

SEARCHLIGHT INNOVATIONS INC.

Suite 2300, 550 Burrard Street
Vancouver, British Columbia V6C 2B5

ANNUAL	Notice of Annual General Meeting of Shareholders
GENERAL	Information Circular
MEETING	Form of Proxy and Notes Thereto
	Financial Statement Request Form
Place:	Bentall 5 Conference Room, Ground Floor 550 Burrard Street Vancouver, British Columbia Canada V6C 2B5
Time:	11:30 a.m. (Vancouver time)
Date:	Monday, March 27, 2023

SEARCHLIGHT INNOVATIONS INC.

CORPORATE DATA

Head Office

Suite 2300, 550 Burrard Street
Vancouver, British Columbia
V6C 2B5

Directors and Officers

Fayyaz Alimohamed – Chief Executive Officer, Chief Financial Officer,
Corporate Secretary and Director
Frederic Leigh – Director
Bradley Humphrey – Director

Registrar and Transfer Agent

Odyssey Trust Company

Legal Counsel

Gowling WLG (Canada) LLP

Auditor

Davidson & Company LLP, Chartered Professional Accountants

Stock Exchange Listing

TSX Venture Exchange
Symbol "SLX.P"

SEARCHLIGHT INNOVATIONS INC.
Suite 2300, 550 Burrard Street
Vancouver, British Columbia, V6C 2B5

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Searchlight Innovations Inc. (the "**Company**") will be held at the Bentall 5 Conference Room, Ground Floor, 550 Burrard Street, Vancouver, British Columbia, Canada V6C 2B5 on Monday, the 27th day of March, 2023 at 11:30 a.m. (Vancouver time) (the "**Meeting**"), for the following purposes:

1. To receive the audited financial statements of the Company for the fiscal year ended December 31, 2022 (with comparative statements relating to the preceding fiscal period) together with the report of the auditors therein;
2. To fix the number of directors at three (3);
3. To elect the directors for the ensuing year;
4. To appoint Davidson & Company LLP, Chartered Professional Accountants, as auditors for the ensuing year and to authorize the directors of the Company to fix their remuneration;
5. To consider and, if thought fit, to pass an ordinary resolution approving the Company's rolling stock option plan and reserving for the grant of options of up to 10% of the issued and outstanding shares of the Company at the time of any stock option grant, as more particularly described in the accompanying information circular; and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice is the Information Circular, a form of Proxy, Audited Financial Statements for the year ended December 31, 2022, Management's Discussion and Analysis related thereto, and a Financial Statement Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

Shareholders of the Company are entitled to vote at the Meeting either in person or by proxy. Those who are unable to attend the Meeting are requested to read the notes to the enclosed form of Proxy and then to, complete, sign and mail the enclosed form of Proxy in accordance with the instructions set out in the Proxy and in the Information Circular accompanying this Notice.

DATED at Vancouver, British Columbia, this 14th day of February, 2023.

BY ORDER OF THE BOARD

(signed) "Fayyaz Alimohamed"
Fayyaz Alimohamed
Chief Executive Officer, Chief Financial Officer,
Corporate Secretary and Director

SEARCHLIGHT INNOVATIONS INC.
Suite 2300, 550 Burrard Street
Vancouver, British Columbia V6C 2B5

INFORMATION CIRCULAR

(Containing information as at February 14, 2023 unless indicated otherwise)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Searchlight Innovations Inc. (the “**Company**”) for use at the Annual General Meeting of Shareholders of the Company (and any adjournment thereof) to be held on Monday, March 27, 2023 (the “**Meeting**”) for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the directors of the Company (the “**Board of Directors**” or “**Board**”).

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are Fayyaz Alimohamed and Zula Kropivnitski (collectively, “**Management’s Nominees**”). **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT’S NOMINEES NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.**

A proxy will not be valid unless the completed form of proxy is received by Odyssey Trust Company (the “Transfer Agent”) at Proxy Department, #350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Canada, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Proxies delivered after that time will not be accepted.

REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his, her or its attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Company, at **Gowling WLG (Canada) LLP, Suite 2300, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, Canada** at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

INFORMATION FOR NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered

shareholders may vote at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their 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 supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBOs**"). Subject to the provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above.

The Company is not sending its proxy-related materials to the registered shareholders or Beneficial Shareholders using "notice and access", as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The Company does not intend to pay for intermediaries to deliver the proxy-related materials and Form 54-101F7 to OBOs, as defined under NI 54-101. As a result, OBOs will not receive the Meeting materials unless the OBOs intermediary assumes the costs of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his 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 and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the 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.

