

**AFR NUVENTURE RESOURCES INC.**

Suite 204, 133 Richmond St. West  
Toronto, Ontario, M5H 2L3

**MANAGEMENT INFORMATION CIRCULAR**

(containing information as at February 7, 2024,  
except as otherwise indicated)

**For the Annual General and Special Meeting  
to be held on March 6, 2024**

**This information circular (the “Circular”) is provided in connection with the solicitation of proxies by the management (“Management”) of AFR NuVenture Resources Inc. (the “Company”). The form of proxy which accompanies this Circular (the “Proxy”) is for use at the annual general and special meeting of the shareholders (“Shareholders”) of the Company to be held on March 6, 2024 (the “Meeting”), at the time and place set out in the accompanying notice of Meeting (the “Notice of Meeting”). The Company will bear the cost of this solicitation. The solicitation will be made by mail but may also be made by telephone.**

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

**This Circular contains forward-looking information within the meaning of applicable Canadian securities legislation (“forward-looking statements”). All statements, other than statements of historical fact, are forward-looking statements. Generally, forward-looking statements can be identified by the use of words or phrases such as “expects,” “anticipates,” “plans,” “projects,” “estimates,” “assumes,” “intends,” “strategy,” “goals,” “objectives,” “potential,” or variations thereof, or stating that certain actions, events or results “may,” “could,” “would,” “might” or “will” be taken, occur or be achieved, or the negative of any of these terms or similar expressions. The forward-looking statements or information included in this Circular relate to, among other things, objectives, intentions, expectations, schedules, plans, estimates, events, and other activities and achievements of the Company, including, among other things: the timing of the Meeting, the composition of the board of directors of the Company (the “Board”); the terms and proposed amendments to the Amended Option Plan (as defined below) and statements relating to Shareholder approval in connection therewith; and any other events or conditions that may occur in the future.**

**Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond the Company’s ability to control, that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such risks and uncertainties include, without limitation: risks or delays in obtaining any Shareholder approval in connection with the Further Amended Option Plan (as defined below); and general business, economic, competitive, political, regulatory and social uncertainties.**

**Forward-looking statements are based on the applicable assumptions and factors management of the Company (“Management”) considers reasonable as of the date of such statement, based on the information available to Management at such time. These**

assumptions and factors include, but are not limited to, assumptions and factors related to the Company's ability to carry on current and future operations, including: the ability to obtain Shareholder approval in connection with the Further Amended Option Plan.

Forward-looking statements are based on the opinions and estimates of Management and reflect Management's current expectations regarding future events and operating performance and speak only as of the date of such statement. The Company does not assume any obligation to update forward-looking statements if circumstances or Management's beliefs, expectations or opinions should change other than as required by applicable law. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause actual results to differ materially from those which are anticipated, estimated, or intended. There can be no assurance that forward-looking statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits or liabilities the Company will derive therefrom. For the reasons set forth above, undue reliance should not be placed on forward-looking statements. All of the forward-looking statements contained in this Circular are qualified by these cautionary statements.

### **SOLICITATION OF PROXIES**

This Circular is furnished in connection with the solicitation of proxies by the Management of the Company for use at the Meeting to be held on the Meeting Date, being March 6, 2024, at 11:00 a.m. (Toronto time), or at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting.

The enclosed form of proxy is solicited by Management. The solicitation will be primarily by mail however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company. The Company is not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators to distribute copies of proxy-related materials in connection with the Meeting.

The contents and the sending of this Circular have been approved by the directors of the Company. The Company reports its financial results in Canadian dollars. All references to "\$" or "dollars" in this Circular refer to Canadian dollars unless otherwise indicated.

### **VOTING BY PROXYHOLDER**

Shareholders may attend and vote at the Meeting in person or by proxy. If you are a non-registered Shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or other intermediary. If you are a non-registered Shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting.

### **Manner of Voting**

The persons whose names are printed in the enclosed form of proxy for the Meeting are representatives of the Company (the “**Management Proxyholders**”).

The common shares of the Company (the “**Common Shares**”) represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the proxy with respect to any matter to be acted upon, the Common Shares will be voted accordingly. On any poll, the persons named in the proxy (the “**proxyholders**”) will vote the Common Shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

### **Revocation of Proxy**

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited with the Company's transfer agent, Computershare Investor Services Inc. (“**Computershare**”) by mail at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (Attn: Proxy Department), or fax to 1-866-249-7775 (within North America) or 1-416-263-9524 (if outside North America), at any time up to and including the last business day preceding the Meeting Date, or the date of any adjournment of the Meeting, at which the proxy is to be used. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation. **Only Registered Shareholders (as defined below) have the right to revoke a proxy. Beneficial Shareholders (as defined below) who wish to change their vote must contact their intermediary in sufficient time prior to the Meeting to arrange to change the vote and, if necessary, revoke the proxy.**

Shareholders who have questions or need assistance should contact Errol Farr, Chief Financial Officer (“**CFO**”) and Corporate Secretary of the Company, Suite 204, 133 Richmond St. West, Toronto, Ontario, M5H 2L3 by telephone at 647-296-1270 or the transfer agent, Computershare, by mail at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (Attn: Proxy Department), by telephone at 1-800-564-6253 (toll-free) or 1-514-982-7555, or by fax at 1-866-249-7775 (within North America) or 1-416-263-9524 (if outside North America).

### **Voting Thresholds Required for Approval**

In order to approve a motion proposed at the Meeting, a majority of at least greater than one-half of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a special resolution (a “**special resolution**”), in which case a majority of not less than two-thirds of the votes cast will be required.

### **ADVICE TO REGISTERED SHAREHOLDERS**

#### **Voting by Proxy**

Shareholders whose names appear on the records of the Company as the registered holders of Common Shares (the “**Registered Shareholders**”) may choose to vote by proxy whether or not they are able to attend the Meeting.

The form of proxy accompanying this Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. As at the date of this Circular, Management is not aware of any such amendments or variations, or of other matters to be presented for action at the Meeting.

The Common Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any poll as specified in the proxy with respect to the matter to be acted on. **If no choice is specified and one of the Management Proxyholders is appointed by a Shareholder as proxyholder, such Management Proxyholder will vote in favour of the matters proposed at the Meeting and for all other matters proposed by Management at the Meeting. A Registered Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Registered Shareholder on such Registered Shareholder's behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by striking out the names of the Management Proxyholders and inserting the name in full of the desired person in the blank space provided in the form of proxy.**

A proxy will not be valid unless it is signed by the Registered Shareholder, or by the Registered Shareholder's attorney with proof that they are authorized to sign. If you represent a Registered Shareholder that is a corporation or an association, your proxy should have the seal of the corporation or association and must be executed by an officer or an attorney who has written authorization. If you execute a proxy as an attorney for an individual Registered Shareholder, or as an officer or attorney of a Registered Shareholder that is a corporation or association, you must include the original or notarized copy of the written authorization for the officer or attorney with your proxy form.

If you are voting by proxy, in order for your proxy to be valid and your votes to be counted, you must date, execute and return the accompanying form of proxy to the Company's transfer agent, Computershare, (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (Attn: Proxy Department). Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the enclosed form of proxy. **Your proxy must be received by not later than 11:00 a.m. (Toronto time) on March 5, 2024, or if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the Meeting (the "proxy cut-off time"). Proxies received after that time may be accepted by the Chair of the Meeting in the Chair's discretion, and the Chair is under no obligation to accept or reject any particular late proxy.**

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders are not Registered Shareholders as they do not hold their Common Shares in their own name.**

Shareholders who do not hold their Common Shares in their own name (the “**Beneficial Shareholders**”) should note that only proxies deposited by Registered Shareholders can be recognized and acted upon at the Meeting.

These proxy-related materials are being sent to both Registered Shareholders and Beneficial Shareholders of the Company. If Common Shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such Common Shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The Common Shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting Common Shares for the intermediary's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Pursuant to NI 54-101, the Company is distributing copies of proxy-related materials in connection with this Meeting (including this Circular) indirectly to Beneficial Shareholders. Intermediaries that receive the proxy-related materials are required to forward the proxy-related materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive such materials.

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities that they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (“**NOBOs**” for Non-Objecting Beneficial Owners). The Company will not be paying for intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO's intermediary assumes the costs of delivery.

### **Voting by Instruction**

Securities regulatory policies require brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Each broker or intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy or voting instruction form (“**VIF**”) supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or intermediary) on how to vote on behalf of the Beneficial Shareholder.

Most brokers delegate responsibility for obtaining instructions from clients to Broadridge in the United States and in Canada. Broadridge mails a VIF in lieu of a form of proxy provided by the Company. The VIF will name the same persons as the Company's form of proxy to represent your Common Shares at the Meeting. The completed VIF must be returned by mail (using the return envelope provided) or by facsimile. Alternatively, Beneficial Shareholders may call a toll-free number or go online to [www.proxyvote.com](http://www.proxyvote.com) to vote. Broadridge then tabulates the results of all

instructions received and provides appropriate instructions respecting the voting of the Common Shares to be represented at the Meeting and the appointment of any Shareholder's representative.

The Company may utilize Broadridge's QuickVote™ system to assist Shareholders with voting their Common Shares.

**A Beneficial Shareholder who receives a VIF or form of proxy cannot use that form to vote Common Shares directly at the Meeting. The VIF or form of proxy must be returned following the instructions set out on the form well in advance of the Meeting in order to have the Common Shares voted at the Meeting on your behalf.**

**Accordingly, each Beneficial Shareholder should:**

- (a) carefully review the VIF or form of proxy and voting procedures that the Shareholder's broker, agent, nominee or other intermediary has furnished with this Circular; and**
- (b) provide instructions as to the voting of the Shareholder's Common Shares in accordance with those voting procedures.**

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of such Shareholder's broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting in person and indirectly vote their Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the VIF or form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

#### **RECORD DATE, QUORUM, VOTING SHARES AND PRINCIPAL HOLDERS**

A Shareholder of record at the close of business on January 31, 2024 (the "**Record Date**") who either personally attends the Meeting, or who has completed and delivered a proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's Common Shares voted at the Meeting, or any adjournment thereof.

The quorum for the transaction of business at the Meeting is one person present at the Meeting in person or by proxy.

The Company's authorized capital consists of an unlimited number of Common Shares without par value. As at the Record Date, the Company has 18,038,681 Common Shares issued and outstanding, each Common Share carrying the right to one vote.

