

NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR THE
ANNUAL GENERAL MEETING
OF SHAREHOLDERS
OF
GALAXY VENTURES INC.
TO BE HELD ON
THURSDAY, NOVEMBER 28, 2024

DATED: OCTOBER 10, 2024

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Galaxy Ventures Inc.
Suite 803 – 1887 Crowe Street
Vancouver, British Columbia
V5Y 0B4

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 28, 2024**

NOTICE IS HEREBY GIVEN that the **Annual General Meeting** (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of **GALAXY VENTURES INC.** (the “**Company**”) will be held on **Thursday, November 28, 2024, at 10:00 a.m. (Pacific Time), at 615 - 800 West Pender Street, Vancouver, British Columbia V6C 2V6**, for the following purposes:

1. to receive the audited financial statements of the Company for the year ended December 31, 2023, together with the report of the auditor thereon;
2. to fix the number of directors to be elected at the Meeting at four (4);
3. to elect directors of the Company to hold office until the next annual meeting of Shareholders;
4. to appoint Crowe MacKay LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditor;
5. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company’s Amended and Restated CPC Stock Option Plan dated April 18, 2022, and as amended on August 11, 2022 (the “**Stock Option Plan**”), in the form attached as Appendix “A” to and as more particularly described in the Management Information Circular of the Company dated October 10, 2024 (the “**Circular**”); and
6. to transact such other business as may properly come before the Meeting or any adjournment or thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Shareholders are advised to review the Circular before voting.

Although no other matters are contemplated, the Meeting may also consider the transaction of such other business, and any permitted amendment to or variation of any matter identified in this Notice, as may properly come before the Meeting or any adjournment thereof. Accompanying this Notice and Circular is a (i) form of proxy or voting instruction form – please follow the voting instructions detailed therein, and (ii) financial statements request form.

The board of directors of the Company (the “**Board**”) has fixed the close of business on Thursday, October 10, 2024, as the record date (the “**Record Date**”) for determining Shareholders who are entitled to receive notice and to vote at the Meeting. Only Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting.

Registered Shareholders unable to attend the Meeting in person and who wish to ensure that their common shares (“**Shares**”) will be voted at the Meeting are requested to complete, date, and sign the enclosed form

NOTICE OF MEETING

of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular.

Non-registered (or beneficial) Shareholders who plan to attend the Meeting must follow the instructions set out in the voting instruction form to ensure that their Shares will be voted at the Meeting. If you hold your Shares in a brokerage account, you are a non-registered (or beneficial) Shareholder.

DATED at Vancouver, British Columbia, this **10th day of October 2024**.

BY ORDER OF THE BOARD

/s/ Andrew Thomson

Andrew Thomson

Chief Executive Officer and Director

MANAGEMENT INFORMATION CIRCULAR

SECTION 1 - INTRODUCTION

This management information circular (the “**Circular**”) accompanies the notice of annual general meeting (the “**Notice**”) and is furnished to the holders (the “**Shareholders**” and each, a “**Shareholder**”) of common shares (“**Shares**”) in the capital of Galaxy Ventures Inc. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of the Shareholders to be held on **Thursday, November 28, 2024, at 10:00 a.m. (Pacific Time)** at **615 - 800 West Pender Street, Vancouver, British Columbia V6C 2V6**, and any adjournment thereof, for the purposes set forth in the Notice of the Meeting.

DATE AND CURRENCY

Unless otherwise indicated, all information in this Circular is given as at **October 10, 2024**, and all dollar amounts referenced herein are in Canadian dollars (“\$”).

NOTICE-AND-ACCESS

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**”) to distribute copies of proxy-related materials in connection with the Meeting. The proxy-related materials for the Meeting can be found under the Company’s profile on SEDAR+ (www.sedarplus.ca), the Canadian Securities Administrators’ national system that all market participants use for filings and disclosure.

The Circular contains details of matters to be considered at the Meeting. **Please review the Circular before voting.**

SECTION 2 - PROXIES AND VOTING RIGHTS

MANAGEMENT SOLICITATION

The solicitation of proxies by the management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers, and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals’ authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out-of-pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

APPOINTMENT OF PROXY

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed on the enclosed form of proxy are officers and/or directors of the Company (the "**Management Proxyholders**").

A Shareholder has the right to appoint a person or company to attend and act for or on behalf of that Shareholder at the Meeting, other than the Management Proxyholders named in the enclosed form of proxy. A proxyholder need not be a Shareholder.

To exercise the right, the Shareholder may do so by inserting the name of such other person in the blank space provided in the form of proxy. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instruction to the nominee on how the Shareholder's Shares should be voted. The nominee should bring personal identification to the Meeting.

Those Shareholders desiring to be represented at the Meeting by proxy – either by a Management Proxyholder or another person - must deposit their respective forms of proxy with the Company's registrar and transfer agent, Odyssey Trust Company by:

- (a) email to proxy@odysseytrust.com; or
- (b) mail or personal delivery to Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge Street, Toronto, ON M5E 1J8; or
- (c) facsimile to Odyssey Trust Company, Attn: Proxy Department, at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international); or
- (d) internet at <https://login.odysseytrust.com/pxlogin> and follow the online voting instructions given to you. You will require your 12-digit control number found on your form of proxy. If you vote through the internet, you may also appoint another person to be your proxyholder.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarized certified copy thereof, must accompany the form of proxy.

The Company may refuse to recognize any instrument of proxy deposited in writing or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment thereof.

VOTING BY PROXY AND EXERCISE OF DISCRETION

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The form of proxy, when properly signed, also confers discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

NON-REGISTERED (OR BENEFICIAL) SHAREHOLDERS

The following information is of significant importance to Shareholders who do not hold Shares in their own name. These Shareholders are called beneficial Shareholders. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered Shareholders (those whose names appear on the records of the Company as the registered holders of Shares). If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such 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 the Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks). Intermediaries are required to seek voting instructions from beneficial Shareholders in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

ADVICE TO NON-REGISTERED (OR BENEFICIAL) SHAREHOLDERS

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Meeting. The form of proxy supplied to you by your broker will be similar to the proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Many brokers delegate responsibility for obtaining instructions from clients to an investor communication service ("ICS") in Canada/the United States. The ICS will typically mail a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the same persons as the Company's form of proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to the ICS by mail or facsimile or given to the ICS by phone or over the internet, in accordance with the ICS' instructions. The ICS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. If you receive a voting instruction form from an ICS, you cannot use it to vote Shares directly at the Meeting - the voting instruction form must be completed and returned to the ICS, in accordance with its instructions, well in advance of the Meeting in order to have the Shares voted. Although as a beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxy holder for your broker and vote your Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Shares as proxy holder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the

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

REVOCATION OF PROXIES

Registered Shareholders

A Registered Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof by:

- completing and signing a proxy bearing a later date and delivering such proxy to Odyssey Trust Company by 10:00 a.m. (Pacific Time) on Tuesday, November 26, 2024, or the last business day prior to the day the Meeting is reconvened if it is adjourned;
- sending a signed written statement (or have your attorney sign a statement with your written authorization) to:

Corporate Secretary
Galaxy Ventures Inc.
1000 Cathedral Place
925 West Georgia Street
Vancouver, BC Canada V6C 3L2

Email: issuers@keystonecorp.ca

The Company must receive your written statement prior to 5:00 p.m. (Pacific Time) on Wednesday, November 27, 2024, or the last business day prior to the day the meeting is reconvened if it is adjourned;

- providing a signed written statement, at the Meeting, to the chair of the Meeting prior to the vote being taken; or
- any other manner permitted by law.