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The common shares represented by a properly executed proxy in favour of persons proposed by Management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL SUCH SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

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

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Authorized Share Structure:	an unlimited number of common shares without par value
Issued and Outstanding:	5,100,000 ⁽¹⁾ common shares without par value

Note:

- (1) As at the date hereof.

The common shares are the only voting securities of the Company. Only shareholders of record at the close of business on February 14, 2023 (the "**Record Date**") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their common shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his, her or its name.

To the knowledge of the directors and senior officers of the Company, the only persons or companies who beneficially own, directly or indirectly or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company are:

Name	No. of Shares	Percentage
Fayyaz Alimohamed	1,000,000 ⁽¹⁾	19.6%
Frederic Leigh	1,000,000 ⁽¹⁾	19.6%

Note:

- (1) A portion of these shares are subject to escrow pursuant to an escrow agreement (the “**Escrow Agreement**”) dated May 12, 2022 among the Company, Odyssey Trust Company as escrow agent, the directors and officers of the Company, and certain other shareholders of the Company.

ELECTION OF DIRECTORS

The Board of Directors presently consists of three (3) directors and it is intended to determine the number of directors at three (3) and to elect three (3) directors for the ensuing year.

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as the nominees of management and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (British Columbia).

According to the Company's Articles, the Company must receive advance notice of nominations of directors by Shareholders. The purpose of the advance notice provision is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The advance notice provision is the framework by which the Company seeks to fix 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. The Company did not receive notice of any director nominations in connection with the Meeting within the time periods prescribed by the Articles. Accordingly, at the Meeting, the only persons eligible to be nominated for election to the Board are the Nominees.

The following table and notes thereto states the name of each person proposed to be nominated by management for election as a director (a “**proposed director**”), the province or state and country in which he or she is ordinarily resident, all offices of the Company now held by him or her, his or her principal occupation, business or employment for the five preceding years for new director nominees, the period of time for which he or she has been a director of the Company, and the number of common shares of the Company beneficially owned by him or her, directly or indirectly, or over which he or she exercises control or direction, as at the date hereof.

Name, Position, Province or State and Country of Residence ⁽¹⁾	Principal Occupation⁽¹⁾	Director Since	Number of Common Shares beneficially owned or directly or indirectly controlled ⁽²⁾
Fayyaz Alimohamed ⁽³⁾ Chief Executive Officer, Chief Financial Officer, Corporate Secretary, and Director British Columbia, Canada	Managing Partner of Zabina Capital Inc., a private corporate finance advisory company, since July, 2021; CEO of Zabina Ventures Inc., a management consultancy company since March 2010; President of Acamar Advisors Inc., a management consultancy company until December 2017.	October 8, 2021	1,000,000 ⁽⁴⁾
Frederic Leigh ⁽³⁾ Director Ontario, Canada	Owner of VC7K Capital Inc., a private investment company that funds start-ups and seed rounds, since 1992; member of the Capital Markets team at Forbes & Manhattan, a private merchant bank, since 2010; Executive Chairman of PlantX Life Inc., an e-commerce and plant-based foods company listed on the Canadian Securities Exchange from September 2021 to May 2022.	October 8, 2021	1,000,000 ⁽⁴⁾
Bradley Humphrey ⁽³⁾ Director Ontario, Canada	President, CEO and Director of QMX Gold Corp., a Canadian gold and base metals producer purchased by Eldorado Gold Corporation in July 2021, since October 2016.	January 13, 2022	100,000 ⁽⁴⁾

Notes:

- (1) The information as to the province or state, and applicable country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to the common shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Denotes member of the Audit Committee. Bradley Humphrey is chair of the Audit Committee.
- (4) A portion of these shares are subject to escrow pursuant to the Escrow Agreement.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

None of the proposed directors (or any of their personal holding companies) of the Company:

- (a) is, or during the ten years preceding the date of this Information Circular has been, 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 proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, or during the ten years preceding the date of this Information Circular has been, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted

any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of the Company in deciding whether to vote for a proposed director.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee’s charter, composition of the audit committee and the fees paid to the external auditor.

Accordingly the Company provides the following disclosure with respect to its audit committee:

Audit Committee’s Charter

The text of the Audit Committee’s Charter is set out in the attached Schedule “A” to this Information Circular.

Composition of the Audit Committee

The current members of the audit committee are:

Fayyaz Alimohamed	Not Independent ⁽¹⁾	Financially literate ⁽²⁾
Frederic Leigh	Independent ⁽¹⁾	Financially literate ⁽²⁾
Bradley Humphrey (Chair)	Independent ⁽¹⁾	Financially literate ⁽²⁾

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. Mr. Alimohamed is not independent as he is the Chief Executive Officer and Chief Financial Officer of the Company
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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.

