with any termination, resignation, retirement, a change in control of the Company or a change in a NEO's responsibilities.

The Company had an employment agreement with Arthur G. Troup, President and CEO of the Company until March 31, 2022. Under the terms of the agreement, which was effective April 21, 2011, Mr. Troup was paid an annual salary of \$180,000, to be reviewed on an annual basis and is entitled to participate in all employee benefit programs and incentive programs. Mr. Troup was also entitled to receive annual cash bonuses as determined by the Board, based on the achievement of Company goals to be established by the board prior to the commencement of each calendar year and the Company's performance and financial condition.

The Company has a consulting agreement with Marc H.K. Lee, CFO of the Company, effective May 22, 2017. Under the terms of the agreement, Mr. Lee is paid a consulting fee of \$120,000 per annum, to be reviewed on an annual basis.

Estimated Incremental Payment on Change of Control

Under the terms of Mr. Troup's employment agreement, upon termination by the Company without cause or on a change of control of the Company, Mr. Troup would have been entitled to receive \$540,000 based upon an amount equal to three times his annual salary in effect at the termination date and an additional amount equal to three times his average annual bonus percentage for the prior three years applied to his annual salary in effect at the termination date. Mr. Troup would also have been entitled to receive any amounts owed in respect of accrued vacation, and all of his existing unvested stock options would be deemed to have become vested. Mr. Troup formally resigned effective March 31, 2022; therefore these termination provisions did not come into effect.

Under the terms of Mr. Lee's consulting agreement, upon termination by the Company without cause or on a change of control of the Company, Mr. Lee is entitled to receive is \$240,000 based on an amount equal to twice the annual fee in effect at the termination date. In addition, all of his existing unvested stock options would be deemed to have become vested.

Director Compensation

The following table discloses the particulars of the compensation provided to the directors of the Company (excluding the NEOs) for the financial year ended December 31, 2022.

Director Compensation Table

Director Name	Fees Earned	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total
Linda Dandy	\$28,500 ⁽¹⁾	N/A	\$Nil	N/A	N/A	N/A	\$28,500
Adam Pankratz	\$13,500 ⁽²⁾	N/A	\$Nil	N/A	N/A	N/A	\$13,500
Robin Merrifield	\$1,500 ⁽³⁾	N/A	\$Nil	N/A	N/A	N/A	\$1,500
Ralph Gonzalez	\$1,500 ⁽³⁾	N/A	\$Nil	N/A	N/A	N/A	\$1,500

- (1) Ms. Dandy received a monthly fee of \$3,000 as remuneration for serving on the Board commencing April 2022. She received a monthly fee of \$500 from January to March 2022.
- (2) Mr. Pankratz received a monthly fee of \$1,500 as remuneration for serving on the Board commencing April 2022.
- (3) Messrs. Merrifield and Gonzalez resigned at the end of March 2022. They received \$500 each monthly for serving on the Board from January to March 2022.

The following table discloses the particulars of the option-based awards granted to the directors (who are not NEOs) under the Company's Existing Plan which were outstanding as at December 31, 2022.

Outstanding Option-Based Awards

Director Name	Option-Based Awards			
	Number of Securities Underlying Unexercised Options Exercisable/Unexercisable as at Dec. 31, 2022	Option Exercise Price	Option Expiration Date	Value of Unexercised In-the-Money ⁽¹⁾ Options (\$) Exercisable/Unexercisable as at Dec. 31, 2022
Linda Dandy	200,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil
Adam Pankratz	225,000/Nil	\$0.08	Apr. 9, 2027	\$Nil/Nil
Robin Merrifield	50,000/Nil	\$0.08	Apr. 9, 2027	\$Nil
Ralph Gonzalez	50,000/Nil	\$0.08	Apr. 9, 2027	\$Nil

- (1) "In-the-Money" means the excess of the market value of the Company's shares on December 31, 2022 over the exercise price of the options. The last closing price of the Company's common shares on the Exchange during the financial year ended December 31, 2022 was \$0.05.