If you have followed the instructions for attending and voting at the Meeting, voting at the Meeting will revoke any previous proxy.

Beneficial Shareholders

If you change your mind, contact your broker or nominee.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada, and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgement by a United States court.

SECTION 3 – VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

RECORD DATE

The board of directors of the Company (the “**Board**”) has set the close of business on Thursday, October 10, 2024, as the record date (the “**Record Date**”) for the Meeting. Only Shareholders of record as at the Record Date are entitled to receive notice of and to attend and vote at the Meeting or any adjournment thereof, unless after that date a Shareholder of record transfers his or her Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he or she owns such Shares, requests at least ten (10) days prior to the Meeting that the transferee’s name be included in the list of Shareholders entitled to vote, in which case such transferee is entitled to vote such Shares at the Meeting.

Persons who are non-registered (or beneficial) Shareholders as at the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See “*Section 2 – Proxies and Voting Rights – Advice to Non-Registered (or Beneficial) Shareholders*”.

VOTING RIGHTS

The Company is authorized to issue an unlimited number of (i) Class A common shares without par value (“**Shares**”) and (ii) Class B preferred shares without par value (“**Preferred Shares**”). As at the Record Date, there were 8,100,000 Shares issued and outstanding and no Preferred Shares were issued and outstanding. Each Share carries the right to one vote. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Shares.

PRINCIPAL HOLDERS OF COMMON SHARES

To the knowledge of the directors and executive officers of the Company based upon review of the records maintained by the transfer agent of the Company and insider reports filed with the System for Electronic Disclosure by Insiders (SEDI), the following holder beneficially owns or controls or directs, directly or indirectly, voting securities carrying more than 10% of the voting rights as at the Record Date.

Shareholder Name	Number of Shares Held	Percentage of Issued Shares ⁽¹⁾
Andrew Thomson ⁽²⁾	907,700	11.21%

NOTE:

- (1) Based on 8,100,000 Common shares issued and outstanding as at October 10, 2024.
- (2) Mr. Andrew Thomson is Director of the Company.

QUORUM

Pursuant to the Articles of the Company, subject to the special rights or restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is two persons who are, or represent by proxy, Shareholders holding, in the aggregate, hold at least one-twentieth of the issued Shares entitled to be voted at the meeting.

SECTION 4 – PARTICULARS OF MATTERS TO BE ACTED UPON

MANAGEMENT OF THE COMPANY KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, IF ANY OTHER MATTERS THAT ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE ON SUCH MATTERS IN ACCORDANCE WITH THEIR BEST JUDGMENT.

Additional details regarding each of the matters to be acted upon at the Meeting are set forth below.

1. PRESENTATION OF FINANCIAL STATEMENTS

The audited annual financial statements of the Company for the year ended December 31, 2023, and the auditor's report thereon, will be placed before Shareholders at the Meeting.

A copy of these documents will be available at the Meeting and may also be obtained by a Shareholder upon request without charge from the Company, 803 - 1887 Crowe Street, Vancouver, British Columbia, V5Y 0B4. These documents are also available under the Company's profile on SEDAR+ at www.sedarplus.ca

Shareholders and proxyholders will be given an opportunity to discuss these Company's financial results with management. **Shareholder approval is not required and no formal action will be taken at the Meeting to approve the financial statements.**

2. FIXING THE NUMBER OF DIRECTORS

At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. Shareholders will be asked to consider and, if deemed advisable, to approve an ordinary resolution, the text of which is as follows:

"BE IT RESOLVED, as an ordinary resolution of Shareholders, that the number of directors to be elected at the Meeting, to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed pursuant to the constating documents of the Company, unless their offices are earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's constating documents, be and is hereby fixed at four (4)."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or by proxy in respect of the resolution at the Meeting.

Management believes the passing of the above resolution is in the best interests of the Company and recommends Shareholders vote in favour of the ordinary resolutions fixing the number of directors to be elected at the Meeting as set out above. Unless directed to the contrary, it is the intention of the Management Proxyholders, if named as proxy, to vote IN FAVOUR of the ordinary resolutions fixing the number of directors to be elected at the Meeting at four (4).

3. ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of Shareholders or until their successors are elected or until such director's earlier death, resignation or removal.

Proposed Management Nominees for Election to the Board

Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. All of the nominees are current members of the Board and each has agreed to stand for election. Management of the Company does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of each person proposed to be nominated for election as a director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date:

Name and Province/Country of Residence and Present Office Held	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Periods During Which Nominee Has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾
Andrew Thomson ⁽³⁾ <i>British Columbia, Canada</i> President, Chief Executive Officer, Director	President and CEO of the Company (October 2021 – present); Vice Chairman, GACW Incorporated, which is involved in the manufacturing of off-road air suspension wheels (October 2019 – June 2021); Investment Advisor, Haywood Securities Inc. (December 2016 – September 2019)	October 21, 2021 – present	907,700
Scott Sinclair ⁽³⁾ <i>Vancouver, British Columbia</i> Director	Retired since May 2019; Investment Advisor, Leede Jones Gable (2016 – 2019)	October 21, 2021 – present	531,000
Baldev T. Sangara ⁽³⁾ <i>British Columbia, Canada</i> Director	Real Estate Development Executive, Sawarne Lumber Co. Ltd., which is engaged in forest products manufacturing and real estate development (1980 – present)	October 21, 2021 – present	600,000
Daryl Rebeck <i>British Columbia, Canada</i>	Executive Chairman, Liberty Defense Holdings Ltd., a technology company providing security solutions for concealed	July 14, 2022 – present	800,000

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Director	weapons detection (March 2021 – present); Director, DrawDown Detection Inc., predecessor to Liberty Defense (2018 – present); Founder and President, LexaGene Holdings Inc. (2015 – 2021); Senior VP - Corporate Finance, Auryn Resources Inc. (2013 - 2017)		
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NOTES:

- (1) The information in the table above as to principal occupation and business or employment of director nominees is not within the knowledge of management of the Company and has been furnished by the respective nominees.
- (2) The information as to number of Shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of management of the Company and has been furnished by the respective nominees or sourced from information available to the Company from SEDI (www.sedi.ca) or in reports provided by the transfer agent of the Company.
- (3) Member of Audit Committee

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

To the knowledge of the management of the Company, no proposed nominee for election as a director of the Company:

- (a) is, at the date of this Circular, or has been within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the proposed director was acting in the capacity as a 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, at the date of this Circular, or has been within 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 proposed director, or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

None of the proposed nominees for election as a director of the Company is proposed for election pursuant to any arrangement or understanding between the nominee and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

A Shareholder may vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. Management recommends Shareholders vote in favour of the election of each of the nominees listed above for election as directors of the Company for the ensuing year. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies IN FAVOUR of each of the nominees.