Relevant Education and Experience

Fayyaz Alimohamed

Mr. Alimohamed has a B.Sc. (Hons.) degree in Economics from the London School of Economics (University of London) and is a Chartered Professional Accountant (CPA, CGA). He has over 35 years experience in investment management, finance and consultancy. He previously worked at the Aga Khan University Hospital, Financial and Management Services Ltd. (a management consultancy set up by Morgan Grenfell & Co. Limited and Booz Allen Hamilton, Inc.) and as the Chief Financial Officer of AccelRate Power Systems Inc. (formerly the Key Capital Group). Formerly he was a Director of Investments for the Cupola Group, and the President of Acamar Advisors, which provides management consultancy and corporate communications services. Mr. Alimohamed also acted as CEO for Altair Resources Inc., a company listed on the TSX Venture Exchange

("TSXV"), and is the CEO of Zabina Ventures Inc. Mr. Alimohamed is currently the Managing Partner of Zabina Capital Inc., a private company, which provides corporate finance advisory services to companies.

Bradley Humphrey

Mr. Humphrey is President, CEO and Director of QMX Gold Corp. Mr. Humphrey formerly worked for Morgan Stanley Research as an Executive Director and North American Precious Metals Analyst, where he was responsible for growing Morgan Stanley's North American Gold research coverage and building its global gold research platform. Prior to joining Morgan Stanley he was a Managing Director and Head of Mining Research at Raymond James as well as a mining analyst at CIBC World Markets and Merrill Lynch. Before beginning his equity research career, Mr. Humphrey held a broad range of industry positions from Corporate Development to contract underground miner.

Frederic Leigh

Mr. Leigh has been involved in the junior resource sector for more than 30 years and has had a significant role as founder, director or investor in many public companies. Mr. Leigh is also the owner of VC7K Capital Inc., a private investment company that has been funding start-ups and seed rounds since 1992. Additionally, Mr. Leigh is a member of the Capital Markets team at Forbes & Manhattan, a private merchant bank based in Toronto, Ontario that assists companies with funding, market support, and business advice, since 2010.

Each member of the audit committee has:

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

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre Approval Policies and Procedures

The Audit Committee reviews all non-audit services and pre-approves all non-audit services to be provided to the Corporation by its external auditors.

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2022	\$9,409	Nil	Nil	Nil
2021 ⁽⁵⁾	\$7,500	Nil	Nil	\$2,500

Notes:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".
- (5) For the period from the date of incorporation on October 8, 2021 to December 31, 2021.

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee and the disclosure requirements of its audit committee in an annual information form as prescribed by NI 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a "Named Executive Officer", or "NEO", means each of the following individuals:

- (a) each individual who, during any part of the Company's financial year ended December 31, 2022, served as chief executive officer ("CEO") of the Company, including an individual performing functions similar to a CEO;
- (b) each individual who, during any part of the Company's financial year ended December 31, 2022, served as chief financial officer ("CFO") of the Company, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officers of the Company and its subsidiaries, other than the individuals identified in paragraphs (a) and (b), as at December 31, 2022 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6, for the financial year ended December 31, 2022; and
- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at December 31, 2022.

Based on the foregoing definitions, the Company has one Named Executive Officer: Fayyaz Alimohamed, the Company's CEO, and CFO. The Summary Compensation table below provides information for the two most recently completed financial years ended December 31, 2022 and December 31, 2021 regarding compensation paid to or earned by the Named Executive Officer.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted or given, or otherwise provided, directly or indirectly to the Company's Named Executive Officer and directors for the fiscal years ended December 31, 2022 and December 31, 2021.