To the knowledge of the directors and officers of the Company, as of the date of this Circular, no persons or corporations beneficially owns, directs, or controls, directly or indirectly, 10% or more of the issued and outstanding Common Shares, other than as disclosed below:

| <b>Name of Shareholder</b>        | <b>Number of Common Shares</b> | <b>Percentage of Issued and Outstanding Common Shares<sup>(1)(2)</sup></b> |
|-----------------------------------|--------------------------------|----------------------------------------------------------------------------|
| Simeon Tshisangama <sup>(3)</sup> | 3,457,923                      | 19.2%                                                                      |

|                                 |           |       |
|---------------------------------|-----------|-------|
| Wolfgang Seybold <sup>(4)</sup> | 1,905,000 | 10.6% |
|---------------------------------|-----------|-------|

Notes:

- (1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from Computershare and/or furnished by the Shareholder listed above.
- (2) On a non-diluted basis.
- (3) Of these Common Shares, 2,415,800 are held directly and 1,042,123 are held indirectly through TSM Entreprises, SARL.
- (4) Of these Common Shares, 555,000 are held directly and 1,350,000 are held indirectly through WS Investment AG.

## **EXECUTIVE COMPENSATION**

The following information regarding executive compensation is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

### **Named Executive Officers**

During the financial years ended May 31, 2023 and May 31, 2022, the Company had four Named Executive Officers (“NEOs”) being, Simeon Tshisangama, who was the President and Chief Executive Officer (“CEO”) of the Company until September 1, 2021, and Errol Farr, the CFO and Corporate Secretary of the Company on May 4, 2021. Effective September 1, 2021, John O’Donnell became the President and CEO of the Company.

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) the most highly compensated executive officer of the Company, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

### **Director and NEO Compensation, Excluding Options and Compensation Securities**

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company to each NEO and director of the Company, in any capacity, for the two most recently completed financial years:

| Name and position                                                                                        | Year <sup>(1)</sup> | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
|----------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| <b>Errol Farr</b> <sup>(3)</sup><br>CFO and Corporate Secretary                                          | 2023                | 60,000                                              | Nil        | Nil                            | Nil                       | Nil                                  | 60,000                  |
|                                                                                                          | 2022                | 60,000                                              | Nil        | Nil                            | Nil                       | Nil                                  | 60,000                  |
| <b>John F. O’Donnell</b> <sup>(4)(7)</sup><br>Director, current President, CEO and Chairman of the Board | 2023                | 90,000                                              | Nil        | Nil                            | Nil                       | Nil                                  | 90,000                  |
|                                                                                                          | 2022                | 73,500                                              | Nil        | Nil                            | Nil                       | Nil                                  | 73,500                  |

|                                                                                            |      |        |     |     |     |     |        |
|--------------------------------------------------------------------------------------------|------|--------|-----|-----|-----|-----|--------|
| <b>David V. Mason</b> <sup>(5)(7)(10)</sup><br>Director                                    | 2023 | 54,000 | Nil | Nil | Nil | Nil | 54,000 |
|                                                                                            | 2022 | 46,500 | Nil | Nil | Nil | Nil | 46,500 |
| <b>Douglas Hunter</b> <sup>(5)(7)</sup><br>Director                                        | 2023 | 39,000 | Nil | Nil | Nil | Nil | 39,000 |
|                                                                                            | 2022 | 29,250 | N/A | N/A | N/A | N/A | 29,250 |
| <b>Simeon Tshisangama</b> <sup>(2)(7)(8)</sup><br>Former President,<br>CEO and<br>Director | 2023 | 39,000 | Nil | Nil | Nil | Nil | 39,000 |
|                                                                                            | 2022 | 44,250 | Nil | Nil | Nil | Nil | 44,250 |

Notes:

- (1) Financial years ended May 31, 2023 and May 31, 2022.
- (2) Simeon Tshisangama was appointed as CEO and President of the Company effective July 18, 2016 and a director of the Company effective September 20, 2010. He resigned as President and CEO effective September 1, 2021.
- (3) Errol Farr was appointed CFO and Corporate Secretary May 4, 2021.
- (4) John F. O'Donnell was appointed as a director of the Company effective July 18, 2016, Chairman of the Board effective February 5, 2021 and President and CEO effective September 1, 2021.
- (5) David V. Mason was appointed as a director of the Company effective July 18, 2016.
- (6) Douglas Hunter was appointed as a director of the Company effective May 4, 2021.
- (7) Mr. Tshisangama received in 2022 \$15,000 in his role as a NEO and \$29,250 in his role as director and 2023 was in respect of his role as a director.
- (8) \$6,000 for 2022 was invoiced by DVM Finance Inc., a company which Mr. Mason controls, consisting of consulting fees. Mr Mason received \$40,500 for 2022 in directors fees. For 2023, \$54,000 was paid Mr Mason as directors fees.

## Stock Options and Other Compensation Securities and Instruments

No stock options or other compensation securities or instruments were issued in the most recently completed fiscal year and no NEO or director of the Company exercised compensation securities in the most recently completed financial year.

As at May 31, 2021, no NEO or director held Options to purchase Common Shares.

| TABLE OF COMPENSATION SECURITIES                                                 |               |                                                                                    |               |                       |                                                      |                                                 |             |
|----------------------------------------------------------------------------------|---------------|------------------------------------------------------------------------------------|---------------|-----------------------|------------------------------------------------------|-------------------------------------------------|-------------|
| Name and position                                                                | Type          | Number of Options, Common Shares Underlying Options and % of Class (fully diluted) | Date of Grant | Conversion Price (\$) | Closing Price of Common Shares on Date of Grant (\$) | Closing Price of Common Shares at year end (\$) | Expiry Date |
| John O'Donnell<br>Executive Chairman,<br>Chief Executive<br>Officer and Director | Stock Options | 450,000                                                                            | 09/01/21      | \$0.09                | \$0.09                                               | \$0.04 <sup>(1)</sup>                           | 8/31/2026   |

|                                    |               |         |          |        |        |                       |           |
|------------------------------------|---------------|---------|----------|--------|--------|-----------------------|-----------|
| Errol Farr Chief Financial Officer | Stock Options | 225,000 | 09/01/21 | \$0.09 | \$0.09 | \$0.04 <sup>(1)</sup> | 8/31/2026 |
| Doug Hunter Director               | Stock Options | 225,000 | 09/01/21 | \$0.09 | \$0.09 | \$0.04 <sup>(1)</sup> | 8/31/2026 |
| Simeon Tshisangama Director        | Stock Options | 450,000 | 09/01/21 | \$0.09 | \$0.09 | \$0.04 <sup>(1)</sup> | 8/31/2026 |
| David Mason Director               | Stock Options | 450,000 | 09/01/21 | \$0.09 | \$0.09 | \$0.04 <sup>(1)</sup> | 8/31/2026 |

(1) Based on the closing trading price on the TSX Venture Exchange on May 31, 2023.

(2) Holders held the same number of stock options at May 31, 2022.

## **Stock Option Plans and Other Incentive Plans**

The Company has adopted a stock option plan (the “**Option Plan**”) pursuant to which the Board may grant options to purchase Common Shares (the “**Options**”) to directors, officers and consultants of the Company or its affiliates and employees of the Company or its subsidiaries. The purpose of the Option Plan is to attract, retain, and motivate directors, officers, employees and consultants, to reward such persons from time to time for their contribution toward the long-term goals of the Company and to enable and encourage such persons to acquire Common Shares as long-term investments.

The Option Plan was adopted by the Board on October 19, 2012 and was first approved by the Shareholders on November 20, 2012. On February 10, 2021, the Option Plan was amended by the Board (all in accordance with the terms of the Option Plan), subject to acceptance by the TSX-V, to reflect certain clarifying administrative and clerical changes effective as of March 17, 2021. Such administrative and clerical changes included, among other things, amendments: (i) to clarify that acceleration of vesting of outstanding Options in the event of a take-over bid will be subject to any required approval of the Exchange (as defined below), consistent with the policies of the TSX-V; and (ii) for purposes of maintaining consistency with the policies of the TSX-V with respect to the application of the TSX-V’s mandatory hold period on Options in various circumstances (the “**2021 Administrative Amendments**”). Further, on March 17, 2021, shareholders of the Company were asked to approve certain amendments to the Option Plan, as amended by the 2021 Administrative Amendments, to restrict the Company from granting Options to insiders which could, together with the number of outstanding options granted under the Option Plan, as amended, or otherwise than under the Option Plan, as amended, result in the grant to insiders (as a group), within a 12 month period of an aggregate number of options exceeding 10% of the issued and outstanding Common Shares (the “**2021 Insider Participation Amendment**” and collectively with the 2021 Administrative Amendments, the “**2021 Amendments**”). The Option Plan, as amended by the 2021 Amendments (the “**Amended Option Plan**”), was accepted by the TSX-V and approved by the Shareholders on March 17, 2021.

The Amended Option Plan is a “rolling” stock option plan. The following is a summary of certain provisions of the Amended Option Plan and is subject to, and qualified in its entirety by, the full text of the Amended Option Plan, a copy of which can be obtained from the Company by contacting Errol Farr, CFO at 647-296-1270:

1. The maximum number of Common Shares issuable upon the exercise of Options granted under the Amended Option Plan at any time shall not exceed 10% of the issued and outstanding Common Shares from time to time.