4. APPOINTMENT OF AUDITOR

Shareholders will be asked to vote for the appointment of Crowe MacKay LLP, Chartered Professional Accountants, of 1100 - 1177 West Hastings Street, Vancouver, British Columbia, V6E 4T5, as auditor of the Company to hold office until the next annual meeting of Shareholders, or until a successor is appointed, and to authorize the directors of the Company to fix the remuneration of the auditor.

Crowe MacKay LLP, Chartered Professional Accountants, has served as auditor of the Company since November 2021.

Management recommends Shareholders vote in favour of the appointment of Crowe MacKay LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the Board to fix the auditor's remuneration. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies IN FAVOUR of the appointment of Crowe MacKay LLP, Chartered Professional Accountants, as auditor of the Company until the close of its next annual meeting and to authorize the Board to fix the remuneration to be paid to the auditor.

5. APPROVAL OF STOCK OPTION PLAN

The Company is currently a capital pool company ("CPC") pursuant to Policy 2.4 of the TSX Venture Exchange (the "**Exchange**") and will remain a CPC until the Company completes a transaction whereby the CPC acquires Significant Assets (as such term is defined in the policies of the Exchange), other than cash, by way of purchase, amalgamation, merger or arrangement with another Company (a "**Qualifying Transaction**").

The only security-based compensation the Company currently has in place is the Amended and Restated CPC Stock Option Plan dated April 18, 2022, as amended August 11, 2022 (the "**Stock Option Plan**"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Shares by Eligible Persons (as such term is defined in the Stock Option Plan).

Exchange policies respecting the granting of stock options require that all companies listed on the Exchange adopt a share-based compensation plan that allows for the granting of stock options and that any such plan that reserves a maximum of 10% of the issued and outstanding share capital of the Company at the time of grant (a "**Rolling Plan**") must be approved and ratified by Shareholders on an annual basis, and subsequently by the Exchange. As the Stock Option Plan is a Rolling Plan, the Company will be seeking Shareholder approval at the Meeting for renewal of the Stock Option Plan, in accordance with and subject to the rules and policies of the Exchange. Renewal of the Stock Option Plan is proposed in order to provide a mechanism to increase the proprietary interest of Eligible Persons (as such term is defined in the Stock Option Plan) in the Company and to aid the Company in attracting, retaining and encouraging the continued involvement of Eligible Persons with the Company.

The Stock Option Plan is subject to acceptance by the Exchange.

For a summary of the material terms of the Stock Option Plan, see “*Section 5 – Statement of Executive Compensation – Stock Option Plan.*” For additional details, see “*Section 8 – Other Information - Securities Authorized for Issuance Under Equity Compensation Plans.*” The summary is qualified in its entirety by the full text of the Stock Option Plan, a copy of which will be available at the Meeting and which is also attached hereto as Appendix “A”.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Stock Option Plan. The text of the ordinary resolution – the Stock Option Plan Resolution - which management intends to place before the Meeting is as follows:

“BE IT RESOLVED as an ordinary resolution of Shareholders that:

1. the Stock Option Plan, in the form attached as Appendix “A” to the management information circular of the Company dated October 10, 2024, be and is hereby ratified, confirmed and approved as the stock option plan of the Company until such time as further ratification is required pursuant to the rules of the TSX Venture Exchange (the “**Exchange**”) or other applicable regulatory requirements;
2. the board of directors of the Company be and is hereby authorized in its absolute discretion to administer the Stock Option Plan in accordance with its terms and conditions and to further amend or modify the Stock Option Plan to ensure compliance with the policies of the Exchange; and
3. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Stock Option Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Stock Option Plan.”

In order for the foregoing Stock Option Plan Resolution to be passed, it must be approved by a simple majority of the votes cast by Shareholders in person or by proxy at the Meeting.

Management of the Company has reviewed the Stock Option Plan Resolution, concluded that it is fair and reasonable to the Shareholders and in the best interest of the Company, and recommends Shareholders vote in favour of ratifying, confirming and approving the Stock Option Plan. Unless directed to the contrary, it is the intention of the Management Proxyholders named in the enclosed instrument of proxy to vote proxies IN FAVOUR of the Stock Option Plan Resolution.

6. OTHER MATTERS

As at the date of this Circular, management of the Company is not aware of any other matters to be presented for action at the Meeting. However, if any other matters should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the proxy holders, exercising discretionary authority with respect to such other matters and with respect to amendments or variations of matters set out in the Notice of Meeting.

SECTION 5 – STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Since the Company is a CPC and, pursuant to Policy 2.4 of the Exchange, no compensation of any kind may be provided to the Company's directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of stock options pursuant to the Stock Option Plan.

The Company may choose to issue stock options to maintain a competitive position in the CPC marketplace and because it is the only permissible form of compensation that may be awarded to its directors and officers while it is a CPC.

The objective and purpose of any stock option reward is to encourage the Company's directors and officers to find a Qualifying Transaction that is in the best interest of the Shareholders. If a Qualifying Transaction is not successfully completed, or if one is completed that does not increase the value of the Shares during the term of the stock option, the directors and officers will receive no benefit, or very little benefit, from any stock options.

With respect to the granting of stock options, the CEO recommends to the Board the individual equity incentive awards for each executive officer and director. The Board takes such recommendations into consideration when making final decisions on compensation for executive officers. The Board does not use formulas or benchmarks for each grant but is restricted by the policies of the Exchange and the terms of the Stock Option Plan as to the number of stock options it may grant. Stock options under the Stock Option Plan are awarded to executive officers by the Board based upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. Any previous grants of stock options to a particular individual will be taken into account when considering future grants of stock options to that particular individual.

Following the completion of a Qualifying Transaction by the Company, if any, it is anticipated that the Company will pay compensation to its directors and officers in accordance with industry standards, depending on the nature and size of the particular business that the Company acquires in connection with any Qualifying Transaction that it may complete.

Risks of Compensation Policies and Practices

The Company's compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Board noted the following facts that discourage the Company's executives from taking unnecessary or excessive risk: (i) the Company's business strategy and related compensation philosophy; and (ii) the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Board believes that the Company's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

Financial Instruments

The Company has not implemented any policies which restrict its executive officers and directors from purchasing financial instruments, including 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 executive officer or director.

Compensation Governance

The Company has not established a compensation committee and does not intend to do so before the completion of a Qualifying Transaction.

Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Company currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officers (as defined below) or directors of the Company.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Summary

Securities legislation requires the disclosure of compensation received by each named executive officer of the Company (“**NEO**”) for the two (2) most recently completed financial years. The Company is currently a CPC and, pursuant to Policy 2.4 of the Exchange, until the Company completes a Qualifying Transaction, no compensation of any kind may be provided to the Company’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of stock options to purchase Shares in the Company pursuant to the Stock Option Plan, a copy of which is attached hereto as Appendix “A”. As at the date hereof, none of the Company’s NEOs or directors have received any salary, share-based awards, non-equity incentive plan compensation, pension value or other compensation other than stock option-based awards from the Company.

Definitions

For the purpose of this Statement of Executive Compensation:

- (a) “**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;
- (b) “**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;
- (c) “**NEO**” or “**named executive officer**” means each of the following individuals:
 - (i) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
 - (ii) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
 - (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and

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- (iv) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.
- (d) “**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and
- (e) “**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and NEO Compensation

During the most recently completed financial year ended December 31, 2023, based on the definitions in this section, Andrew Thomson and Jonathan Younie are considered NEOs, being the Company’s CEO and CFO, respectively.

Other than stock options awarded to NEOs as described below, the Company paid or accrued administration fees of \$12,000 plus GST to a private entity controlled by the Jonathan Younie during the year ended December 31, 2023.

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation, excluding stock options and compensation securities, 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, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company thereof for the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and position	Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Andrew Thomson ⁽¹⁾ President, CEO, and Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Jonathan Younie ⁽²⁾ CFO and Secretary	2023	12,000	Nil	Nil	Nil	Nil	12,000
	2022	12,000	Nil	Nil	Nil	Nil	12,000
Baldev T. Sangara ⁽³⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Scott Sinclair ⁽⁴⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Daryl Rebeck ⁽⁵⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

- (1) Andrew Thomson was appointed CEO, President, and Director upon the Company’s incorporation on October 21, 2021.
- (2) Jonathan Younie was appointed CFO and Secretary upon the Company’s incorporation on October 21, 2021. In 2022 and 2023, a private entity controlled by Jonathan Younie was paid or accrued administration fees of \$12,000.

- (3) Baldev T. Sangara was appointed Director upon the Company's incorporation on October 21, 2021.
- (4) Scott Sinclair was appointed Director upon the Company's incorporation on October 21, 2021.
- (5) Daryl Rebeck was appointed Director on July 14, 2022.

Stock Options and Other Compensation Securities

No Compensation Securities were granted or issued to directors and NEOs by the Company during the financial year ended December 31, 2023.

As at December 31, 2023, the total number of compensation securities and underlying securities held by each NEO or director was as follows:

- (a) Andrew Thomson held 125,000 fully vested stock options (125,000 underlying Shares) each exercisable at \$0.10 with an expiry date of November 10, 2032. These stock options are held in escrow and will be released upon completion of a Qualifying Transaction.
- (b) Baldev T. Sangara held 125,000 fully vested stock options (125,000 underlying Shares) each exercisable at \$0.10 with an expiry date of November 10, 2032. These stock options are held in escrow and will be released upon completion of a Qualifying Transaction.
- (c) Scott Sinclair held 125,000 fully vested stock options (125,000 underlying Shares) each exercisable at \$0.10 with an expiry date of November 10, 2032. These stock options are held in escrow and will be released upon completion of a Qualifying Transaction.
- (d) Daryl Rebeck held 125,000 fully vested stock options (125,000 underlying Shares) each exercisable at \$0.10 with an expiry date of November 10, 2032. These stock options are held in escrow and will be released upon completion of a Qualifying Transaction.
- (e) Jonathan Younie held 125,000 fully vested stock options (125,000 underlying Shares) each exercisable at \$0.10 with an expiry date of November 10, 2032. These stock options are held in escrow and will be released upon completion of a Qualifying Transaction.

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised any stock options during the financial year ended December 31, 2023.

Stock Option Plan

The following is a summary of the material terms of the Stock Option Plan.

Number of Shares Reserved. During the time in which the Company is a CPC and until the completion of a Qualifying Transaction, the maximum number of Shares that may be reserved for issuance will be 10% of the Outstanding Shares. After the Company is listed as a Tier 1 or Tier 2 issuer on the Exchange, the maximum aggregate number of Shares that may be reserved for issuance under the Stock Option Plan at any point in time is 10% of the Outstanding Shares at the time Shares are reserved for issuance as a result of the grant of a stock option, less any Shares reserved for issuance under Share Compensation Arrangements other than the Stock Option Plan, unless the Stock Option Plan is amended pursuant to the requirements of Exchange Policies.

Administration. The Stock Option Plan is to be administered by the Board or by a committee to which such authority is delegated by the Board from time to time.

Eligible Persons. The Stock Option Plan provides that stock options may be issued only to a bona fide Director, Officer or Technical Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by the one or more of the foregoing.

Maximum Term of Options. Stock options granted under the Stock Option Plan will be for a term not exceeding ten years from date of grant.

General Limitations on Issue. The following restrictions on issuances of stock options are applicable under the Plan:

- (a) no Service Provider can be granted a stock option if that stock option would result in the total number of stock options, together with all other Share Compensation Arrangements granted to such Service Provider in any 12-month period after closing of the IPO, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) as long as the Company remains a CPC, the Company shall not grant any stock options to Service Providers conducting Investor Relations Activities. Upon Completion of a Qualifying Transaction, and the Company is no longer a CPC, the aggregate number of stock 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 Exchange;
- (c) the aggregate number of stock options granted to any one Consultant in any 12-month period after closing of the IPO cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the Exchange; and
- (d) the aggregate number of stock options granted to all Eligible Charitable Organizations may not exceed 1% of the Outstanding Shares.

Other Restrictions. As long as the Company is classified as a CPC, the terms and conditions of the Stock Option Plan will remain subject to the following specific restrictions:

- (a) The number of Shares reserved for issuance pursuant to stock options to any individual director or officer may not exceed 5% of the Shares Outstanding as at the date of such grant. The number of Shares reserved for issuance pursuant to stock options to all technical consultants may not exceed 2% of the Shares Outstanding as at the date of such grant. The number of Common Shares reserved under stock option for issuance to all Eligible Charitable Organizations may not exceed 1% of the Shares of the Company as at the date of the grant. Options granted by a CPC are subject to the percentage limitations set forth in Policy 4.4 of the Exchange; and
- (b) The terms of a stock option must expire not 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 the case may be, subject to any earlier expiry date of such stock option.

No assignment. Options may not be assigned or transferred.

Termination Prior to Expiry.

- (a) in the case of the death of an Optionee, any vested stock option held by him 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 stock option;

- (b) a stock option granted to any Eligible Person will expire on the later of the day which is 12 months after completion of a Qualifying Transaction and 90 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 stock option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such stock option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's stock options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Options Not Exercised. In the event a stock option granted under the Stock 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 stock option, the Optioned Shares that were issuable thereunder will be returned to the Stock Option Plan and will be eligible for re-issuance.

Exercise Price. Stock options granted under the terms of the Stock Option Plan will be exercisable at a price which is not less than the Discounted Market Price, as that term is defined in the policies of the Exchange, subject to a minimum Exercise Price of \$0.10 per Share.