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Fayyaz Alimohamed ⁽²⁾ CEO, CFO, Corporate Secretary and Director	2022 2021 ⁽⁴⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Frederic Leigh ⁽⁴⁾ Director	2022 2021 ⁽³⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Bradley Humphrey ⁽⁴⁾ Director	2022 2021 ⁽³⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) Financial years ended December 31.
- (2) Mr. Alimohamed was appointed CEO, CFO, and Corporate Secretary on December 11, 2021 and a Director of the Company on October 8, 2021.
- (3) For the period from the date of incorporation on October 8, 2021 to December 31, 2021.
- (4) Messrs. Leigh and Humphrey were appointed directors of the Company on October 8, 2021 and January 13, 2022, respectively.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to all Named Executive Officers and directors by the Company or any of its subsidiaries during the fiscal year ended December 31, 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$) ⁽¹⁾	Closing Price of Security on date at year end (\$)	Expiry Date
Fayyaz Alimohamed ⁽²⁾ CEO, CFO, Corporate Secretary and Director	Stock Options	230,000 ⁽²⁾	August 8, 2022	\$0.10	N/A	\$0.16 ⁽⁴⁾	August 8, 2032
Frederic Leigh ⁽²⁾ Director	Stock Options	230,000 ⁽²⁾	August 8, 2022	\$0.10	N/A	\$0.16 ⁽⁴⁾	August 8, 2032
Bradley Humphrey ⁽³⁾ Director	Stock Options	50,000 ⁽³⁾	August 8, 2022	\$0.10	N/A	\$0.16 ⁽⁴⁾	August 8, 2032

Note:

- (1) At the market open on August 8, 2022, the common shares were listed and immediately halted on TSXV. Effective at market open on August 10, 2022, the Common Shares of the Company resumed trading, the Company having completed its initial public offering of securities on August 8, 2022.
- (2) As at December 31, 2022, each director held 230,000 stock options of the Company entitling each director to acquire, upon exercise 230,000 Common Shares in the capital of the Company at a price of \$0.10 per share until August 8, 2032. As of December 31, 2022, all stock options held by each director have fully vested.
- (3) As at December 31, 2022, Mr. Humphrey held 50,000 stock options of the Company entitling him to acquire, upon exercise 50,000 Common Shares in the capital of the Company at a price of \$0.10 per share until August 8, 2032. As of December 31, 2022, all stock options held by Mr. Humphrey have fully vested.
- (4) As at December 8, 2022, being the last trading price on the TSXV, was \$0.16.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by the Company's Named Executive Officers and directors during the fiscal year ended December 31, 2022.

Stock Option Plans and Other Incentive Plans

The Company was a CPC during the year ended December 31, 2022. Accordingly, except for the stock option grants described herein, no compensation was paid by the Company to the NEO or the directors in their capacity as executive officers of the Company, in their capacity as members of the Board, or as consultants or experts during the Company's most recently completed financial year.

The Board has previously adopted the Company's stock option plan (the "**Plan**"), which is a "rolling" stock option plan, pursuant to which a maximum of 10% of the issued and outstanding common shares of the Company at the time an option is granted may be reserved for issuance pursuant to the exercise of incentive stock options. The Plan was adopted, effective February 28, 2022, as amended May 12, 2022. The TSXV on May 9, 2022 conditionally approved up to 510,000 shares reserved for issuance pursuant to stock options. Under TSXV policy, all such rolling stock option plans must be approved and ratified by shareholders on an annual basis. Any amendments to the Plan must also be approved by the TSXV and, if necessary, approval by the disinterested shareholders of the Company obtained prior to becoming effective. Approval by the disinterested shareholders means approval by a majority of votes cast by all shareholders at a meeting, excluding votes attached to common shares beneficially owned by insiders of the Company to whom options may be granted pursuant to the Existing Plan and their associates in accordance with the policies of the TSXV. Shareholders will be asked at the Meeting to pass an ordinary resolution approving the Plan. See "*Particulars of Matters to be Acted Upon – Approval of Stock Option Plan*".

The purpose of the Plan is to allow the Company to grant options to directors, officers, employees and consultants, as an incentive to dedicate their efforts to advance the success of the Company. The granting of options is intended to align the interests of such persons with that of the members.

Eligible Optionees

Under the policies of the TSXV, to be eligible for the issuance of a stock option under the Plan an optionee must either be a bona fide director, officer, consultant or an employee of the Company or a company providing management or other services to the Company or a subsidiary of the Company at the time the option is granted (a "**Service Provider**").

Material Terms of the Plan

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

- (a) The Board may from time to time, in its discretion, and in accordance with the Exchange requirements and the terms of the Plan, grant options to Service Providers;

