

**RHYOLITE RESOURCES LTD.**

**NOTICE OF ANNUAL AND SPECIAL MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**WITH RESPECT TO**

**THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON NOVEMBER 21, 2024**

**DATED OCTOBER 7, 2024**

**RHYOLITE RESOURCES LTD.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON THURSDAY, NOVEMBER 21, 2024**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (the “**Common Shares**”) of Rhyolite Resources Ltd. (the “**Corporation**”) will be held at the offices of the Corporation, located at Suite 1703, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 on Thursday, November 21, 2024 at 9:30 a.m. (Vancouver time), for the following purposes:

1. to receive and consider the audited annual financial statements of the Corporation for the fiscal year ended December 31, 2023 together with the report of the auditors’ thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at three, subject to the provisions of the articles of the Corporation relating to subsequent appointments by the board of directors (“**Board**”);
3. to elect the Board of the Corporation to hold office until the next annual meeting of Shareholders or until their successors are elected or appointed;
4. to appoint Davidson & Company LLP, Chartered Professional Accountants, as auditors for the Corporation for the ensuing year and to authorize the Board of the Corporation to fix the auditors’ remuneration;
5. to consider, and if thought appropriate, to approve, with or without variation, an ordinary resolution, as more particularly set forth in the accompanying management information circular of the Corporation (the “**Circular**”), to ratify the stock option plan of the Corporation;
6. to consider, and if thought appropriate, to approve, with or without variation, an ordinary resolution by the disinterested shareholders, as more particularly set forth in the accompanying Circular, to ratify the restricted share unit plan;
7. to consider, and if thought appropriate, to approve, with or without variation, an ordinary resolution by the disinterested shareholders, as more particularly set forth in the accompanying Circular, to ratify the deferred share unit plan; and
8. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The details of all matters proposed to be put before Shareholders at the Meeting are set forth in the Circular accompanying this Notice of Annual and Special Meeting. At the Meeting, Shareholders will be asked to approve each of the foregoing items.

Only Shareholders of record as of the close of business on October 7, 2024 (the “**Record Date**”) are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat. To the extent a Shareholder transfers the ownership of any Common Shares after the Record Date and the transferee of those Common Shares established ownership of such Common Shares and demands, not later than ten (10) days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

**A registered Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or adjournments thereof in person are requested to date, sign and return the accompanying instrument of proxy (“Instrument of Proxy”) for use at the Meeting or any adjournment or adjournments thereof.** To be effective, the Instrument of Proxy must be mailed so as to reach or be deposited with Computershare Trust Company of Canada, Attention: Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, in the Province of Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof. Registered Shareholders may also use the internet ([www.investorvote.com](http://www.investorvote.com)) to vote their Common Shares.

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the form of proxy provided to you by such broker or other intermediary, in accordance with the instructions provided therein. Late forms of proxy may be accepted by the Chairman of the Board in his sole discretion and the Chairman is under no obligation to accept or reject any particular late form of proxy.

### **Notice-and-Access**

The Canadian Securities Administrators have adopted amendments to NI 54-101, which allow for the use of the “notice-and-access” regime for the delivery of meeting materials.

Under the notice-and-access regime, reporting issuers are permitted to deliver the meeting materials by posting them on SEDAR+ as well as a website other than SEDAR+ and sending a notice package to each shareholder receiving the meeting materials under this regime. The notice package must include: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the meeting materials; and (iv) a plain-language explanation of how the notice-and-access system operates and how the meeting materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send this notice package to shareholders electronically. This notice package must be mailed to shareholders from whom consent to electronic delivery has not been received.

The Corporation has elected to send its meeting materials to Beneficial Shareholders (as defined herein) using the notice-and-access regime. Accordingly, the Corporation will send the above-mentioned notice package to Beneficial Shareholders which includes instructions on how to access the Corporation’s meeting materials online and how to request a paper copy of these materials. Distribution of the Corporation’s meeting materials pursuant to the notice-and-access regime has the potential to substantially reduce printing and mailing costs.

Notwithstanding the notice-and-access regime, the *Business Corporations Act* (Alberta) (“**ABCA**”) requires the Corporation to deliver a paper copy of the meeting materials to a registered shareholder unless such shareholder provides written consent to electronic delivery. In order to ensure compliance with the ABCA, registered shareholders will be mailed a copy of the meeting materials this year.

### **Websites Where Materials are Posted**

The Circular, Annual Financial Statements, Annual MD&A and additional materials can be viewed online on the Corporation’s pages on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and at <https://rhyoliteresources.com>.