During the time the Company is a CPC, the exercise price per Share under any Option granted by a CPC subsequent to closing its initial public offering (the "IPO") cannot be less than the greater of the IPO Share price and the Discounted Market Price, as such term is defined in the policies of the Exchange. The exercise price per Share under any Option granted by a CPC prior to closing its IPO cannot be less than the lowest price at which seed Shares were issued by the CPC.

Escrowed Securities. Shares issued upon the exercise of Options prior to the Completion of a Qualifying Transaction must be placed in escrow.

Vesting. Stock options granted under the terms of the Stock Option Plan will vest in such manner as determined by the Board. However, pursuant to the policies of the Exchange, stock options issued to persons retained to provide Investor Relations Activities must vest in stages 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. However, as long as the Company is classified as a CPC, the Company is prohibited from granting stock options to any person providing Investor Relations Activities (as defined in the policies of the Exchange), promotional or market-making services.

Amendment of Plan. Subject to any required Regulatory Approvals, the Board may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that Disinterested Shareholder Approval is required: i.) where such amendment could result in 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), or ii.) if the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in the aggregate number of 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, 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 if the issuance to any one Optionee, within a 12-month period, of a number of Shares exceeding 5% of the Outstanding Shares.

Capitalized terms used in the above summary but not defined herein shall have the respective meanings given to them in the Stock Option Plan and the policies of the Exchange. In addition, the above summary is qualified in its entirety by the full text of the Stock Option Plan, attached hereto as Appendix “A” for review by Shareholders. See also “Section 4 – Particulars of Matters to be Acted Upon – approval of Stock Option Plan” and “Section 8 – Other Information – Securities Authorized for Issuance Under Equity Compensation Plans.”

Escrowed Securities

At December 31, 2023, there are 3,520,000 Shares held in escrow. Under the escrow agreement dated November 4, 2022, 25% of the escrowed Shares will be released from escrow upon issuance of notice of final acceptance of a Qualifying Transaction by the Exchange and the remainder in three equal tranches of 25% every six months thereafter for a period of 18 months, subject to certain conditions of the Exchange that could accelerate the release from escrow. These escrowed shares may not be transferred, assigned or otherwise traded without the consent of the regulatory authorities.

Employment, Consulting and Management Agreements

Jonathan Younie provides general administration services to the Company on an independent contractor basis through his consulting company, Copsewood Capital Corp.

Termination and Change of Control Benefits

Other than as provided for at common law, the Company does not have any plan or arrangement that provides for payments to the NEOs at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO’s responsibilities.

Oversight and Description of Director and Named Executive Officer Compensation

Pursuant to Policy 2.4 of the Exchange and until the Company completes a Qualifying Transaction, no compensation of any kind may be provided to the Company’s directors or officers, directly or indirectly, by any means, including payment of salary, other than compensation that may be provided by way of Options pursuant to the Company’s Stock Option Plan.

Pension Disclosure

The Company does not have a pension plan or any other plan that provides for payments or benefits at, following or in connection with retirement and is not currently providing a pension to any directors of the Company or Named Executive Officers. The Company does not have a deferred compensation plan.

SECTION 6 - AUDIT COMMITTEE

It is the Board’s responsibility to ensure that an effective internal control framework exists within the Company. The Audit Committee has been formed to assist the Board in meeting its oversight responsibilities in relation to the Company’s financial reporting and external audit function, internal control structure and risk management procedures. In doing so, it is the responsibility of the Audit Committee to maintain free and open communication between the Audit Committee, the external auditor and the management of the Company.

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. Such disclosure is set forth below.

AUDIT COMMITTEE CHARTER

The full text of the Company’s Audit Committee Charter is attached as Appendix “B” to this Circular.

COMPOSITION OF AUDIT COMMITTEE

As at the date hereof, the Audit Committee of the Company is comprised of three directors, namely Baldev Sangara, Scott Sinclair and Andrew Thomson. Baldev Sangara serves as the Chair of the Audit Committee of the Company. The members of the Audit Committee are appointed by the Board.

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, which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. As the Company is classified as a venture issuer, a majority of the members of the Audit Committee must not be executive officers of the Company. Baldev Sangara and Scott Sinclair are not executive officers and are considered independent. Andrew Thomson also serves as President and CEO of the Company and, by nature of his offices, is, therefore, not considered independent.

NI 52-110 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 of the members of the Company’s Audit Committee are financially literate as that term is defined.

RELEVANT EDUCATION AND EXPERIENCE

Each member of the Company’s Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and the requisite education and experience that have provided the member with:

- (a) 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;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Andrew Thomson - Mr. Thomson is a retired senior investment advisor with over 23 years' experience with various investment firms in Vancouver, such as Scotia McLeod, Canaccord Genuity, Raymond James and Haywood Securities, mostly focusing on venture capital market opportunities. Mr. Thomson facilitated raising capital for several TSX and the Alternative Investment Market listed companies, structuring mergers and evaluation. Mr. Thomson received a Bachelor of Arts Economics degree from University of Calgary. From 2019 to 2020, he was Vice Chairman and Director of a U.S.-based engineering firm.

During Mr. Thomson's tenure as a financial advisor, he was involved in various equity financings, including placement of clients in numerous secondary financings and IPOs. Mr. Thomson also acted as a Branch Manager (2000-2001) at Canaccord Financial following completion of several position-related courses.

Mr. Thomson departed the investment business in November 2019 to become Vice Chairman and Director of Global Air Cylinder Wheels Corporation (“GACW”), a privately held engineering company based in Chandler, Arizona. Mr. Thomson's specific duties under his contract included collaborating with secured lenders, lawyers and investors in connection with a corporate restructure, renegotiation of the terms of the secured loan and procurement of funds to grow the business. Mr. Thomson also developed strong relationships with several private venture capital funds in the United States, Canada and Australia during his tenure at GACW.

Scott Sinclair - Mr. Sinclair is a retired investment advisor who worked in the industry for over 27 years. He started his career at Canaccord Genuity before moving to Leede Jones Gable in 2016 where he was an investment advisor from 2016 to 2018. During his tenure as an investment advisor, Mr. Sinclair has participated in many initial public offerings, secondary financings and private placements in diverse industries, with a focus in venture financing with high net-worth individuals, corporations and institutional clients. Mr. Sinclair holds a Bachelor of Science in Business Administration from the University of Arizona. Mr. Sinclair's history as an investment advisor and his past experience with public and private companies and equity markets provides him with the financial literacy to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues as required by NI 52-110.

Mr. Sinclair is a director of Everyday People Financial Inc., a Canadian based FinTech company comprised of subsidiaries specializing in credit cards, lending, payment processing, homeownership facilitation and a collections agency.