- (b) For options granted to Service Providers, the Company must ensure that the proposed optionee is a bona fide Service Provider of the Company or its affiliates;
- (c) The maximum aggregate number of Common Shares that may be reserved for issuance under the Plan at any point in time is 10% of the outstanding shares at the time Plan shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under share compensation arrangements other than the Plan.
- (d) All options granted under the Plan are non-assignable and non-transferable and exercisable for a period of up to ten years from the date of granting thereof;
- (e) The Plan is subject to the following restrictions:
 - (i) while the Company is classified as a capital pool company (“**CPC**”) pursuant to Policy 2.4 of the TSXV policies, no options may be issued to persons providing investor relations activities, promotional or market-making services to the Company;
 - (ii) no Service Provider can be granted an option if that option would result in the total number of options, together with all other share compensation arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the outstanding shares, unless the Company has obtained disinterested shareholder approval;
 - (iii) the aggregate number of options granted to all Service Providers conducting investor relations activities in any 12-month period cannot exceed 2% of the outstanding shares, calculated at the time of grant, without the prior consent of the TSXV (or NEX, as the case may be); and
 - (iv) the aggregate number of options granted to any one consultant in any 12 month period cannot exceed 2% of the outstanding shares, calculated at the time of grant, without the prior consent of the TSXV, and while the Company is classified as a CPC, stock options may only be granted to a technical consultant;
- (f) While the Company is classified as a CPC, the Plan is subject to the following restrictions:
 - (i) the total number of option shares reserved under option for issuance to any individual director or senior officer may not exceed 5% of the outstanding shares at the time plan shares are reserved for issuance as a result of the grant of an option;
 - (ii) the total number of option shares reserved under option for issuance to all technical consultants may not exceed 2% of the outstanding shares at the time plan shares are reserved for issuance as a result of the grant of an option;
 - (iii) the total number of option shares reserved under option for issuance to all eligible charitable organizations may not exceed 1% of the outstanding shares at the time plan shares are reserved for issuance as a result of the grant of an option;
 - (iv) no options may be granted to a person who is not a director or senior officer of the Company, and where permitted by applicable securities laws, a technical consultant whose particular industry expertise in relation to the business of the vendors (as defined in TSXV Policy 2.4) or the target company (as defined in TSXV policy 2.4), as the case may be, is required to evaluate the proposed qualifying transaction (as defined in TSXV Policy 2.4), a corporation, all of whose securities are owned by such a director, officer or technical consultant, or an eligible charitable organization;
 - (v) the exercise price per option cannot be less than \$0.05 prior to the completion of its initial public offering;

- (vi) all options granted by the Company must be granted in compliance with TSXV Policy 4.4 and TSXV Policy 2.4;
 - (vii) no options may be granted by the Company unless the optionee first enters into a CPC escrow agreement (as defined in TSXV Policy 2.4) agreeing to deposit the options, and the option shares acquired pursuant to the exercise of such options, into escrow as described in TSXV Policy 2.4; and
 - (viii) the expiry date of an option must not be later than 12 months after the optionee ceases to be a director, senior officer or technical consultant of the Company, or of the resulting issuer (as defined in TSXV Policy 2.4), as the case may be, subject to any earlier expiry date of such option;
- (g) In the event an option granted under the Plan expires unexercised or is terminated by reason of dismissal of the optionee for cause or is otherwise lawfully cancelled prior to exercise of the option, the optioned shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance;
- (h) Subject to the policies of the TSXV, the Board may in its absolute discretion, amend or modify the Plan which (i) are of a typographical, grammatical or clerical nature only, (ii) relate to the vesting of options or the termination of options subject to prior written regulatory approval, if applicable; (iii) subject to any necessary regulatory approval, amend, suspend, terminate or discontinue the plan except that no such action shall apply to options previously granted that remain outstanding without the prior written consent of the applicable optionee; (iv) as are required to comply with applicable securities law; and (v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market.
- (i) The Company will be required to obtain disinterested shareholder approval prior to any of the following actions becoming effective:
- (i) the Plan, together with all of the Company's other previous share compensation arrangements, could result at any time in (1) the aggregate number of common shares reserved for issuance under options granted to insiders exceeding 10% of the outstanding shares in the event that this plan is amended to reserve for issuance more than 10% of the outstanding shares; (2) the number of optioned shares issued to insiders within a one-year period exceeding 10% of the outstanding shares in the event that this plan is amended to reserve for issuance more than 10% of the outstanding shares; or (3) the issuance to any one optionee, within a 12-month period, of a number of common shares exceeding 5% of the outstanding shares; or
 - (ii) any reduction in the exercise price of an option or the extension of the term of an option if the optionee is an Insider of the Company at the time of the proposed amendment. With respect to an option granted to an employee, the exercise price shall not be reduced to an amount that is less than the fair market value of the common shares at the effective date;
- (j) Specific disinterested shareholder approval is required to reduce the exercise price of an option for an optionee who is an insider, and on any extension of the option period beyond its original expiration date of any options held by insiders;
- (k) The exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
- (l) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by, or continuing to provide services to, the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board

from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period;