2. The exercise price of Options granted under the Amended Option Plan shall be as determined by the Board in its sole discretion and shall not be less than the last closing price of the Common Shares traded through the facilities of the TSX-V (or such other stock exchange or quotation system on which the Common Shares may be listed or quoted for trading) (in either case, the “**Exchange**”) prior to the grant of the Option, less any discount permitted by the Exchange or such other price as may be required by the Exchange.
3. The Board shall not grant Options to (a) any one person in any 12-month period which could, when exercised, result in the issuance of Common Shares exceeding 5% of the issued and outstanding Common Shares, unless the Company has obtained disinterested Shareholder approval in respect of the grant, (b) to any one consultant in any 12-month period which could, when exercised, result in the issuance of Common Shares exceeding 2% of the issued and outstanding Common Shares, or (c) in any 12-month period, to those persons employed or engaged by the Company who perform investor relations activities which could, in aggregate, when exercised, result in the issuance of Common Shares exceeding 2% of the issued and outstanding Common Shares.
4. The Board shall not grant Options to insiders which could, together with the number of outstanding options granted under the Amended Option Plan or otherwise than under the Amended Option Plan, when exercised, result in the issuance to insiders (as a group) within a 12-month period of an aggregate number of Common Shares exceeding 10% of the issued and outstanding Common Shares, calculated on the date an Option is granted to any such insider.
5. Options granted pursuant to the Amended Option Plan are non-assignable and non-transferable.
6. Upon expiry of an Option, or in the event an Option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated option shall again be available for the purposes of the Amended Option Plan. The expiry date of an Option granted under the Amended Option Plan shall be the date determined by the Board; provided, however, that such date shall not be later than the tenth anniversary of the date on which the Option was granted.
7. Options are subject to early termination in certain circumstances. In the event of the death of the Option holder, the Options shall expire on the date that is 12 months from the date of death. If the Option holder ceases to be a director or officer, as the case may be, other than by reason of death, then the Option granted shall expire on the 60th day following the date that the Option holder ceases to be a director or officer unless (a) such Option holder continues to be engaged in the capacity of employee or consultant, in which case the expiry date shall remain unchanged, or (b) the Option holder ceases to be a director or officer due to such individual’s disqualification under the *Business Corporations Act* (British Columbia), such individual’s removal by a resolution of the Shareholders, or by order of a regulatory body having jurisdiction, in which cases the expiry date shall be the date such Option holder ceases to be a director or officer. If the Option holder ceases to be an employee or consultant, as the case may be, other than by reason of death, then the Option granted shall expire on the 60th day following the date such Option holder ceases to be an employee or consultant unless (x) the Option holder was terminated for cause or breach of contract, as the case may be, or (y) the Option holder ceases to be an employee or consultant by order of a regulatory body having jurisdiction. Notwithstanding the foregoing, Options

granted to any Option holder engaged primarily to provide investor relations activities shall expire on the 30th day following the date such Option holder ceases to be employed in such capacity, unless such Option holder continues to be engaged in the capacity of director, officer, or employee, in which case the Options shall expire in accordance with the foregoing provisions.

8. Options will be subject to such vesting provisions as may be imposed by the Board in its discretion or as may be prescribed by the Exchange, if applicable; provided, however, that Options granted to consultants performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period. Further, the Amended Option Plan provides for acceleration of the vesting or expiry of outstanding Options in certain circumstances, such as in connection with a change in control of the Company or a take-over bid, subject to any required approval of the Exchange.

As at November 24, 2021, the TSX-V amended its rules and policies in respect of issuer security based compensation plans (the “**Updated TSX-V Policy 4.4**”), such as the Amended Option Plan. As a result of such amendments pursuant to the Updated TSX-V Policy 4.4, the Amended Option Plan was further amended by the Board (all in accordance with the terms of the Amended Option Plan), subject to Shareholder approval, to reflect certain additional clarifying administrative and clerical changes effective upon receipt of such Shareholder approval (the “**Further Amended Option Plan**”). Such administrative and clerical changes include, among other things, amendments for purposes of maintaining consistency with the Updated TSX-V Policy 4.4, including: (i) to clarify the circumstances pursuant to which the Common Shares in respect of any cancelled, terminated, surrendered, forfeited or expired Options that have not been exercised in full shall again be available for issuance pursuant to the Further Amended Option Plan; (ii) to require that any extension to the term of Options granted to insiders be subject to disinterested Shareholder approval; (iii) to clarify the vesting provisions in respect of Options granted to investor relations service providers; (iv) to confirm that the Further Amended Option Plan does not permit the exercise of Options by way of a “Cashless Exercise” or “Net Exercise” (as defined in Updated TSX-V Policy 4.4); and (v) to provide that certain share capital adjustments pursuant to the Further Amended Option Plan are subject to the prior acceptance of the TSX-V (collectively, the “**2022 Amendments**”). On April 28, 2022, the TSX-V approved the Further Amended Option Plan.

Like the Amended Option Plan, the Further Amended Option Plan is a ten percent (10%) “rolling” stock option plan. In accordance with the Updated TSX-V Policy 4.4, a plan with a “rolling” ten (10%) maximum must be confirmed by the Shareholders by resolution at each annual general meeting (see “*Particulars of Matters to be Acted Upon – Approval of the Further Amended Option Plan*” for further details).

The following is a summary of certain provisions of the Further Amended Option Plan, assuming that the Shareholders approve the Stock Option Plan Resolution (as defined below), and is subject to, and qualified in its entirety by, the full text of the Further Amended Option Plan, a copy of which can be obtained from the Company by contacting Errol Farr, CFO at 647-296-1270. A blacklined copy of the Further Amended Option Plan showing the proposed 2022 Amendments to the Amended Option Plan is attached to this Circular as Schedule “C”.

1. The maximum number of Common Shares issuable upon the exercise of Options granted under the Further Amended Option Plan at any time shall not exceed 10% of the issued and outstanding Common Shares from time to time.
2. The exercise price of Options granted under the Further Amended Option Plan shall be as determined by the Board in its sole discretion and shall not be less than the last closing price of the Common Shares traded through the facilities of the Exchange prior to the grant of the Option, less any discount permitted by the Exchange or such other price as may be required by the Exchange.
3. The Board shall not grant Options to (a) any one person in any 12-month period which could, when exercised, result in the issuance of Common Shares exceeding 5% of the issued and outstanding Common Shares, unless the Company has obtained disinterested Shareholder approval in respect of the grant and meets applicable Exchange requirements, (b) to any one consultant in any 12-month period which could, when exercised, result in the issuance of Common Shares exceeding 2% of the issued and outstanding Common Shares, or (c) in any 12-month period, to those persons employed or engaged by the Company who perform investor relations activities which could, in aggregate, when exercised, result in the issuance of Common Shares exceeding 2% of the issued and outstanding Common Shares.
4. The maximum aggregate number of Common Shares that are issuable pursuant to all Options granted or issued, together with the number of Shares issuable under outstanding options granted or issued otherwise than under the Further Amended Option Plan, to insiders of the Company (as a group) will not exceed 10% of the issued and outstanding Common Shares at any point in time, unless the Company has obtained disinterested shareholder approval.
5. The maximum aggregate number of Common Shares that are issuable pursuant to all Options granted or issued, together with the number of Common Shares issuable under outstanding options granted or issued otherwise than under the Further Amended Option Plan, in any 12 month period to insiders of the Company (as a group) will not exceed 10% of the issued and outstanding Common Shares at any point in time, unless the Company has obtained disinterested shareholder approval.
6. Options granted pursuant to the Further Amended Option Plan are non-assignable and non-transferable.
7. If any Option is cancelled, terminated, surrendered, forfeited or expired without being exercised in full, and if no Common Shares have been issued pursuant to the unexercised portion of such cancelled, terminated, surrendered, forfeited or expired Option, the number of Common Shares in respect of such unexercised portion shall again be available for the purposes of the Further Amended Option Plan. The expiry date of an Option granted under the Further Amended Option Plan shall be the date determined by the Board; provided, however, that such date shall not be later than the tenth anniversary of the date on which the Option was granted.
8. Options are subject to early termination in certain circumstances. In the event of the death of the Option holder, the Options shall expire on the date that is 12 months from the date of death. If the Option holder ceases to be a director or officer, as the case may be, other than by reason of death, then the Option granted shall expire on the 60th day following the

date that the Option holder ceases to be a director or officer unless (a) such Option holder continues to be engaged in the capacity of employee or consultant, in which case the expiry date shall remain unchanged, or (b) the Option holder ceases to be a director or officer due to such individual's disqualification under the *Business Corporations Act* (British Columbia), such individual's removal by a resolution of the Shareholders, or by order of a regulatory body having jurisdiction, in which cases the expiry date shall be the date such Option holder ceases to be a director or officer. If the Option holder ceases to be an employee or consultant, as the case may be, other than by reason of death, then the Option granted shall expire on the 60th day following the date such Option holder ceases to be an employee or consultant unless (x) the Option holder was terminated for cause or breach of contract, as the case may be, or (y) the Option holder ceases to be an employee or consultant by order of a regulatory body having jurisdiction. Notwithstanding the foregoing, Options granted to any Option holder engaged primarily to provide investor relations activities shall expire on the 30th day following the date such Option holder ceases to be employed in such capacity, unless such Option holder continues to be engaged in the capacity of director, officer, or employee, in which case the Options shall expire in accordance with the foregoing provisions.

9. Options will be subject to such vesting provisions as may be imposed by the Board in its discretion or as may be prescribed by the Exchange, if applicable; provided, however, Options granted to consultants performing investor relations activities or any director, officer, employee or management company employee whose role and duties primarily consist of investor relations activities will vest in stages over 12 months such that: (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted; (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted; (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted. Further, the Further Amended Option Plan provides for acceleration of the vesting or expiry of outstanding Options in certain circumstances, such as in connection with a change in control of the Company or a take-over bid, subject to any required approval of the Exchange; provided, however, for greater certainty, in the case of Options granted to consultants performing investor relations activities or any director, officer, employee or management company employee whose role and duties primarily consist of investor relations activities, such Options will continue to vest as contemplated pursuant to the foregoing, unless otherwise approved by the Exchange.

10. Options may not be exercised by way of a Cashless Exercise or Net Exercise.

As described under the heading "*Particulars of Matters to be Acted Upon – Approval of the Further Amended Option Plan*", at the Meeting, Shareholders will be asked to consider, and if thought advisable, pass an ordinary resolution to approve the Further Amended Option Plan. In the event that the Stock Option Plan Resolution is not approved by the Shareholders, the 2022 Amendments will not take effect and the Amended Option Plan will remain in effect in accordance with its terms, subject to all applicable requirements under the Updated TSX-V Policy 4.4.

#### **Employment, Consulting and Management Agreements**

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. There are no agreements or arrangements in place that

provide for compensation to NEOs or directors of the Company, other than as noted below, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), severance or a change of control in the Company.

Pursuant to verbal agreements the following officers and directors are remunerated for their services as follows:

Mr. O'Donnell is paid fees for acting as President, CEO and Chairman in the amount of \$7,500 per month. He was originally appointed for a one-year term effective September 1, 2021. As Mr. O'Donnell is the Company's President and CEO, he is not entitled to the base director fees, committee chair fees, and committee member fees noted below under "*Oversight and Description of Director and NEO Compensation – Compensation of Directors*".

Mr. Farr is paid fees for acting as CFO in the amount of \$5,000 per month pursuant to a verbal agreement which has no fixed term.

All of the foregoing agreements are terminable at any time without notice or cause.

### **Oversight and Description of Director and NEO Compensation**

#### ***Compensation of Directors***

Compensation of directors of the Company is reviewed annually and determined by the Board. The level of compensation for directors is determined based on a subjective assessment by the Board after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Effective September 1, 2021, the current level of compensation for non-executive directors is as follows:

Base director fee - \$24,000 per annum

Audit committee chair fee - \$20,000 per annum

Committee chair (other than audit committee chair) fee – \$5,000 per annum

Committee member fee - \$5,000 per annum

While the Board considers Option grants to directors under the Amended Option Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Options. Other than the Amended Option Plan, as discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors. For more information on the Amended Option Plan and the proposed 2024 Amendments thereto, please see "*Stock Option Plans and Other Incentive Plans*" above.