Baldev T. Sangara - Mr. Sangara has been a Director and President of Sawarne Lumber Co. Ltd., a privately held Canadian corporation engaged in forest products manufacturing and real estate development since 1980. As President of Sawarne Lumber Co. Ltd., Mr. Sangara is responsible for financial projections for individual real estate projects. Analysis includes creation of financial proformas for development and construction, capital and debt stack creation for approval, verification and funding by lenders and preparation of financial models to be used throughout the project timeline up to and including refinancing cash flow upon project completion. Mr. Sangara's years of business experience provides him with the financial literacy to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues as required by NI 52-110.

Each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year ended December 31, 2023, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since incorporation, 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).

PRE-APPROVAL POLICIES AND PROCEDURES

While the Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services, the Audit Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company. 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. Please refer to Appendix “B” appended hereto.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees billed by the Company’s external auditor in each of the last two financial years with respect to the Company, by category, are as follows:

Financial Year Ending December 31	Audit Fees ⁽¹⁾ (\$)	Audit-Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
2023	13,000	Nil	4,900	Nil
2022	13,000	Nil	Nil	3,645

NOTES:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services 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 fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes 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 all other non-audit services, other than for services reported under (1), (2) and (3) above.

SECTION 7 - CORPORATE GOVERNANCE**GENERAL**

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Corporate governance relates to the policies, structure and activities of a board of directors of a corporation, the members of which are elected by and are accountable to the shareholders of the corporation and takes into account the role of the individual members of management who are appointed by the board of directors and who are charged with the day-to-day management of the corporation.

National Policy 58-201 - *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices.

Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making and believes the Company’s system of corporate governance meets or exceeds the majority of the guidelines and requirements contained in NP 58-201.

BOARD OF DIRECTORS

The members of the Board are Andrew Thomson, Scott Sinclair, Baldev T. Sangara, and Daryl Rebeck. Messrs. Sinclair, Sangara, and Rebeck are considered to be independent (as such term is defined in applicable securities legislation). Mr. Thomson is not considered to be independent as he also serves as an executive officer of the Company.

DIRECTORSHIPS IN OTHER REPORTING ISSUERS

Certain of the directors of the Company are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or the equivalent) ⁽¹⁾
Scott Sinclair	Everyday People Financial Corp.
Daryl Rebeck	Liberty Defense Holdings, Ltd.

NOTE:

- (1) The information in the table above as to other directorships is not within the knowledge of management of the Company and has been furnished by the respective directors or from information available on the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

ORIENTATION AND CONTINUING EDUCATION

The Company has not yet developed a formal orientation and training program for directors. If and when new directors are added, they will be provided with:

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company and the Company's internal financial information;
- (c) access to management and technical experts and consultants; and
- (d) a summary of significant corporate and securities responsibilities.

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

ETHICAL BUSINESS CONDUCT

The Board has responsibility for the stewardship of the Company, including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management) and the integrity of the Company's internal control and management information systems. To facilitate meeting this responsibility, the Board seeks to foster a culture of ethical conduct by striving to ensure that the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- (a) encourages management to consult with legal and financial advisors to ensure that the Company is meeting those requirements;

- (b) is cognizant of the Company's timely disclosure obligations under Canadian securities laws and will review material disclosure documents such as financial statements, MD&A and press releases prior to their distribution;
- (c) will rely on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Company's external auditor; and
- (d) will actively monitor the Company's compliance with the Board's directives and ensure that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

NOMINATION OF DIRECTORS

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 individual Board members, including both formal and informal discussions among Board members and the CEO. 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 and discussed amongst the members of the Board prior to the proposed director's nomination.

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.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has appointed an Audit Committee, the members of which are Baldev Sangara, Scott Sinclair and Andrew Thomson. A description of the function of the Audit Committee can be found in this Circular under "*Section 6 - Audit Committee*". The Board does not have any other committees.

ASSESSMENTS

The Board, as a whole, assesses its performance, the performance of its committee(s) and the contribution of individual directors on an ongoing basis. It also monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committee(s).

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practice allows the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

SECTION 8 - OTHER INFORMATION

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has a 10% rolling stock option plan in place. See "*Section 4 – Particulars of Matters to be Acted Upon – Approval of Stock Option Plan*" and "*Section 5 - Statement of Executive Compensation – Stock Options and Other Compensation Securities*".

MANAGEMENT INFORMATION CIRCULAR

The following table provides information as at December 31, 2023, regarding the number of Shares to be issued pursuant to the Stock Option Plan. The Stock Option Plan was adopted by the Board and is being presented to Shareholders for approval at the Meeting.

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 securityholders ⁽¹⁾	625,000	\$0.10	185,000
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total:	625,000	\$0.10	185,000

NOTE:

(1) Represents the Stock Option Plan. As at December 31, 2023, the Stock Option Plan reserved Shares equal to a maximum of 10% of the issued and outstanding Shares of the Company. As at December 31, 2023, the Company had 8,100,000 Shares issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the financial year ended December 31, 2023, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was 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, and which was not entirely repaid on or before the date of this Circular.

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

Except as disclosed herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Stock Option Plan, all described in this Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or in the Company's financial statements, no informed person of the Company, or proposed director of the Company, or any associate or affiliate of any informed person or proposed

MANAGEMENT INFORMATION CIRCULAR

director, had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

An "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 over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

MANAGEMENT CONTRACTS

Since the beginning of the Company's most recently completed financial year ended December 31, 2023, management functions of the Company are not, and have not been, to any substantial degree performed by any person other than the executive officers and directors of the Company. See *Section 5 - Statement of Executive Compensation – Employment, Consulting and Management Agreements*."

ADDITIONAL INFORMATION

Financial information about the Company is included in the Company's comparative annual financial statements and Management's Discussion and Analysis for the years ended December 31, 2023, and 2022, and the related management discussion and analysis, which have been electronically filed with regulators and are available under the Company's profile on SEDAR+ at www.sedarplus.ca. Copies may be obtained without charge upon request to the Company at Suite 803 – 1887 Crowe Street, Vancouver, British Columbia V5Y 0B4 - telephone +1 (604) 780-2510 – email: jy@copsewood.ca.

You may also access the Company's other public disclosure documents online under the Company's profile on SEDAR+ at www.sedarplus.ca.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 – *Continuous Disclosure Obligations* sets out the procedures for a Shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form of proxy or provide instructions in any other written format.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular have been approved and the delivery of it to each Shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 10th October 2024.

BY ORDER OF THE BOARD

GALAXY VENTURES INC.

/s/ Andrew Thomson

Andrew Thomson

Chief Executive Officer and Director

APPENDIX "A"

GALAXY VENTURES INC.
(the "Company")

AMENDED AND RESTATED
CPC STOCK OPTION PLAN

Dated for Reference April 18, 2022, as amended
on August 11, 2022

ARTICLE 1

PURPOSE AND INTERPRETATION

Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this CPC Stock Option Plan (the "Plan") will at all times be in compliance with TSXV Policies and any inconsistencies between this Plan and TSXV Policies will be resolved in favour of the latter.

Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Capital Pool Company** has the meaning assigned by Policy 2.4 of the TSXV Policies;
- (f) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
 - (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
 - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of

the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

- (g) **Common Shares** means the common shares without par value in the capital of the Company, provided such class is listed on the TSXV;
- (h) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;
- (i) **Completion of a Qualifying Transaction** has the meaning assigned by Policy 2.4 of the TSXV Policies;
- (j) **Directors** means the directors of the Company as may be elected from time to time;
- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (l) **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 Common Shares beneficially owned by Insiders who are Service Providers or their Associates;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date for an Option** means the date of grant thereof by the Board;
- (o) **Employee** means:
 - (i) an individual who is considered an employee 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 a subsidiary thereof 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 need not be made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSXV Policies;

- (q) **Exchange Policies** mean the policies set forth in the Exchange's Corporate Finance Manual, as amended from time to time or, as applicable, the policies of any such stock exchange on which the Common Shares are listed for trading, from time to time;
- (r) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (s) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (t) **Insider** means an insider as defined in the TSXV Policies or as defined in securities legislation applicable to the Company;
- (u) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (v) **IPO** means the initial public offering of the Company;
- (w) **IPO Shares** means the Common Shares offered to the public pursuant to the IPO;
- (x) **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 engaged in Investor Relations Activities;
- (y) **Market Price** has the meaning assigned by Policy 1.1 of the TSXV Policies;
- (z) **Officer** means a Board appointed senior officer of the Company;
- (aa) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (bb) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (cc) **Optioned Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time as at the date of the grant of any CPC Stock Option;
- (dd) **Optionee** means the recipient of an Option hereunder;
- (ee) **Outstanding Shares** means the number of issued and outstanding Common Shares of the Company from time to time as at the date of the grant of any CPC Stock Option;
- (ff) **Participant** means a Service Provider that becomes an Optionee;
- (gg) **Person** includes a company, any unincorporated entity, or an individual;
- (hh) **Plan** means this CPC Stock Option Plan, the terms of which are set out herein or as may be amended;
- (ii) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (jj) **Qualifying Transaction** has the meaning assigned by Policy 2.4 of the TSXV Policies;

- (kk) **Regulatory Approval** means the approval of the TSXV and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (ll) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (mm) **Service Provider** means a Person who is a bona fide Director, Officer or Technical Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (nn) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (oo) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholder's meeting;
- (qq) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 – *Take-over Bids and Issuer Bids* or the analogous provisions of securities legislation applicable to the Company;
- (rr) **Target Company** has the meaning ascribed thereto in the Exchange Policies;
- (ss) **Technical Consultant** means a technical consultant whose particular industry or expertise in relation to the business of the Vendor(s) or the Target Company, as the case may be, is required to evaluate the proposed Qualifying Transaction while the Company is a CPC;
- (tt) **TSXV** means the TSX Venture Exchange and any successor thereto;
- (uu) **TSXV Policies** means the rules and policies of the TSXV as amended from time to time; and
- (vv) **Vendor** has the meaning ascribed thereto in the Exchange Policies.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSXV Policies, will have the meaning assigned to them in the TSXV Policies.

Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2

CPC STOCK OPTION PLAN

Establishment of CPC Stock Option Plan

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

2.2 In accordance with TSXV Policies during the time in which the Company is a Capital Pool Company and until the Completion of a Qualifying Transaction, the maximum number of Plan Shares that may be reserved for issuance will be 10% of the Outstanding Shares. After the Company is listed as a Tier 1 or Tier 2 issuer on the TSXV, the maximum aggregate number of Plan 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 CPC Stock Options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSXV Policies.

Eligibility

2.3 Subject to §2.7, Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSXV and the Company is obtained. The Company must issue a news release at the time of grant of Options to Insiders and Service Providers engaged in Investor Relations Activities, subject to §2.7(c).

Options Granted Under the Plan

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

General Limitations on Issue

2.6 Subject to §2.11, the following restrictions on issuances of Options are applicable under the Plan:

- (a) 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 any 12 month period after closing of the IPO, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) in accordance with section 7.3 of the TSXV Policy 2.4, as long as the Company remains a Capital Pool Company, the Company shall not grant any options to Service Providers conducting Investor Relations Activities. Upon Completion of a Qualifying Transaction, and the Company is no longer a Capital Pool Company, 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;
- (c) the aggregate number of Options granted to any one Consultant in any 12 month period after closing of the IPO cannot exceed 2% of the Outstanding Common Shares, calculated at the time of grant, without the prior consent of the TSXV; and

- (d) the aggregate number of Options granted to all Eligible Charitable Organizations may not exceed 1% of the Outstanding Shares.

Capital Pool Company Restrictions

2.7 As long as the Company is classified as a Capital Pool Company, the terms and conditions of the Plan will remain subject to the following specific restrictions:

- (a) Options granted by the Company may only entitle the holder to acquire Common Shares of the Company. Options may only be granted to a director or officer of the Company, and where permitted by applicable securities legislation, a technical consultant whose particular industry expertise in relation to the business of the Vendors (as defined in Policy 2.4 of the TSXV) or the Target Company (as defined in Policy 2.4 of the TSXV), as the case may be, is required to evaluate the proposed Qualifying Transaction, or a company, all of whose securities are owned, directly and indirectly, by such a director, officer or technical consultant, or to an Eligible Charitable Organization (as defined in Policy 4.4 of the TSXV). The total number of Common Shares reserved for issuance pursuant to Options may not exceed 10% of the Common Shares outstanding as at the date of grant of any Option.
- (b) The number of Common Shares reserved for issuance pursuant to Options to any individual director or officer may not exceed 5% of the Common Shares outstanding as at the date of such grant. The number of Common Shares reserved for issuance pursuant to Options to all technical consultants may not exceed 2% of the Common Shares outstanding as at the date of such grant. The number of Common Shares reserved under option for issuance to all Eligible Charitable Organizations may not exceed 1% of the Common Shares of the Company as at the date of the grant. Options granted by a Capital Pool Company are subject to the percentage limitations set forth in Policy 4.4 of the TSXV;
- (c) The Company is prohibited from granting Options to any person providing Investor Relations Activities (as defined in the policies of the TSXV), promotional or market-making services;
- (d) The exercise price per Common Share under Option granted by the CPC prior to the closing of the IPO cannot be less than the lowest price at which Seed Shares were issued by the CPC;
- (e) No Option may be granted by the Company unless the Optionee first enters into a CPC Escrow Agreement (as defined in the policies of the TSXV) agreeing to deposit the stock option and the Common Shares acquired pursuant to the exercise of such Option, into escrow as described in Part 10 of Policy 2.4 of the TSXV; and
- (f) The terms of an Option must expire not 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 the case may be, subject to any earlier expiry date of such Option.

Options Not Exercised

2.8 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.

Powers of the Board

2.9 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSXV Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

Amendment of the Plan by the Board of Directors

2.10 Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSXV, if applicable;
- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may make amendments necessary as a result of changes in securities laws applicable to the Company;
- (e) 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; and
- (f) it may make such amendments as to reduce, and do not increase, the benefits of this Plan to Service Providers.