- (m) Following the completion of a qualifying transaction options granted to consultants conducting Investor Relations Activities will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting, or such longer vesting period as the Board may determine;
- (n) In the event of a change of control occurring, options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the change of control, subject to the approval of the TSXV (or NEX, as the case may be) for vesting requirements imposed by the policies of the TSXV, except for options granted to consultants conducting Investor Relations Activities;
- (o) On the occurrence of a takeover bid made for all or any of the issued and outstanding Common Shares, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise shall be exercisable in full to enable the Common Shares subject to such options to be issued and tendered to such bid;
- (p) If the normal expiration date of any option falls within any blackout period or within 9 business days following the expiration of any blackout period, then the expiry date of such restricted options shall, without any further action, be extended to the date that is 10 business days following the end of such blackout period;
- (q) An option granted to any directors or officers of the Company or an affiliate will expire within 90 days, and all others including, but not limited to, employees (other than Directors and Officers) and Consultants, will expire 30 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the optionee at any time prior to expiry of the option), after the date the optionee ceases to be employed by or provide services to the Company, but only to the extent that such option was vested at the date the optionee ceased to be so employed by or to provide services to the Company;
- (r) If an optionee dies, any vested options held by him or her at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;
- (s) In the case of an optionee being dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (t) The number of common shares which are subject to an option may be adjusted from time to time in the event of subdivision, consolidation, reclassifications, reorganizations or changes in the capital structure of the company;
- (u) Any adjustment, other than in connection with a share consolidation or share split, to options granted or issued under this Plan are subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization;
- (v) Pursuant to the Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law; and

- (w) the Board reserves the right in its absolute discretion to amend, modify or terminate the Plan with respect to all options which have not yet been granted under the Plan.

Employment, Consulting and Management Agreements

There were no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a director or named executive officer; or (b) performed by any other party but are services typically provided by a director or a named executive officer.

Oversight and Description of Named Executive Officer and Director Compensation

The Company's Named Executive Officer and director compensation is administered by the Board. The Board has primary responsibility for approval with respect to the appointment and remuneration of Named Executive Officers of the Company and the remuneration of the Board. The Board also evaluates the performance of the Company's senior executive officers and reviews the design and competitiveness of the Company's compensation plans.

During the financial year ended December 31, 2022, the Company did not provide any compensation to its NEO and directors except for the stock option grants described herein.

Stock Options

The Plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability and to reward individuals for current performance and expected future performance. The Board considers stock option grants when reviewing executive officer compensation packages as a whole.

The Board has sole discretion to determine the key employees to whom it recommends that grants be made and to determine the terms and conditions of the options forming part of such grants. The Board approves ranges of stock option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company.

The number of stock options which may be issued under the Plan in the aggregate and in respect of any fiscal year is limited under the terms of the Plan and cannot be increased without shareholder approval.

Pension Disclosure

The Company does not provide any pension benefits to its NEO or directors.

The Company does not permit its NEOs or directors to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Effective June 30, 2005, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") was adopted in each of the provinces and territories in Canada. NI 58-101 requires reporting issuers to disclose the corporate governance practices that they have adopted on an annual basis. The Company's approach to corporate governance is provided in the attached Schedule "B".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At any time during the Company's last completed financial year, no director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which equity securities of the Company are authorized for issuance in effect as of the end of the Company's most recently completed financial year:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved By Shareholders	Nil	N/A	N/A
Equity Compensation Plans Not Approved By Shareholders ⁽¹⁾	510,000	\$0.10	Nil
Total:	510,000	\$0.10	Nil

Note:

- (1) At the Meeting, Shareholders will be asked to approve the Plan. The Plan is a "rolling" incentive stock option plan which provides that the Board may grant up to ten percent (10%) of the total number of common shares issued and outstanding at the date of the stock option grant. Shareholders of the Company are being requested to approve the Plan at the Meeting. See "Particulars of Matters to be Acted Upon – Approval of the Stock Option Plan".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular and other than transactions carried out in the ordinary course of business of the Company, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, common shares of the Company, or exercising control or direction over common shares of the Company, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Company nor an associate or affiliate of any of the foregoing persons has since the commencement of the Company's most recently completed financial year any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITORS

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company, at a remuneration to be determined by the directors. Davidson & Company LLP, Chartered Professional Accountants, were first appointed auditors of the Company on January 11, 2022.

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

Other than as set forth in this Information Circular, no person who has been a director or executive officer 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 any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors. Directors and executive officers may be interested in the approval of the Stock Option Plan as detailed below. See "*Particulars of Matters to be Acted Upon – Approval of Stock Option Plan*".