The following table summarizes the value of each incentive plan award vested or earned by each director (who is not a NEO) under the Company's stock option plan as at December 31, 2022.

Incentive Plan Awards - Value Vested or Earned During the Year

Director Name	Option-based awards – Value vested during the financial year ended Dec. 31, 2022 ⁽¹⁾	Share-based awards – Value vested during the financial year ended Dec. 31, 2022 ⁽²⁾	Non-equity incentive plan compensation – Value earned during the financial year ended Dec. 31, 2022
Linda Dandy	Nil	N/A	N/A
Adam Pankratz	Nil	N/A	N/A
Robin Merrifield	Nil	N/A	N/A
Ralph Gonzalez	Nil	N/A	N/A

- (1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.
- (2) This amount is the dollar value realized calculated by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders ⁽¹⁾	2,039,000	0.08	17
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	2,039,000	0.08	17

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at December 31, 2022 and as at July 11, 2023, the Record Date for the Meeting, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company which is owing to the Company or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company,

in relation to a securities purchase program or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who generally speaking is a director or executive officer or is a 10% shareholder of the Company.

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Adoption of New Stock Option Plan

TSXV policy requires all of its listed companies to have a stock option plan if a company intends to grant options. The Board adopted its New Plan on July 14, 2023 to comply with the Policy which was implemented by the TSXV on November 24, 2021. On July 14, 2023, the Company received conditional approval of the New Plan from the TSXV.

The Policy requires (i) all of its listed companies to have a security based compensation plan if a company intends to grant Options; (ii) shareholder approval is required by ordinary resolution in respect of the implementation or amendment of a security based compensation plan, and annually no later than 15 months from the date shareholder approval was last obtained for the security based compensation plan, otherwise, the issuer will be unable to grant any further security based compensation under the security based compensation plan until shareholder approval is obtained; and (iii) the security based compensation plan must be submitted for TSXV review and approval on an annual basis.

The New Plan is a rolling plan, and a maximum of 10% of the issued and outstanding common shares of the Company at the time an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the New Plan, are reserved for options to be granted at the discretion of the Board to eligible optionees (an “**Optionee**”). As at the date of this Circular, there were 2,039,000 options outstanding.

Pursuant to the policies of the TSXV, the Company is required to obtain disinterested shareholder approval of the New Plan in connection with the implementation thereof. Accordingly, at the Meeting, the disinterested shareholders will be asked to pass an ordinary resolution to approve the New Plan. For this purpose, disinterested shareholders will include all shareholders other than insiders of the Company to whom options may be granted under the New Plan and each of their respective associates

Material Terms of the Plan

The following is a summary of the material terms of the New Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of Options under the New Plan;
- (b) Options granted under the New Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;
- (c) For Options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) An Option granted to directors and officers will expire 90 days and to all others will expire 30 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) If an Optionee dies, any vested Option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (f) In the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) The exercise price of each Option will be set by the Board on the effective date of the Option and will not be less than the Discounted Market Price (as defined in the New Plan);
- (h) Vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Company or its affiliates during the vesting period;
- (i) Vesting of Options granted to Investor Relations Service Providers (as defined in the New Plan), must vest (i) period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or (ii) such longer vesting periods as the Board may determine; and
- (i) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the New Plan with respect to all Plan shares in respect of Options which have not yet been granted under the New Plan.