#### ***Compensation of NEOs***

Compensation of NEOs is reviewed annually and determined by the Board in consultation with the Corporate Governance, Compensation and Nominating Committee. The level of compensation for NEOs is determined based on a subjective assessment by the Board after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Board's view, in light of the current size and stage of the Company, there is, and has been, no need for the Company to design or implement a formal compensation program for NEOs.

## ***Elements of NEO Compensation***

In addition to the fees payable noted above, as discussed above, the Company provides an Amended Option Plan to motivate NEOs by providing them with the opportunity, through Options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of Options to NEOs. Other than the Amended Option Plan, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs. For more information on the Amended Option Plan and the proposed 2022 Amendments thereto, please see "*Stock Option Plans and Other Incentive Plans*" above.

## **Pension Plan Benefits**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out information with respect to all compensation plans under which equity securities are authorized for issuance as of May 31, 2023:

| <b>Equity Compensation Plan Information</b>               |                                                                                                            |                                                                                            |                                                                                                                                                            |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Plan Category</b>                                      | <b>Number of securities to be issued upon exercise of outstanding Options, warrants and rights<br/>(a)</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights<br/>(b)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br/>(c)</b> |
| Equity compensation plans approved by securityholders     | Nil                                                                                                        | N/A                                                                                        | Options – 1,803,868                                                                                                                                        |
| Equity compensation plans not approved by securityholders | Nil                                                                                                        | N/A                                                                                        | Nil                                                                                                                                                        |
| Total                                                     | Nil                                                                                                        | N/A                                                                                        | Options – 1,803,868 <sup>(1)(2)</sup>                                                                                                                      |

### Notes:

- (1) Represents the number of Common Shares available for future issuance under the Option Plan, which reserves a number of Common Shares for issuance, pursuant to the exercise of Options that is equal to 10% of the issued and outstanding Common Shares from time to time. As at May 31, 2021, there were a total of 18,038,681 total issued and outstanding Common Shares.
- (2) 1,800,000 options are issued and outstanding as at the date of this Circular out of a total of 1,803,868 available under the Amended Option Plan (being 10% of 18,038,681 issued and outstanding shares). For more information on the Amended Option Plan and the proposed 2022 Amendments thereto, please see "*Stock Option Plans and Other Incentive Plans*" above.

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

During the most recently completed financial year and as at the date of this Circular, there was no indebtedness, other than routine indebtedness, outstanding to the Company or any of its subsidiaries, or to another entity of which indebtedness the Company or any of its subsidiaries has provided a guarantee, support agreement, letter of credit or other similar arrangement or understanding, owed by any current or former officers, directors and employees of the Company

and its subsidiaries, proposed nominees for election as a director of the Company or any associates of any such officers, directors, or proposed nominees.

### **MANAGEMENT CONTRACTS**

The management functions of the Company and its subsidiaries are not, to any substantial degree, performed by persons other than the directors and officers of the Company and its subsidiaries.

### **AUDITOR**

Davidson & Company LLP, Chartered Professional Accountants (“**Davidson**”), 1200 – 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, V7Y 1G6, are the auditors of the Company.

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

#### **Presentation of Financial Statements**

The audited financial statements of the Company for the financial years ended May 31, 2023 and May 31, 2022 and the auditor’s report thereon, will be presented to Shareholders at the Meeting.

#### **Appointment and Remuneration of Auditor**

Shareholders will be asked to approve the re-appointment of Davidson as the auditor of the Company to hold office until the next annual general meeting of Shareholders at remuneration to be fixed by the Board. To be approved, the resolution must be passed by a majority of the votes cast by the Shareholders at the Meeting.

**In the absence of instructions to the contrary, the persons designated by Management in the enclosed form of proxy intend to vote FOR the resolution approving the appointment of Davidson as the auditor and authorizing the directors of the Company to fix the auditor’s remuneration.**

#### **Fixing the Number of Directors**

Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at four (4).

**In the absence of instructions to the contrary, the persons designated by Management in the enclosed form of proxy intend to vote FOR fixing the number of directors at four (4).**

#### **Election of Directors**

The directors of the Company hold office until the next annual general meeting of Shareholders or until their successors are elected or appointed, or until such person otherwise ceases to hold office in accordance with the Articles of the Company. Management does not contemplate that any of the nominees will be unable to serve as directors of the Company.

**In the absence of instructions to the contrary, the persons designated by Management in the enclosed form of proxy intend to vote FOR the nominees herein listed.**

### ***Advance Notice of Director Nominations***

The Articles of the Company include an advance notice policy (the “**Advance Notice Policy**”) that provides Shareholders, directors and Management of the Company with a clear framework for nominating directors. The Advance Notice Policy fixes a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of Shareholders.

In the case of an annual general meeting of Shareholders, notice to the Company must be made not less than 30 or more than 65 days prior to the date of the annual general meeting; provided, however, that in the event that the annual general meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual general meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Policy.

### ***Nominees***

The following table sets out the names of the persons proposed to be nominated by Management for election as a director of the Company, the province or state and country in which he is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which he has been a director of the Company, the respective principal occupations or employment during the past five years if such nominee is not currently a director who was previously elected at a meeting of Shareholders, and the number of shares of the Company or any of its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. Each of the nominees are currently directors of the Company.

| <b>Name, Province and Country of ordinary residence<sup>(1)</sup>, and positions held with the Company</b> | <b>Principal occupation and, IF NOT a previously elected director of the Company, principal occupation during the past five years<sup>(1)</sup></b>                                                    | <b>Date(s) serving as a director of the Company<sup>(2)</sup></b> | <b>No. of shares beneficially owned or controlled or directed<sup>(1)</sup></b> |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>Simeon Tshisangama<sup>(3)(5)</sup></b><br>Director<br>Haut-Katanga,<br>Democratic Republic of Congo    | Mr. Tshisangama founded TSM Entreprises, SARL in 1998, a mining company focused on the production of copper and tin. Mr. Tshisangama is a mining executive and operator of mines in various countries. | Since<br>September<br>20, 2010                                    | 3,457,923 <sup>(6)</sup>                                                        |
| <b>John F. O'Donnell<sup>(4)</sup></b><br>Director, President, CEO<br>and Chairman of the                  | Lawyer (licenced in the Province of Ontario) but not actively practicing and Business Executive.                                                                                                       | Since<br>July 18,<br>2016                                         | 1,000,000 <sup>(7)</sup>                                                        |

|                                                                           |                                                                                                                                                                                                                                                                    |                           |         |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------|
| Board<br>Ontario, Canada                                                  |                                                                                                                                                                                                                                                                    |                           |         |
| <b>David V. Mason</b> <sup>(3)(4)(5)</sup><br>Director<br>Ontario, Canada | Mr. Mason acts as a business consultant (since 2015). Mr. Mason held the position of Investment Banker at D&D Securities Inc., an investment banking firm, from 2000 until 2015, where he gained experience in financing relating to mining and biotech companies. | Since<br>July 18,<br>2016 | 700,000 |
| <b>Douglas Hunter</b> <sup>(3)(4)(5)</sup><br>Director<br>Ontario, Canada | Mr. Hunter has been a Professional Geoscientist since 1974 and has worked extensively with junior exploration companies.                                                                                                                                           | Since<br>May 4,<br>2021   | Nil     |

Notes:

- (1) This information, not being within the knowledge of the Company, has been furnished by the respective nominees.
- (2) The directors of the Company hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed, or until such director otherwise ceases to hold office in accordance with the Articles of the Company.
- (3) Member of the audit committee of the Board (the “**Audit Committee**”).
- (4) Member of the Corporate Governance, Compensation, and Nominating Committee of the Board.
- (5) Member of the Business Development Committee of the Board.
- (6) Of these Common Shares, 2,415,800 are held directly and 1,042,123 are held indirectly through TSM Entreprises, SARL.
- (7) Of these Common Shares, 500,000 are held directly and 500,000 are registered in the name of Charlotte M. O'Donnell.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

***Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions***

For purposes of the disclosure in this section, an “order” means 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, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the director or proposed director was named in the order.

Except as noted below, to the knowledge of Management, no director or proposed director, including any personal holding company of a director or proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the director or proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
  - (ii) was subject to an order that was issued after the director or proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person

was acting in the capacity as director, chief executive officer or chief financial officer of the company; or

- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the 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;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or proposed director;
- (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 since December 31, 2000 or before December 31, 2000, the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Simeon Tshisangama (a current director of the Company) was a director and CEO of the Company when the MCTO (as defined below) was issued by the BCSC on September 30, 2016. On December 1, 2016, the BCSC subsequently issued the FFCTO (as defined below) against the Company for the failure to file the annual audited financial statements for the year ended May 31, 2016, the interim financial report for the period ended August 31, 2016 and the corresponding management's discussion and analysis ("MD&As") and certificates of annual and interim filings. In addition to Mr. Tshisangama, John F. O'Donnell and David V. Mason (who are also current directors of the Company), were directors of the Company at the time the FFCTO was issued.

## **Background**

On June 23, 2016, the Company announced that it received the resignations of all but one of the then directors and officers of the Company and its subsidiaries, leaving Simeon Tshisangama as the sole remaining director of the Company. Following the sudden resignation of all but one of the directors and officers of the Company, Mr. Tshisangama appointed John F. O'Donnell and David V. Mason to fill the board vacancies on July 18, 2016.

Due to the sudden change in the Management and the Board of the Company on June 23, 2016, the Company was not able to meet its filing obligations in respect of the annual audited financial statements for the year ended May 31, 2016, the MD&A for the period ended May 31, 2016, and certificate of annual filings for the period ended May 31, 2016. Accordingly, in view of this delay in filing, the Company applied for, and was granted, a management cease trade order issued on September 30, 2016 by the British Columbia Securities Commission (the "BCSC") against Mr. Tshisangama (being a director of the Company since September 20, 2010 and the President and

Chief Executive Officer (the “CEO”) of the Company since July 18, 2016) and Daniel Gregory (being the then Chief Financial Officer (the “CFO”) and Corporate Secretary of the Company since July 18, 2016), pursuant to National Policy 12-203 Cease Trade Orders for Continuous Disclosure Defaults (the “MCTO”). On December 1, 2016, the BCSC subsequently issued a failure-to-file cease trade order (“FFCTO” and collectively with the MCTO, the “CTOs”) against the Company for the failure to file the annual audited financial statements for the year ended May 31, 2016, the interim financial report for the period ended August 31, 2016 and the corresponding MD&As and certificates of annual and interim filings.