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

As noted under the headings "Stock Option Plans and other Incentive Plans and Securities Authorized for Issuance Under Equity Compensation Plans" the Company's Plan, dated for reference February 28, 2022, as amended May 12, 2022, provides that the maximum number of common shares that may be reserved for issuance pursuant to such Plan will not exceed 10% of the issued shares of the Company at the time of the stock option grant. See "*Stock Option Plans and other Incentive Plans*" for the terms and conditions governing the Plan.

As a "rolling" stock option plan, the Plan is required, pursuant to the policies of the TSXV, to be approved by the shareholders each year at the Company's annual general meeting. As at the date of this Information Circular, there are 510,000 options outstanding under the Plan, and no additional options may be granted (based on the current issued capital of 5,100,000 common shares). Notice of options granted under the Plan must be given to the TSXV on a monthly basis. Any amendments to the Plan must also be approved by the TSXV and, if necessary, by the shareholders of the Company prior to becoming effective.

A copy of the Plan may be inspected at the office of the Company's solicitors, Gowling WLG (Canada) LLP, at Suite 2300, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5 Canada during normal business hours and at the Meeting. In addition, a copy of the Plan will be mailed, free of charge, to any holder of common shares who requests a copy, in writing, from the Corporate Secretary of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Corporate Secretary.

At the Meeting, shareholders will be asked to approve the following ordinary resolution, with or without variation:

"RESOLVED as an ordinary resolution, that:

1. the Company's Stock Option Plan, as amended (the "**Plan**"), as described in the Company's Information Circular dated February 14, 2023 and as available for review at the Company's annual general meeting to be held on March 27, 2023 be and is hereby ratified, confirmed and approved;
2. the number of common shares of the Company reserved for issuance under the Company's Plan shall be no more than 10% of the Company's issued and outstanding share capital at the time of any stock option grant; and
3. the Board of Directors of the Company be authorized to make any changes to the Company's Plan, if required by the TSX Venture Exchange."

In order to be effective, the foregoing ordinary resolution must be approved by a simple majority of the votes cast by shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such resolution.

The Board recommends that shareholders vote in favour of the above resolution. In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form in favour of the foregoing ordinary resolution.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on the SEDAR website located at www.sedar.com "Company Profiles – Searchlight Innovations Inc." The Company's financial information is provided in the Company's audited financial statements and related Management's Discussion and Analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above. Shareholders of the Company may request copies of the Company's financial statements and related Management's Discussion and Analysis by contacting Fayyaz Alimohamed, Searchlight Innovations Inc., c/o Suite 2300, 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5, telephone number (604) 999-4456, E-mail fayyaz@zabinacapital.com.

SCHEDULE "A"

SEARCHLIGHT INNOVATIONS INC.

AUDIT COMMITTEE CHARTER

ARTICLE 1 DEFINITIONS

1.1 Definitions In this Charter

"**audit services**" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"**Board**" means the board of directors of the Company;

"**Charter**" means this Audit Committee charter;

"**Committee**" means the committee established by and among the Board for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

"**Company**" means Searchlight Innovations Inc.;

"**independent**" has the meaning ascribed to it in Section 1.4 of NI 52-110;

"**MD&A**" has the meaning ascribed to it in Section 1.1 of NI 51-102;

"**Member**" means a member of the Committee;

"**NI 51-102**" means National Instrument 51-102 - *Continuous Disclosure Obligations*;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*; and

"**non-audit services**" means services other than audit services.

ARTICLE 2 GENERAL

2.1 Audit Committee

2.1.1 The Board has hereby established the Committee whose purpose is to assist the Board in compliance with the requirements of the NI 52-110 and fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- (c) the qualifications, independence and performance of the external auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company's internal audit function; and

- (f) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2.2 Relationship with External Auditors

- 2.2.1 The Company will henceforth require its external auditor to report directly to the Committee.

2.3 Composition and Member Qualifications

- 2.3.1 The Committee will be composed of a minimum of three (3) Board members.
- 2.3.2 The majority of Committee members must be "independent" as that term is defined in applicable securities legislation.
- 2.3.3 Every Committee member must be "financially literate" as that term is defined in applicable securities legislation.