In addition, the following is a brief summary of the material terms of the New Plan pursuant to the Policy:

- (a) Disinterested Shareholder Approval, as defined below, will be required, among other things, for (i) the aggregate number of common shares reserved for issuance to Insiders at any time exceeding 10% of the Outstanding Shares, (ii) the aggregate number of common shares reserved for issuance to Insiders (as a group) within a one-year period exceeding 10% of the Outstanding Shares, calculated at the time of grant, (iii) the aggregate number of common shares reserved for issuance to any one Optionee, within a 12-month period, of a number of common shares exceeding 5% of the Outstanding Shares, calculated at the time of grant, (iv) any reduction in the exercise price of an Option granted to an Insider, (v) any amendment to the Plan that would result in a benefit to an Insider, and (vi) any extension of an Option granted to individuals that are Insiders at the time of the proposed amendment;

- (b) Shareholder approval is required for amendments to the Plan where such amendment would amend the (i) Service Providers who may be granted Options under the Plan, (ii) method for determining the exercise price of an Option, (iii) maximum term of an Option, (iv) expiry and termination provisions relating to the Options under the Plan, (iv) limitations under the Plan on the number of Options that may be granted to any one person or category of persons, including insiders, as set out in the Plan, (v) maximum number or percentage, as the case may be, of shares that may be reserved under the Plan for issuance pursuant to the exercise of the Options, or (vi) the Plan to include a Net Exercise provision (as defined in the TSXV Policy); and
- (c) Any adjustment made to an Option granted or issued (except in relation to a consolidation or share split) is subject to the prior acceptance of the TSXV.

“**Disinterested Shareholder Approval**” means the approval by a majority of the votes cast by all shareholders of a company at a duly constituted shareholders’ meeting, excluding votes attached to those shares that are beneficially owned by insiders who are Service Providers or their associates.

Shareholder Approval and Exchange Acceptance

The New Plan is subject to the acceptance by the shareholders of the Company and final approval by the TSXV. At the Meeting, shareholders will be asked to consider and vote on the ordinary resolution to approve the New Plan, with or without variation, as follows:

“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

1. Subject to the final acceptance by the TSX Venture Exchange (“**Exchange**”), the Company’s new 10% rolling stock option plan (the “**New Plan**”) dated June 27, 2023 be ratified, confirmed and approved, subject to any amendments that may be required by any applicable stock exchange or regulatory authority, as the directors of the Company may deem necessary or advisable.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the New Plan if the directors of the Company deem it appropriate and in the best interests of the Company to do so.
3. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

The Board recommends that shareholders vote in favour of the New Plan. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the foregoing ordinary resolution.

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

A copy of the New Plan will be available for inspection at the Company’s registered and records offices at Suite 615 - 625 Howe Street, Vancouver, BC V6C 2T6, and will also be available for viewing at the Meeting.

APPOINTMENT OF AUDITORS

Crowe MacKay LLP, of Vancouver, British Columbia are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Crowe MacKay LLP as the auditors of the Company to hold office for the ensuing year at remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

See “Interest Of Informed Persons In Material Transactions” above.

CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines and, as prescribed by National Instrument 58-101, discloses its corporate governance practices.

Independence of Members of Board

The Company's Board currently consists of three directors, two of whom are independent based upon the tests for independence set forth in National Instrument 52-110. Linda Dandy and Adam Pankratz are independent. Jay Roberge is not independent as he is the President and CEO of the Company.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The independent directors have regular and full access to management. The Company is actively looking for other independent directors as board members.

Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described above under the heading "Election of Directors".

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. a Board Manual which provides information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
3. access to management and technical experts and consultants; and
4. information regarding significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board has adopted a Code of Conduct (the "**Code**") that is currently under revision. The Board has instructed its management to abide by the Code and to bring any breaches of the Code to the attention of the Board or the CGCC. The CGCC also conducts an annual review of the performance of Company personnel under the Code with a view to making any required changes in Company practice or policy to enhance compliance with the Code. The Board keeps a record of departures from the Code and waivers requested and granted and confirms that no material change reports have been filed by the Company since the beginning of the Company's most recently completed financial year pertaining to any conduct of a director or executive officer that constitutes a departure from the Code.

The Board requires that directors and executive officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect to same if the interest is material or if required to do so by corporate or securities law.