Amendments Requiring Disinterested Shareholder Approval

2.11 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
 - (i) 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;
 - (ii) 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;
 - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (b) any reduction in the Exercise Price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Company at the time of the proposed amendment.

Options Granted Under the Company's Previous CPC Stock Option Plans

2.12 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

Plan Subject to TSXV Policies

2.13 The Plan is subject to TSXV Policies and during the time in which the Company is a Capital Pool Company and until the completion of the Qualifying Transaction, the Plan is subject to TSXV Policy 2.4 – Capital Pool Companies, as amended from time to time.

ARTICLE 3

TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 Subject to a minimum Exercise Price of \$0.10 per Common Share and subject to §3.2, the Exercise Price per Common Share for an Option shall be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

3.2 In addition to the terms under §3.1, as long as the Company is classified as a Capital Pool Company, the Exercise Price per Common Share for an Option must be equal to or greater than the IPO Share price.

Escrowed Securities

3.3 Common Shares issued upon the exercise of Options prior to the Completion of a Qualifying Transaction must be placed in escrow.

Term of Option

3.4 An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

3.5 Subject to §2.11(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSXV, or the date of the last amendment of the Exercise Price.

3.6 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.3.

3.7 Any proposed amendment to the terms of an Option must be approved by the TSXV prior to the exercise of such Option.

Vesting of Options

3.8 Subject to §3.9, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of 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 any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Consultants Conducting Investor Relations Activities

3.9 Subject to §2.7(c) and notwithstanding §3.8, Options granted to Consultants conducting Investor Relations Activities will vest:

- (a) 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
- (b) such longer vesting period as the Board may determine.

Acceleration of Vesting on Change of Control

3.10 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 approval of the TSXV for vesting requirements imposed by the TSXV Policies.

Effect of Take Over Bid

3.11 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.8 and §3.9 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSXV for vesting requirements imposed by the TSXV Policies.

Extension of Options Expiring During Blackout Period

3.12 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSXV, be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.9, the tenth Business Day period referred to in this §3.12 may not be extended by the Board.

Optionee Ceasing to be Director, Employee or Service Provider

3.13 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him 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;
- (b) an Option granted to any Service Provider will expire on the later of the day which is 12 months after Completion of a Qualifying Transaction and 90 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, and 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; and
- (c) 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.

Non Assignable

3.14 Subject to §3.13(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.15 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the following manner:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase

is then being exercised, the lesser number of Common Shares as result from the consolidation;

- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.15;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.15, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.15, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 4

COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.3.

Tax Withholding and Procedures

4.3 Notwithstanding anything else contained in this 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. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares.

4.5 If the Exercise Price is set below the then current market price of the Common Shares on the TSXV at the time of grant, or if otherwise required pursuant to TSXV Policies, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four- month Exchange Hold Period commencing the date of the Option Commitment.

ARTICLE 5

GENERAL

Employment and Services

5.1 Nothing contained in this Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the Income Tax Act (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Interpretation

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

5.4 The Plan will become effective from and after April 18, 2022, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to April 18, 2022.

Amendment of the Plan

5.5 Subject to any required Regulatory Approvals, the Board may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder, including any reduction in the Exercise Price of an Option;
- (b) extend the term of an Option, if the Participant is an Insider of the Company at the time of the proposed amendment; or
- (c) materially increase the obligations of an Option Holder; then, unless otherwise excepted out by a provision of this Plan.

The Board must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, if required by the Exchange.

MANAGEMENT INFORMATION CIRCULAR

SCHEDULE A

CPC STOCK OPTION
PLAN OPTION
COMMITMENT

Notice is hereby given that, effective this day of _____, 202__ (the “**Effective Date**”) Galaxy Ventures Inc. (the “**Company**”) has granted to _____ (the “**Optionee**”), an Option to acquire _____ Common Shares (“**Optioned Shares**”) up to 5:00 p.m. Vancouver Time on the ____ day of _____ 202__ (the “**Expiry Date**”) at an Exercise Price of C\$_____ per share.

Optioned Shares are to vest immediately.

OR

Optioned Shares will vest [INSERT VESTING SCHEDULE AND TERMS]

The Option shall expire ____ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate or written notice in the case of uncertificated shares for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company’s shares and as long as the optionee is not a person to be restricted under TSXV Policies. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [insert date 4 months from the date of grant]”.

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSXV Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSXV Exchange) by both the Company and the TSXV as more particularly set out in the Acknowledgement - Personal Information in use by the TSXV on the date of this Option Commitment.

GALAXY VENTURES INC.

Authorized Signatory

[Insert name of optionee]

Signature of Optionee

APPENDIX “B”

GALAXY VENTURES INC. (the “Company”)

CHARTER OF THE AUDIT COMMITTEE

1. PURPOSE AND PRIMARY RESPONSIBILITY

- 1.1. This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the “**Board**”) of Galaxy Ventures Inc. (the “**Company**”), annual evaluation and compliance with this charter.
- 1.2. The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

2. MEMBERSHIP

- 2.1. A majority of the members of the Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company, as defined in NI 52-110 – *Audit Committees* (“**NI 52-110**”), provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange and of NI 52-110.
- 2.2. The Audit Committee will consist of at least three members, all of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment.
- 2.3. The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be a director.
- 2.4. The Chair of the Audit Committee will be appointed by the Board.

3. AUTHORITY

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
 - (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

- (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and
- (c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

4. DUTIES AND RESPONSIBILITIES

4.1. The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board the external auditor to be nominated by the Board;
- (b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
- (c) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;
- (f) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;
- (g) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
- (h) reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("MD&A"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;

- (i) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
- (j) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
- (k) reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;
- (l) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
- (m) reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
- (n) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;
- (o) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
- (p) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
- (q) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the overall process for identifying principal business risks and report thereon to the Board;
- (r) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;
- (s) resolving disputes between management and the external auditor regarding financial reporting;

- (t) establishing procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (u) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (v) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
- (w) overseeing compliance with regulatory authority requirements for disclosure of reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.
- (x) establishing procedures for:
 - (i) reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;
 - (ii) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("CFO") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration with the Board;
 - (iii) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("CEO") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
 - (iv) reviewing fraud prevention policies and programs, and monitoring their implementation;
 - (v) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
 - (A) tax and financial reporting laws and regulations;
 - (B) legal withholding requirements;
 - (C) environmental protection laws and regulations; and
 - (D) other laws and regulations which expose directors to liability.

4.2. A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact

the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

- 4.3. On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

5. MEETINGS

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.
- 5.2. The Chair of the Audit Committee shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.
- 5.3. The Audit Committee will meet separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.
- 5.4. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.5. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.
- 5.6. Each of the Chair of the Audit Committee, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

6. REPORTS

- 6.1. The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.
- 6.2. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

7. MINUTES

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

8. ANNUAL PERFORMANCE EVALUATION

- 8.1. The Board will conduct an annual performance evaluation of the Audit Committee, taking into account this charter, to determine the effectiveness of the Audit Committee.