2.4 Member Appointment and Removal

- 2.4.1 The Board, at its organizational meeting held in conjunction with each annual general meeting of the holders of shares of the Company, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

2.5 Committee Structure and Operations

- 2.5.1 Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair from amongst their number. If the chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.
- 2.5.2 The Secretary of the Company shall be the secretary of the Committee, unless otherwise determined by the Committee. Minutes of meetings of the Committee shall be recorded and maintained by the Secretary of the Committee. Copies of the minutes shall be provided to the Board.
- 2.5.3 The quorum for meetings shall be a majority of the Members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- 2.5.4 Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the Chairman, and the Company's external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the Company's external auditors shall receive notice of and have the right and shall be encouraged to attend all meetings of the Committee; and
 - (c) the Chief Executive Officer and the Chief Financial Officer of the Company shall be invited to attend all meetings of the Committee, except executive sessions and private sessions with the external auditors, and other management representatives of the Company shall be invited to attend as necessary.

ARTICLE 3 DUTIES AND RESPONSIBILITIES

3.1 Committee Responsibilities

3.1.1 The Committee shall be responsible for making the following recommendations to the Board:

- (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) the compensation of the external auditor.

3.1.2 The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

3.1.3 The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

3.1.4 The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

3.1.5 The Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and shall periodically assess the adequacy of those procedures.

3.1.6 The Committee shall establish procedures for:

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

3.1.7 The Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

3.1.8 The Committee shall have the authority to delegate to individual members or subcommittees of the Committee.

3.2 *De Minimis* Non-Audit Services

3.2.1 The Committee shall satisfy the pre-approval requirement in subsection 3.1.3 of the Charter if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiary entities to the Company's external auditor during the fiscal year in which the services are provided;
- (b) the Company or the subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and

- (c) the 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 of its Members to whom authority to grant such approvals has been delegated by the Committee.

3.3 Delegation of Pre-Approval Function

- 3.3.1 The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 3.1.3.
- 3.3.2 The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 3.3 must be presented to the Committee at its first scheduled meeting following such pre-approval.

3.4 Pre-Approval Policies and Procedures

- 3.4.1 The Committee satisfies the pre-approval requirement in subsection 3.1.3 of the Charter if it adopts specific policies and procedures for the engagement of the non-audit services, if:
 - (a) the pre-approval policies and procedures are detailed as to the particular service;
 - (b) the Committee is informed of each non-audit service; and
 - (c) the procedures do not include delegation of the Committee's responsibilities to management.

ARTICLE 4 AUTHORITY

4.1 Authority

- 4.1.1 The Committee shall have the authority:
 - (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee, and
 - (c) to communicate directly with the internal and external auditors.

ARTICLE 5 DISCLOSURE

5.1 Disclosure in Information Circular

- 5.1.1 If management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to the Board, the Company shall include in its management information circular the disclosure required by Form 52-110F2 - *Disclosure by Venture Issuers*.

SCHEDULE "B"

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Statement of Corporate Governance Practices

National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

Structure and Compensation

The Board is currently composed of three (3) directors and all members of the current Board are the proposed nominees for election as director at the Meeting.

NP 58-201 suggests that the Board of every listed corporation should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Of the current directors, Fayyaz Alimohamed, the Chief Executive Officer and Chief Financial Officer is an inside or management director and accordingly is considered not "independent". The remaining directors are considered by the Board to be "independent", within the meaning of NI 52-110.

The Company determined that it does not require a formal compensation committee given its size and limited scope of operations at this time. The Board reviews the adequacy and form of compensation and compares it to other companies of similar size and stage of development. There is no minimum share ownership requirement of directors. Directors' compensation will be in the form of stock options and the payment of directors' fees. The Company's Board reviews and approves the general compensation philosophy and guidelines, incentive plan design and other remuneration for all directors and executive officers, including the CEO.

Directorships

The following directors of the Company and proposed nominees are directors of other reporting issuers:

Name	Name of Other Reporting Issuer
Fayyaz Alimohamed	Torchlight Innovations Inc. (TSXV)
Frederic Leigh	Savanna Capital Corp. (TSXV) O2Gold Inc. (TSXV) Torchlight Innovations Inc. (TSXV)
Bradley Humphrey	NiCAN Limited (TSXV) Black Swan Graphene Inc. (TSXV)

Nomination, Assessment, Orientation and Continuing Education

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current limited operations.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditor and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" in the Circular for a description of the current principal occupations of each member of the Company's Board.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

The Audit Committee and the Board has established a policy and procedures for the receipt, retention and treatment of complaints regarding accounting or auditing matters (the "**Whistleblower Policy**") to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis. In addition to the general complaint procedure set out in the Whistleblower Policy, a confidential complaint regarding a questionable accounting or auditing matter may be forwarded directly to the chair of the Audit Committee.

Other Board Committees

The Board currently has one standing committee: the Audit Committee.