At the time of the CTOs, the Company was essentially insolvent, being unable to pay its debts when due and unable to pay for its accountants and auditors to complete the financial statements. The Company’s dire financial situation existed prior to Mr. O’Donnell and Mr. Mason becoming directors of the Company and before Mr. Tshisangama became President and CEO and Mr. Gregory became CFO and Corporate Secretary, in each case on July 18, 2016.

The current directors agreed to attempt to resolve the Company’s difficulties and on October 5, 2018, a special meeting of Shareholders was held to approve, by special resolution, the sale of all or substantially all of the Company’s assets. On December 6, 2018, the Company completed the sale of all or substantially all of its assets and since then has been able to settle and pay its creditors, has improved its financial condition, and has recently been able to bring its financial statements reporting up to date.

As a result of the exceptional circumstances which led to the issuance of the CTOs and the suspension of trading from the TSX Venture Exchange (the “TSX-V”), after December 2016, the Company was not able to plan and hold an annual general meeting until March 17, 2021. Effective December 17, 2020, the BCSC, as the Company’s principal regulator under Division 4 of National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions*, fully revoked each of the CTOs and effective January 4, 2021, the TSX-V reinstated trading of the Company’s Common Shares on the NEX board of the TSX-V. Effective August 30, 2021, the Company’s listing transferred from NEX to the TSX-V as a Tier 2 issuer.

### **Approval of the Further Amended Option Plan**

Pursuant to the Updated TSX-V Policy 4.4, the Further Amended Option Plan must be approved by the Shareholders of the Company at the Meeting, and on a yearly basis thereafter, because the Further Amended Option Plan is a “rolling” ten (10%) percent plan. Accordingly, Shareholders will be asked at the Meeting to, among other things, authorize, approve, confirm and ratify the 2022 Amendments to the Amended Option Plan as reflected in the Further Amended Option Plan. For more details regarding the 2022 Amendments and the Further Amended Option Plan, see *“Executive Compensation – Stock Option Plans and Other Incentive Plans.”*

A blacklined copy of the Further Amended Option Plan showing the proposed 2022 Amendments to the Amended Option Plan is attached to this Circular as Schedule “C”. The Further Amended Option Plan has been approved by the Board, subject to Shareholder approval. On April 28, 2022, the TSX-V approved the Further Amended Option Plan.

If the Stock Option Plan Resolution is approved at the Meeting, the Further Amended Option Plan will take effect at the close of business on the date of the Meeting. In the event that the Stock Option Plan Resolution is not approved by the Shareholders, the 2022 Amendments will not take effect and the Amended Option Plan will remain in effect in accordance with its terms, subject to all applicable requirements under the Updated TSX-V Policy 4.4.

At the Meeting, Shareholders will be asked to pass, with or without variation, an ordinary resolution to authorize, approve, ratify and confirm the Further Amended Option Plan, including the 2022 Amendments, in substantially the following form (the “**Stock Option Plan Resolution**”):

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The stock option plan of AFR NuVenture Resources Inc. (the “**Company**”) as amended from time to time, as substantially described in the management information circular of the Company dated February 7, 2024 (the “**Circular**”) and as amended by the proposed amendments substantially described in the Circular (the “**Amended Plan**”) be and is hereby authorized, approved, ratified and confirmed;
2. the board of directors of the Company be authorized to make any changes to the Amended Plan as may be required or permitted by any regulatory authority or stock exchange on which the securities of the Company are listed for trading, without further approval of the shareholders of the Company; and
3. any one director or officer of the Company is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as such director or officer may deem to be necessary or desirable to give effect to this resolution.

**The Board recommends that Shareholders vote FOR the Stock Option Plan Resolution. In the absence of instructions to the contrary, the persons designated by Management in the enclosed form of proxy intend to vote FOR the Stock Option Plan Resolution.**

**OTHER MATTERS**

As of the date of this Circular, Management knows of no other matters to be acted upon at the Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by such proxy.

**AUDIT COMMITTEE DISCLOSURE**

The Charter of the Company’s Audit Committee and other information required to be disclosed by National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) is attached to this Circular as Schedule “A”.

**CORPORATE GOVERNANCE DISCLOSURE**

The information required to be disclosed by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* is attached to this Circular as Schedule “B”.

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

Except as otherwise disclosed herein, none of the directors or officers of the Company, at any time since the beginning of the Company’s last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any

material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors.

Directors and officers of the Company may be interested in the approval of the Stock Option Plan Resolution as detailed under the headings “*Executive Compensation – Stock Option Plans and Other Incentive Plans*” and “*Particulars of Matters to be Acted Upon – Approval of the Further Amended Option Plan*”, as such persons are entitled to participate in the Amended Option Plan. For more information on the Amended Option Plan and the proposed 2022 Amendments thereto, please see “*Stock Option Plans and Other Incentive Plans*” above.

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

For the purposes of this section, “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction, directly or indirectly, over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed herein, none of the informed persons of the Company, nor the proposed nominees for election as directors of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

On April 26, 2019, the Company announced that it had entered into an assignment agreement (the “**Assignment Agreement**”) with Frederick Private Equity Corporation (“**Frederick**”), a private company controlled by John O'Donnell, being a director of the Company, whereby Frederick partially assigned to the Company an option held by Frederick to acquire up to an aggregate 75% interest in the Silver Bell – St. Lawrence Gold Project, located in the Virginia City Mining District of Montana, USA (the “**Project**”), which option was acquired by Frederick from Peloton Minerals Corporation (“**Peloton**”) through Peloton's wholly-owned subsidiary, SBSL Subsidiary Corporation (“**SBSL**”), pursuant to an exploration and venture option agreement between Frederick and SBSL dated effective March 15, 2019 (the “**Option Agreement**”). Under the Assignment Agreement, the Company may earn a 51% interest in the Project by making annual US\$10,000 option payments and spending US\$1,000,000 in exploration expenditures within four years with a minimum of US\$200,000 in expenditures during the first two years. Based on the expenditures during the year ended May 31, 2021, the Company met the minimum of US\$200,000 required. During such time period, the Company has spent CAD\$329,187 and as the date of this circular has spent CAD\$395,528.

Pursuant to the Assignment Agreement, Frederick retains the right to earn an additional 24% interest in the Project pursuant to the terms and conditions of the Option Agreement (the “**Second Earn-In Option**”); provided that if Frederick elects not to earn such additional interest, Frederick has agreed to transfer and assign the right to do so to the Company upon payment to Frederick of 1,000,000 Common Shares. In such event, the Company will be responsible for funding all additional exploration expenditures and option payments required to earn the Second Earn-In

Option. If Frederick elects to earn the Second Earn-In Option, it shall make the necessary exploration expenditures and option payments required to earn the Second Earn-In Option, provided however that the Company will be responsible for paying its proportionate share of such exploration expenditures and option payments equal to a ratio of 51 to 24 reflecting the respective proportionate interests of the parties in the Project. In the event that the Company does not contribute its proportionate share of such exploration expenditures and option payments and Frederick has earned the Second Earn-In Option, the interest of the Company shall be diluted to 24% and the interest of Frederick shall be increased to 51%.

As at the date of this Circular and as at the date of the Assignment Agreement, Mr. O'Donnell was and is the sole shareholder, director and officer of Frederick, and a director and Chairman of the Board of Peloton. Mr. O'Donnell's address is located in Ontario, Canada.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company's comparative annual financial statements and MD&A for the Company's most recently completed financial year. Copies of the Company's financial statements and MD&A may be obtained without charge upon request from the Company, by contacting **Errol Farr, CFO** of the Company at 647-296-1270.

### **DIRECTOR APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Board.

**DATED** this 7 day of February, 2024.

**BY ORDER OF THE BOARD**

/s/ "John F. O'Donnell"

**John F. O'Donnell**

**President, Chief Executive Officer, and Chairman of the Board**

**SCHEDULE “A”**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**  
**(VENTURE ISSUERS)**

Capitalized terms used in this Schedule “A” have the meanings ascribed to such terms in the management information circular of AFR NuVenture Resources Inc. (the “**Company**”) dated May 3, 2022 (the “**Circular**”) to which this Schedule “A” is attached.

**Item 1: Audit Committee Charter**

A copy of the Company’s Audit Committee Charter is set out in Appendix 1 to this Schedule “A”.

**Item 2: Composition of the Audit Committee**

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company. The Audit Committee currently consists of three members of the Board: David A. Mason, A. Douglas Hunter and Simeon Tshisangama. David V. Mason and A. Douglas Hunter are currently considered independent (as that term is defined by NI 52-110). Simeon Tshisangama, is not independent as he was the President and Chief Executive Officer of the Company from July 18, 2016 to September 1, 2021. David Mason is the chair of the Audit Committee.

NI 52-110 also provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All members of the Audit Committee are considered financially literate (as that term is defined by NI 52-110).

**Item 3: Relevant Education and Experience**

All members of the Audit Committee are involved in enterprises which publicly report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements). The following sets out the members of the Audit Committee and their education and experience that is relevant to the performance of their responsibilities as Audit Committee members.

**Simeon Tshisangama**

Simeon Tshisangama holds a Social Science degree from the University of Lubumbashi, Democratic Republic of Congo. Mr. Tshisangama founded TSM Entreprise, SARL in 1998, a mining company focused in the production of copper and tin. Mr. Tshisangama is a mining executive and operator of mines in various countries. Throughout his term overseeing the operations of TSM Entreprise, SARL since 1998 he has been responsible for all operations, financing, contracts, and the review of financial reporting.

**A. Douglas Hunter**

Douglas Hunter is a Professional Geoscientist. He graduated from Carleton University with an Honours B.Sc. & M.Sc. and has been in mining exploration since 1974. His career began with Teck Cominco and Algoma Steel. As a co-founder of Wallbridge Mining, he was part of the

management team operating the company's joint ventures with Falconbridge (Xstrata) and Lonmin Plc. in Sudbury, Ontario and he also directed the company's other exploration projects both in Canada and the USA. He has held multiple directorships and worked extensively with junior exploration companies and is familiar with accounting and accounting systems.

## **David V. Mason**

David V. Mason studied Civil Engineering at the University of Western Ontario and holds a B.A. in Economics. Mr. Mason held the position of Investment Banker at D&D Securities Inc., an investment banking firm, for a total of 15 years, where he gained experience in financing relating to mining and biotech companies. Mr. Mason now acts as a business consultant.