Nomination of Directors

The CGCC has responsibility for identifying potential Board candidates. The members of the CGCC Committee are Jay Roberge, Linda Dandy and Adam Pankratz. The CGCC assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

Compensation of Directors and the CEO

The CGCC has responsibility for reviewing compensation for the directors and senior management. The CGCC makes recommendations to the Board which then has the power to approve or reject the compensation.

To determine compensation payable, the CGCC reviews compensation paid for directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the CGCC annually reviews the performance of the CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

Audit Committee

The Audit Committee of the Board endeavours to facilitate effective Board decision-making by providing recommendations to the Board on matters within its responsibility. The Board believes that the Audit Committee assists in the effective functioning of the Board.

The Audit Committee is responsible for ensuring that management has established appropriate processes for monitoring the Company's systems and procedures for financial reporting and controls, reviewing all financial information in disclosure documents; monitoring the performance and fees and expenses of the Company's external auditors and recommending external auditors for appointment by shareholders. The Audit Committee is also responsible for reviewing the Company's quarterly and annual financial statements prior to approval by the Board and release to the public. The Audit Committee meets periodically in private with the Company's external auditors to discuss and review specific issues as appropriate. Currently, the members are: Jay Roberge, Linda Dandy and Adam Pankratz.

Relevant Education and Experience

The following describes the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member:

Audit Committee Composition

The following are the members of the Audit Committee:

Jay Roberge	Non-Independent	Financially Literate ⁽¹⁾
Linda Dandy	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Adam Pankratz	Independent ⁽¹⁾	Financially Literate ⁽¹⁾

Note:

(1) As defined by NI 52-110.

Jay Roberge

Mr. Roberge is Managing Director and founder of Tehama Capital Corp. a boutique merchant bank based in Vancouver, Canada. Mr. Roberge has served as Executive Management, and or Director of a number of publicly traded and private companies in mining, technology and energy industries. He has focused on financing companies with a go public strategy in the Canadian capital markets. He is recognized for his early participation and identification of rare earth elements and battery metals for their critical geopolitical and economic importance. Mr. Roberge is CEO of Pantera Silver Corp. (TSX-V: PNTR), CEO of Citizen Mining Corp. and a Director of Copair Metals Corp. (TSX-V: CPAU). In addition, Mr. Roberge is also on the Advisory of Mines & Money, and a Board Member of Hong Kong Canada Business Association.

Linda Dandy

Ms. Dandy is a graduate of the University of British Columbia. She is a Professional Geoscientist and has been involved in all aspects of mineral exploration and development for over 30 years. During this time, she has worked as a consultant to major mining companies, junior resource companies and the British Columbia Ministry of Mines. The majority of her career to date has consisted of precious metal exploration in the North American Cordillera, although she has international experience through a broad spectrum of deposit types. Ms. Dandy was integral in the new discovery of the Gold Mountain Zone (gold porphyry) on Apex's Kena Property. Another highlight includes exploration, development and mine permitting of the Yellowjacket Gold Mine in northern BC.

Adam Pankratz

Mr. Pankratz, MBA, MA is currently a professor of Business Economics and Strategy at the University of British Columbia - Sauder School of Business and a Director of Rokmaster Resources Corp. He brings experience and expertise ranging from 7 years of financial services management, to leading a federal election campaign. Mr. Pankratz is multilingual in French, Spanish, German and English.

The Audit Committee Charter

Mandate

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

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise.

All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that

present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

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

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
- ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

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

Other

Review any related-party transactions.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2022	\$30,000	\$375	\$1526	\$153
2021	\$25,000	\$305	\$1265	NIL

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at 615 – 625 Howe Street, Vancouver, British Columbia V6C 2T6 or telephone (604) 628-0519 to request copies of the Company's financial statements and related MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, which are filed on SEDAR and available at www.sedar.com.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the common shares represented thereby in accordance with their best judgment on such matter.