### **Item 4: Audit Committee Oversight**

At no time during 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.

### **Item 5: Reliance on Certain Exemptions**

During the most recently completed financial year, the Company has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (*De Minimis Non-Audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), and any exemption, in whole or in part, in Part 8 (*Exemptions*).

### **Item 6: Pre-Approval Policies and Procedures**

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

### **Item 7: External Auditor Service Fees (By Category)**

The following table sets out the aggregate fees charged to the Company by the external auditor in each of the last two financial years for the category of fees described.

|                                   | <b>FYE 2023</b> | <b>FYE 2022</b> |
|-----------------------------------|-----------------|-----------------|
| Audit Fees <sup>(1)</sup>         | \$27,835        | \$27,835        |
| Audit-Related Fees <sup>(2)</sup> | Nil             | Nil             |
| Tax Fees <sup>(3)</sup>           | Nil             | Nil             |
| All Other Fees <sup>(4)</sup>     | Nil             | Nil             |
| <b>Total Fees:</b>                | <b>\$27,835</b> | <b>\$27,835</b> |

**Notes:**

- (1) "Audit Fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited-Related Fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and

are not reported under "Audit Fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

- (3) "Tax Fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice, assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit Fees", "Audit-Related Fees" and "Tax Fees" above.

### **Item 8: Exemption**

During the most recently completed financial year, the Company relied on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

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**APPENDIX “1”**  
**AUDIT COMMITTEE CHARTER**

*[See attached.]*

## AFRICAN METALS CORPORATION

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### Audit Committee Charter

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#### MANDATE

The primary function of the audit committee (the “**Committee**”) of African Metals Corporation (the “**Company**”) is to assist the Board of Directors 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. The 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 (the “**Auditor**”).
- Provide an open avenue of communication among the Company’s auditors, management and the Board of Directors.

#### COMPOSITION, PROCEDURES AND ORGANIZATION

The Committee shall consist of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be executive officers or employees of the Company or of an affiliate of the Company. At least one (1) member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain working familiarity with basic finance and accounting practices. For the purposes of this Charter, the term “financially literate” means 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 issues that can reasonably be expected to be raised by the Company’s financial statements.

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

The Board of Directors may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

#### MEETINGS OF THE COMMITTEE

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give the Committee members 24 hours’ advance notice of each meeting and the matters to be discussed at such meeting. Notice may be given personally, by telephone, by facsimile or e-mail.

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

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium other than telephone are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

The Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements.

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

## **RESPONSIBILITIES AND DUTIES**

To fulfil its responsibilities and duties, the Committee shall:

1. Review the Company's financial statements, including any certification, report, opinion, or review rendered by the Auditor, MD&A and any annual and interim earnings press releases before the Company publicly discloses such information.
2. Review and satisfy itself that adequate procedures are in place and review the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assess the adequacy of those procedures.
3. Be directly responsible for overseeing the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit review services for the Company.
4. Require the Auditor to report directly to the Committee.
5. Review annually the performance of the Auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
6. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor.
7. Take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the Auditor.

8. Recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment as the Auditor for the ensuing year and the compensation for the Auditors, or, if applicable, the replacement of the Auditor.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditors of the Company.
10. Review with management and the Auditor the audit plan for the annual financial statements.
11. 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 Auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - a. the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute not more than 5% of the total amount of fees paid by the Company and its subsidiary entities to the Auditor during the fiscal year in which the non-audit services are provided;
  - b. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - c. such services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the pre-approval requirement set forth in this section provided the pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

12. In consultation with the Auditor, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the Auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the Auditor and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the Auditor as to the appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the Auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of the work or access to required information.
17. Review any significant disagreement among management and the Auditor in connection with the preparation of the financial statements.

18. Review with the Auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Discuss with the Auditor the Auditor's perception of the Company's financial and accounting personnel, any material recommendations which the Auditor may have, the level of co-operation which the Auditor received during the course of their review and the adequacy of their access to records, data or other requested information.
20. Maintain, review and update the procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, as set forth in Annex A attached to this Charter.
21. Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.
22. Report regularly and on a timely basis to the Board of Directors on the matters coming before the Committee.
23. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

## **AUTHORITY**

The Committee is authorized to:

- to seek any information it requires from any employee of the Company in order to perform its duties;
- to engage, at the Company's expense, independent legal counsel or other professional advisors in any matter within the scope of the role and duties of the Committee under this Charter;
- to set and pay compensation for any advisors engaged by the Committee; and
- to communicate directly with the internal and external auditors of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.

**SCHEDULE “B”**  
**FORM 58-101F2**  
**CORPORATE GOVERNANCE DISCLOSURE**  
**(VENTURE ISSUERS)**

Capitalized terms used in this Schedule “B” have the meanings ascribed to such terms in the management information circular of AFR NuVenture Resources Inc. (the “**Company**”) dated May 3, 2022 (the “**Circular**”) to which this Schedule “B” is attached.

**Item 1: Board of Directors**

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs. The Board supervises the CEO and the CFO. Both the CEO and CFO are required to act in accordance with the scope of authority provided to them by the Board.

The following table discloses the names and details relating to the independence (as defined in NI 52-110) of each director:

| <b>Director</b>    | <b>Independence</b>                                                                             |
|--------------------|-------------------------------------------------------------------------------------------------|
| Simeon Tshisangama | Not independent, as he was the President and CEO of the Company until September 1, 2021.        |
| John F. O’Donnell  | Not independent, as he is the current President, CEO, and Chairman of the Board of the Company. |
| David V. Mason     | Independent                                                                                     |
| Douglas Hunter     | Independent                                                                                     |

**Item 2: Directorships**

The following directors of the Company are also currently directors of the following reporting issuers:

| <b>Director</b>   | <b>Name of Reporting Issuer</b>                   |
|-------------------|---------------------------------------------------|
| John F. O’Donnell | Peloton Minerals Corporation, Enerev5 Metals Inc. |
| Douglas Hunter    | Inventus Mining Company                           |

**Item 3: Orientation and Continuing Education**

The Board does not have a formal process for the orientation of new Board members. Orientation is done on an informal basis. New Board members are provided with such information as is

considered appropriate to ensure that they are familiar with the Company's business and understand the responsibilities of the Board.

The Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors can consult with the Company's professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

#### **Item 4: Ethical Business Conduct**

The Board has not adopted a formal code of ethics. In the Board's view, the fiduciary duties placed on individual directors by corporate legislation and the common law, and the restrictions placed by corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes a culture of ethical business conduct. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

#### **Item 5: Nomination of Directors**

The Board has not adopted a formal process for selecting new nominees to the Board. While the nomination of potential candidates as directors of the Company is determined by the Board as a whole, the identification of such potential candidates is primarily conducted by the CEO, who is also a director of the Company, in consultation with the Corporate Governance, Compensation and Nominating Committee of the Board which is comprised of John O'Donnell, Simeon Tshisangama, David Mason and Douglas Hunter. John O'Donnell is the Chair of the Corporate Governance, Compensation and Nominating Committee. Potential candidates are primarily identified through referrals by business contacts.

#### **Item 6: Compensation**

The compensation of directors and the CEO is determined by the Board as a whole, in consultation with the Corporate Governance, Compensation and Nominating Committee. Such compensation is determined based on a subjective assessment by the Board after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

#### **Item 7: Other Board Committees**

The Board has the following standing committees, in addition to the Audit Committee:

Corporate Governance, Compensation and Nominating Committee

Other than the compensation and nominating functions of this committee as described above, the corporate governance functions of this committee include advising the Board of the appropriate corporate governance procedures that should be followed by the Company and the Board and monitoring whether they comply with such procedures.

#### Business Development Committee

The Business Development Committee of the Board is comprised of Simeon Tshisangama, David Mason and Douglas Hunter. Doug Hunter is the chair of such committee. The function of this committee is to search for, identify, and conduct due diligence on new prospective opportunities for the Company in consultation with the CEO of the Company, subject to the approval of the Board.

#### **Item 8: Assessments**

The Board does not have any formal process for assessing the effectiveness of the Board, its committees, or individual directors. Such assessments are conducted on an informal basis by the Board as a whole.

**SCHEDULE “C”**  
**FURTHER AMENDED OPTION PLAN**  
*[See attached.]*

**AFR NUVENTURE RESOURCES INC.**

**STOCK OPTION PLAN  
(AMENDED)**

**Effective October 19, 2012,  
Amended effective as of March 17, 2021  
Amended effective as of June 2, 2022  
Amended effective March 6, 2024**

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**STOCK OPTION PLAN**  
**AFR NUVENTURE RESOURCES INC.**

**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “Administrator” means, initially, the secretary of the Company and thereafter shall mean such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;
- (b) “affiliate” has the meaning ascribed thereto in the Exchange Corporate Finance Manual;
- (c) “associate” has the meaning ascribed thereto in the Securities Act;
- (d) “Award Date” means the date on which the Board grants a particular Option;
- (e) “Board” means the board of directors of the Company;
- (f) “Change of Control” means the acquisition by any person or by any person and a joint actor, whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a joint actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (g) “Company” means AFR NuVenture Resources Inc.;
- (h) “Consultant” means an individual or Consultant Company, other than an Employee or a Director, that:
  - (i) is engaged to provide on an ongoing *bona fide* basis consulting, technical, management or other services to the Company or to an affiliate of the Company, other than services provided in relation to a distribution,
  - (ii) provides the services under a written contract between the Company or the affiliate and the individual or a Consultant Company,

- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an affiliate of the Company, and
- (iv) has a relationship with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (i) “Consultant Company” means, for an individual consultant, a company or partnership of which the individual consultant is an employee or shareholder or partner;
- (j) “Director” means a director, officer, Management Company Employee of the Company or an affiliate of the Company to whom Options can be granted in reliance on a prospectus exemption under applicable securities laws;
- (k) “Disinterested Shareholder Approval” means approval by a majority of the votes cast by all the Company’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to shares of the Company beneficially owned by insiders to whom options may be granted under the Plan and their associates and affiliates;
- (l) “Employee” means:
  - (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source),
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work, as an employee of the Company, but for whom income tax deductions are not made at source, or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (m) “Exchange” means the TSX Venture Exchange or, if the Shares are no longer listed for trading on the TSX Venture Exchange, such other exchange or quotation system on which the Shares are listed or quoted for trading;
- (n) “Exchange Corporate Finance Manual” means the exchange corporate finance manual of the Exchange, as amended and in force from time to time;

- (o) “Exercise Notice” means the notice respecting the exercise of an Option in the form set out as Schedule “B” hereto, duly executed by the Option Holder;
- (p) “Exercise Period” means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date, subject to the provisions of the Plan relating to the vesting of Options;
- (q) “Exercise Price” means the price at which an Option may be exercised as determined in accordance with paragraph 3.3;
- (r) “Expiry Date” means the date determined in accordance with paragraphs 3.4 and 3.8 and after which a particular Option cannot be exercised;
- (s) “insider” has the meaning ascribed thereto in the Securities Act;
- (t) “Investor Relations Activities” has the meaning ascribed thereto in the Securities Act;
- (u) “Management Company Employee” means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person involved in Investor Relations Activities;
- (v) “Market Price” has the meaning ascribed to such term in the Exchange Corporate Finance Manual;
- (w) “Option” means an option to acquire Shares, awarded to a Director, Employee or Consultant pursuant to the Plan;
- (x) “Option Certificate” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;
- (y) “Option Holder” means a Director, Employee or Consultant, or a former Director, Employee or Consultant, who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;
- (z) “Plan” means this stock option plan, as amended from time to time;
- (aa) “Personal Representative” means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so, and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;

- (bb) “Securities Act” means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof; and
- (cc) “Share” or “Shares” means, as the case may be, one or more common shares without par value in the capital of the Company.

## **1.2 Choice of Law**

The Plan is established under and the provisions of the Plan are to be interpreted and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

## **1.3 Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# **ARTICLE 2 PURPOSE AND PARTICIPATION**

## **2.1 Purpose**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants, to reward such of those Directors, Employees and Consultants as may be awarded Options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long term investments.

## **2.2 Participation**

The Board shall, from time to time, in its sole discretion determine those Directors, Employees and Consultants, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director, the Board shall, in its sole discretion but subject to paragraph 3.2, determine the number of Shares to be acquired on the exercise of such Option. A director of the Company to whom an Option may be granted shall not participate in the decision of the Board to grant such Option. If the Board elects to award an Option to an Employee or Consultant, the number of Shares to be acquired on the exercise of such Option shall be determined by the Board in its sole discretion, and in so doing the Board may take into account the following criteria:

- (a) the remuneration paid to the Employee or Consultant as at the Award Date in relation to the total remuneration payable by the Company to all of its Employees and Consultants as at the Award Date;
- (b) the length of time that the Employee or Consultant has been employed or engaged by the Company;
- (c) the quality of work performed by the Employee or Consultant; and

- (d) any other factors which it may deem proper and relevant.

### **2.3 Notification of Award**

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

### **2.4 Copy of Plan**

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan, unless a copy has been previously provided to the Option Holder. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

### **2.5 Limitation**

The Plan does not give any Option Holder that is a Director the right to serve or continue to serve as a Director of the Company nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company. Participation in the Plan by an Option Holder is voluntary.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **3.1 Board to Allot Shares**

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

### **3.2 Number of Shares**

The maximum number of Shares issuable under the Plan, together with the number of Shares issuable under outstanding options granted otherwise than under the Plan, shall not exceed 10% of the Shares outstanding from time to time. Additionally, the grant of any Options shall be subject to the following:

- a) The number of Shares subject to an Option shall be determined by the Board, but an Option shall not be granted if the number of Shares issuable under such Option, together with the number of Shares issuable under outstanding options granted otherwise than under the Plan, would exceed the maximum number permitted by the rules and policies of the Exchange.
- b) No one person may be granted Options in any twelve-month period, which could, when exercised, result in the issuance of more than 5% of the issued Shares unless the Company has obtained Disinterested Shareholder Approval in respect of such grant and meets applicable Exchange requirements.

- c) No one consultant of the Company (or any of its subsidiaries) shall be granted Options in any twelve-month period, which could, when exercised, result in the issuance of more than 2% of the issued Shares.
- d) Persons employed to provide investor relations activities shall not be granted Options in any twelve-month period which could, in aggregate, when exercised, result in the issuance of more than 2% of the issued Shares.
- e) The maximum aggregate number of Shares that are issuable pursuant to all Options granted or issued, together with the number of Shares issuable under outstanding options granted or issued otherwise than under the Plan, to insiders of the Company (as a group) will not exceed 10% of the issued and outstanding Shares at any point in time, unless the Company has obtained Disinterested Shareholder Approval.
- f) The maximum aggregate number of Shares that are issuable pursuant to all Options granted or issued, together with the number of Shares issuable under outstanding options granted or issued otherwise than under the Plan, in any 12 month period to insiders of the Company (as a group) will not exceed 10% of the issued and outstanding Shares at any point in time, unless the Company has obtained Disinterested Shareholder Approval.

If any Option is cancelled, terminated, surrendered, forfeited or expired without being exercised in full, and if no Shares have been issued pursuant to the unexercised portion of such cancelled, terminated, surrendered, forfeited or expired Option, the number of Shares in respect of such unexercised portion shall again be available for the purposes of the Plan.

### **3.3 Exercise Price**

The Exercise Price shall be that price per share, as determined by the Board in its sole discretion as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, and shall not be less than the last closing price of the Company's Shares traded through the facilities of the Exchange prior to the grant of the Option, less any discount permitted by the Exchange, or such other price as may be required by the Exchange. Any reduction in the exercise price of, or extension in the term of, an Option held by an Option Holder who is an insider of the Company at the time of the proposed reduction or extension, as applicable, will require Disinterested Shareholder Approval.

### **3.4 Term of Option**

Subject to paragraph 3.5, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the tenth anniversary of the Award Date of the Option.

### **3.5 Termination of Option**

An Option Holder may, subject to any vesting provisions applicable to Options hereunder, exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided

that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix a minimum or maximum number of Shares in respect of which an Option Holder may exercise part of any Option held by such Option Holder. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. local time in Vancouver, British Columbia, on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board at the time the Option is awarded and the date established, if applicable, in sub-paragraphs (a) to (c) below (the “Early Termination Date”):

**(a) Death**

In the event that the Option Holder should die while he or she is still a Director (if he or she holds his or her Option as Director) or Employee or Consultant (if he or she holds his or her Option as Employee or Consultant), the Early Termination Date shall be twelve (12) months from the date of death of the Option Holder; or

**(b) Ceasing to Hold Office**

In the event that the Option Holder holds his or her Option as Director of the Company and such Option Holder ceases to be a Director of the Company other than by reason of death, the Early Termination Date of the Option shall be the 60th day following the date the Option Holder ceases to be a Director of the Company unless the Option Holder ceases to be a Director of the Company but continues to be engaged by the Company as an Employee or a Consultant, in which case the Expiry Date shall remain unchanged, or unless the Option Holder ceases to be a Director of the Company as a result of:

- (i) ceasing to meet the qualifications set forth in the *Business Corporations Act* (British Columbia), or
- (ii) a resolution having been passed by the shareholders of the Company pursuant to the *Business Corporations Act* (British Columbia) removing the Director as such, or
- (iii) by order of the British Columbia Registrar of Companies, British Columbia Securities Commission, the Exchange or any other regulatory body having jurisdiction to so order,

in which case the Early Termination Date shall be the date the Option Holder ceases to be a Director of the Company.

**(c) Ceasing to be an Employee or a Consultant**

In the event that the Option Holder holds his or her Option as an Employee or Consultant of the Company and such Option Holder ceases to be an Employee or Consultant of the Company other than by reason of death, the Early Termination Date of the Option shall be the 60th day following the date the Option Holder ceases to be an Employee or Consultant of the Company unless the Option Holder ceases to be an Employee or Consultant of the Company as a result of:

- (i) termination for cause or, in the case of a Consultant, breach of contract, or
- (ii) by order of the British Columbia Registrar of Companies, British Columbia Securities Commission, the Exchange or any other regulatory body having jurisdiction to so order,

in which case the Early Termination Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Company.

Notwithstanding the foregoing, the Early Termination Date for Options granted to any Option Holder engaged primarily to provide Investor Relations Activities shall be the 30th day following the date that the Option Holder ceases to be employed in such capacity, unless the Option Holder continues to be engaged by the Company as an Employee or Director, in which case the Early Termination Date shall be determined as set forth above.

### **3.6 Hold Period and Vesting Requirements**

Unless otherwise required under the policies of the Exchange, the Company may grant Options without an Exchange hold period provided the Exercise Price of an Option is not less than the applicable Market Price, except a 4-month hold period (commencing on the date the stock options are granted) is required for all options granted to Insiders or Consultants or any options granted at any discount to the Market Price.

All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. All Options granted to Consultants performing Investor Relations Activities or any Director whose role and duties primarily consist of Investor Relations Activities will vest in stages over 12 months such that: (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted; (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted; (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.

The Option Certificate representing any such Option will disclose any vesting conditions.

### **3.7 Effect of a Take-Over Bid**

If a *bona fide* offer (an “Offer”) for Shares is made to an Option Holder or to shareholders of the Company generally or to a class of shareholders which includes the Option Holder, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Option Holder of the full particulars of the Offer, whereupon all Shares subject to Options will, subject to any required approval of the Exchange, become vested and the Options may be exercised in whole or in part by each Option Holder so as to permit each Option Holder to tender the Shares received upon exercise of his Options, pursuant to the Offer; provided, however, for greater certainty, in the case of Options granted to Consultants performing Investor Relations Activities or any Director whose role and duties primarily consist of Investor Relations Activities, such Options will continue to vest as contemplated under paragraph 3.6, unless otherwise approved by the Exchange.

However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Shares acquired by the Option Holder on the exercise of his Option and tendered pursuant to the Offer are not taken up or paid for by the offeror in respect thereof;

then the Shares received upon the exercise of such Options, or in the case of clause (b) above, the Shares that are not taken up and paid for, may be returned by each Option Holder to the Company and reinstated as authorized but unissued Shares and with respect to such returned Shares, the Options shall be reinstated as if they had not been exercised and the terms upon which such Shares were to become vested pursuant to paragraph 3.6 shall be reinstated. If any Shares are returned to the Company under this paragraph 3.7, the Company shall immediately refund the exercise price to the Option Holder for such Shares.

### **3.8 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised an Offer is made by an offeror, the Board may, upon notifying each Option Holder of full particulars of the Offer, subject to any required approval of the Exchange, declare vested all Shares issuable upon the exercise of Options granted under the Plan (provided, however, for greater certainty, in the case of Options granted to Consultants performing Investor Relations Activities or any Director whose role and duties primarily consist of Investor Relations Activities, such Options will continue to vest as contemplated under paragraph 3.6, unless otherwise approved by the Exchange), and, notwithstanding paragraphs 3.4 and 3.5, declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

### **3.9 Effect of Reorganization, Amalgamation or Merger**

If the Company is reorganized, amalgamated or merges with or into another Company, at the discretion of the Board, any Shares receivable on the exercise of an Option shall be converted into

the securities, property or cash which the Option Holder would have received upon such reorganization, amalgamation or merger if the Option Holder had exercised his Option immediately prior to the record date applicable to such reorganization, amalgamation or merger, and the exercise price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of the Plan.

### **3.10 Effect of Change of Control**

If a Change of Control occurs, all Shares subject to each outstanding Option will become vested, subject to any required approval of the Exchange, whereupon all Options may be exercised in whole or in part by the Option Holder.

### **3.11 Assignment of Options**

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by paragraph 4.1, exercise the Option within the Exercise Period.

### **3.12 Adjustments**

If, prior to the complete exercise of any Option, the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the “Event”) other shares of the Company, an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate and, in the case of an Event other than in connection with a security consolidation or security split, subject to the prior acceptance of the Exchange. No fractional Shares shall be issued upon the exercise of any Option and accordingly, if as a result of the Event, an Option Holder would become entitled to a fractional Share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded, and, in the case of an Event other than in connection with a security consolidation or security split, subject to the prior acceptance of the Exchange. Additionally, no lots of Shares in an amount less than 500 Shares shall be issued upon the exercise of the Option unless such amount of Shares represents the balance left to be exercised under the Option.

### **3.13 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement**

If an Option Holder retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Certificate with respect to the right to purchase Shares which were not vested at the time or which, if vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Option Holder.

## **ARTICLE 4 EXERCISE OF OPTION**

### **4.1 Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period up to 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option. For the avoidance of doubt, Options may not be exercised by way of "Cashless Exercise" or "Net Exercise" (as defined in the rules and policies of the Exchange).

### **4.2 Issue of Share Certificates**

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares purchased pursuant to the exercise of the Option. If the number of Shares purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of Shares available under the Option.

### **4.3 Condition of Issue**

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of the Exchange or any stock exchange on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully co-operate with the Company in complying with such laws, rules and regulations.

## **ARTICLE 5 ADMINISTRATION**

### **5.1 Administration**

The Plan shall be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any Director or Employee of the Company such administrative duties and powers as it may see fit.

## **5.2 Interpretation**

The interpretation by the Board of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

## **5.3 Withholding**

Subject to the rules and policies of the Exchange, the Company may withhold from any amount payable to an Option Holder, either under this Plan or otherwise, such amount as may be necessary to enable the Company to comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to grants hereunder (the “Withholding Obligations”). The Company shall also have the right in its discretion to, subject to the rules and policies of the Exchange, satisfy any liability for any Withholding Obligations by selling, or causing a broker to sell, on behalf of any Option Holder such number of Shares issued to the Option Holder sufficient to fund the Withholding Obligations (after deducting commissions payable to the broker), or retaining any amount payable which would otherwise be delivered, provided or paid to the Option Holder hereunder.

Subject to the rules and policies of the Exchange, the Company may require an Option Holder, as a condition to exercise of an Option, to make such arrangements as the Company may require so that the Company can satisfy applicable Withholding Obligations with respect to such exercise, including, without limitation, requiring the Option Holder to: (i) remit the amount of any such Withholding Obligations to the Company in advance; (ii) reimburse the Company for any such Withholding Obligations; (iii) authorize the Company to sell, on behalf of the Option Holder, all of the Shares issuable upon exercise of such Options or such number of Shares as is required to satisfy the Withholding Obligations and to retain such portion of the net proceeds (after payment of applicable commissions and expenses) from such sale the amount required to satisfy any such Withholding Obligations; or (iv) cause a broker who sells Shares acquired by the Option Holder under the Plan on behalf of the Option Holder to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Company. The Company undertakes to remit any such amount to the applicable taxation or regulatory authority on account of such Withholding Obligations.

Subject to the rules and policies of the Exchange, any Shares of a Option Holder that are sold by the Company, or by a broker engaged by the Company (the “Broker”), to fund Withholding Obligations will be sold as soon as practicable in transactions effected on the Exchange or such other stock exchange where the majority of the trading volume and value of the Shares occurs. In effecting the sale of any such Shares in accordance with all applicable requirements under the rules and policies of the Exchange, the Company or the Broker will exercise its sole judgement as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Company nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the manner or timing of such sales, the prices at which the Shares are sold or otherwise.

In addition, neither the Company nor the Broker will be liable for any loss arising from a delay in transferring any Shares to an Option Holder. The sale price of Shares sold on behalf of Option Holders will fluctuate with the market price of the Company's shares and no assurance can be given that any particular price will be received upon any such sale.

## **ARTICLE 6 AMENDMENT AND TERMINATION**

### **6.1 Prospective Amendment**

Subject to applicable regulatory and, if required by any relevant law, rule or regulation applicable to the Plan, to shareholder approval, the Board may from time to time amend the Plan and the terms and conditions of any Option thereafter to be granted and, without limiting the generality of the foregoing, may make such amendment for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan, any Option or the Shares or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment. Notwithstanding the foregoing, the Board may, subject to the requirements of the Exchange, amend the terms upon which each Option shall become vested with respect to Shares without further approval of the Exchange, other regulatory bodies having authority over the Company, the Plan or the shareholders.

### **6.2 Retrospective Amendment**

Subject to applicable regulatory and, if required by any relevant law, rule or regulation applicable to the Plan, to shareholder approval, the Board may from time to time retrospectively amend the Plan and, with the consent of the affected Option Holders, retrospectively amend the terms and conditions of any Options which have been previously granted. For greater certainty, the policies of the Exchange currently require that disinterested shareholder approval be obtained for any reduction in the Exercise Price of any Option held by an insider of the Company.

### **6.3 Termination**

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination. Notwithstanding the termination of the Plan, the Company, Options awarded under the Plan, Option Holders and Shares issuable under Options awarded under the Plan shall continue to be governed by the provisions of the Plan.

### **6.4 Agreement**

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of the Plan.

### **6.5 No Shareholder Rights**

An Option Holder shall not have any rights as a shareholder of the Company with respect to any of the Shares covered by an Option until the Option Holder exercises such Option in accordance with the terms of the Plan and the issuance of the Shares by the Company.

### **6.6 Record Keeping**

The Company shall maintain a register in which shall be recorded the name and address of each Option Holder, the number of Options granted to an Option Holder, the details thereof and the number of Options outstanding.

### **6.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

### **6.8 Option Holder Status**

For stock options granted to Employees, Consultants or Management Company Employees, the Company represents that each such Option Holder will be a *bona fide* Employee, Consultant or Management Company Employee, as the case may be.

## **ARTICLE 7 APPROVALS REQUIRED FOR PLAN**

### **7.1 Approvals Required for Plan**

Prior to its implementation by the Company, the Plan is subject to approval by the Exchange.

### **7.2 Substantive Amendments to Plan**

Any substantive amendments to the Plan shall be subject to the Company first obtaining the approvals of:

- (a) the shareholders or disinterested shareholders, as the case may be, of the Company at a general meeting where required by the rules and policies of the Exchange or any stock exchange on which the Shares may be listed for trading; and
- (b) the Exchange or any stock exchange on which the Shares may be listed for trading.

Approved by the directors on October 19, 2012.

Amended by the directors, as approved by the shareholders of the Company, effective as of March 17, 2021.

Amended by the directors, as approved by the shareholders of the Company, effective as of June 2, 2022.

**ON BEHALF OF THE BOARD OF  
AFR NUVENTURE RESOURCES INC.**

---

JOHN O'DONNELL  
President & CEO

## SCHEDULE "A"

### AFR NUVENTURE RESOURCES INC. STOCK OPTION PLAN OPTION CERTIFICATE

This Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of AFR NuVenture Resources Inc. (the "Company") and evidences that \_\_\_\_\_ (the "Option Holder") is the holder of an option (the "Option") to purchase up to \_\_\_\_\_ common shares (the "Shares") in the capital stock of the Company at a purchase price of \$ \_\_\_\_\_ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is \_\_\_\_\_; and
- (b) the Expiry Date of this Option is \_\_\_\_\_.

The right to purchase Shares under the Option will vest in the Option Holder in increments over the term of the Option as follows:

| Date | Cumulative Number of Shares which may be Purchased |
|------|----------------------------------------------------|
|      |                                                    |
|      |                                                    |
|      |                                                    |
|      |                                                    |

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date, by delivery to the Administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this Certificate and a certified cheque or bank draft payable to "AFR NuVenture Resources Inc." in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which the Option is being exercised. If the Option Holder is an employee, consultant or management company employee, the Option Holder confirms that it is a bona fide employee, consultant or management company employee, as the case may be.

This Certificate and the Option evidenced hereby are not assignable, transferable or negotiable and are subject to the detailed terms and conditions contained in the Plan. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

The foregoing Option has been awarded this \_\_\_\_\_ day of \_\_\_\_\_.

The Option Holder acknowledges that:

1. the Option Holder has read and understands the Plan, and agrees to the terms and conditions of the Plan and this Certificate; and
2. the Option Holder consents to the disclosure by the Company of personal information regarding the Option Holder to the TSX Venture Exchange (the "Exchange") and to the collection, use and disclosure of such information by the Exchange, as the Exchange may determine.

**[if exercise price is the less than the applicable Market Price, include the following]**

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate and the shares issuable upon the exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until \_\_\_\_\_.

**AFR NUVENTURE RESOURCES INC.**

Per: \_\_\_\_\_

**SCHEDULE "B"**

**EXERCISE NOTICE**

TO: The Administrator, Stock Option Plan  
AFR NuVenture Resources Inc.  
133 Richmond St West, Suite 204  
Toronto, ON, Canada M5H 2L3

**1. Exercise of Option**

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the "Plan") of AFR NuVenture Resources Inc. (the "Company"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) \_\_\_\_\_ of the Shares which are the subject of the option certificate attached hereto.

Calculation of total Exercise Price:

- (a) number of Shares to be acquired on exercise: \_\_\_\_\_ shares
- (b) times the Exercise Price per Share: \$ \_\_\_\_\_
- Total Exercise Price, as enclosed herewith: \$ \_\_\_\_\_

The undersigned tenders herewith a cheque or bank draft (circle one) in the amount of \$ \_\_\_\_\_, payable to "AFR NuVenture Resources Inc." in an amount equal to the total Exercise Price of the Shares, as calculated above, and directs the Company to issue the share certificate evidencing the Shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED the \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Option Holder

\_\_\_\_\_  
Name of Witness (Print)

\_\_\_\_\_  
Name of Option Holder (Print)