### **Obtaining Paper Copies of Materials**

Shareholders may obtain paper copies of the meeting materials by postal delivery at no cost to them. Requests may be made up to one year from the date the Circular was filed on SEDAR+ by: (a) calling the Corporation at 1-604-689-1428; (b) mailing a request to the Corporation, Suite 1703, 595 Burrard Street, Vancouver, British Columbia V7X 1J1, Canada Attention: Corporate Secretary; or (c) sending a request to [lee@earlston.ca](mailto:lee@earlston.ca). In order to receive the Circular, Annual Financial Statements and Annual MD&A in sufficient time to allow for review and return of the proxy by the due date, a request for paper copies should be sent so that it is received by no later than the end of business on November 7, 2024.

**DATED** this 7<sup>th</sup> day of October, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
RHYOLITE RESOURCES LTD.**

(Signed) “Richard A. Graham”

**Richard A. Graham**  
**Director and Chief Executive Officer**

**RHYOLITE RESOURCES LTD.**

**ANNUAL AND SPECIAL MEETING OF COMMON SHAREHOLDERS**

**NOVEMBER 21, 2024**

**TO BE HELD AT THE OFFICES OF RHYOLITE RESOURCES LTD.  
SUITE 1703, 595 BURRARD STREET, VANCOUVER, BC**

**MANAGEMENT INFORMATION CIRCULAR**

**GENERAL INFORMATION RESPECTING THE MEETING**

**Solicitation of Proxies**

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Rhyolite Resources Ltd. (the “**Corporation**”), to be used at the annual and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation, to be held on November 21, 2024, at 9:30 a.m. (Vancouver time) at the offices of the Corporation located at Suite 1703, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the “**Notice of Meeting**”).

The board of directors of the Corporation (the “**Board**”) has fixed the close of business on October 7, 2024 as the record date (the “**Record Date**”), being the date for the determination of the registered holders of Common Shares entitled to receive notice of and vote at the Meeting, unless a Shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the Meeting, establishes ownership of the shares and demands that the transferee’s name be included on the list of Shareholders. Duly completed and executed proxies must be received by Computershare Trust Company of Canada (“**Computershare**”), Attention: Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, in the Province of Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof.

The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The enclosed instrument of proxy (the “**Instrument of Proxy**”) is solicited by the management of the Corporation. **The persons named in the enclosed Instrument of Proxy are directors and/or officers of the Corporation (the “management designees”). As a Shareholder submitting a proxy you have the right to appoint a person (who need not be a Shareholder) to represent you at the Meeting other than the person or persons designated in the Instrument of Proxy furnished by the Corporation. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Instrument of Proxy and strike out the other names or submit another appropriate proxy.** In order to be effective, the Instrument of Proxy must be mailed so as to be deposited at the office of the Corporation’s transfer agent, Computershare Trust Company of Canada, Attention: Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, in the Province of Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof. Registered Shareholders may also use the internet at [www.investorvote.com](http://www.investorvote.com) to transmit their voting instructions.

Unless otherwise stated, the information contained in this Information Circular is as of October 7, 2024.

## **Persons Making the Solicitation.**

This solicitation is made on behalf of management of the Corporation. The Corporation will bear the costs incurred in the preparation and mailing of the Proxy Form, Notice of Meeting and this Information Circular. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by directors, officers and employees of the Corporation who will not be remunerated therefor.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation. The Corporation intends to pay for the costs of an intermediary to deliver proxy-related materials and a voting instruction form to non-objecting beneficial owners of securities (“**NOBO’s**”).

The Corporation does not intend to pay for intermediaries to deliver proxy-related materials or Form 54-101F7-*Request for Voting Instructions* made by intermediaries to the objecting beneficial owners of Common Shares (“**OBO’s**”) and as such, OBO’s will not receive such materials unless their intermediary assumes the costs thereof (OBO’s and NOBO’s are herein collectively referred to as “**Beneficial Shareholders.**” See also “*Advice to Beneficial Shareholders*” in this Information Circular.

## **Advice to Beneficial Holders**

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Beneficial Shareholders are advised that only proxies from Shareholders of record can be recognized and voted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Common 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). Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

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

If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance. All references to Shareholders in this Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to Shareholders of record, unless specifically stated otherwise.

### **Revocability of Proxy**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered Shareholder or the registered Shareholder's authorized attorney in writing, or, if the registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare, at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered Shareholder's Common Shares.

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

### **Exercise of Discretion by Proxy**

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

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

**In respect of a matter for which a choice is not specified in the Proxy Form, the persons named in the Instrument of Proxy will vote the Common Shares represented by the Instrument of Proxy for the approval of such matter.**

At the time of printing of this Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Instrument of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matters.

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders who choose to submit a proxy may do so by completing, dating and signing the enclosed Instrument of Proxy and returning it to the Corporation's transfer agent, Computershare, by fax at 1 (416) 263-9524 or 1 (866) 249-7775, or by mail or by hand to Computershare Trust Company of Canada, Attention: Proxy Department, 100 University Ave., 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1. Registered Shareholders may also use the internet at [www.investorvote.com](http://www.investorvote.com) to transmit their voting instructions.

The proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by Board at its discretion without notice.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of preferred shares (“**Preferred Shares**”). As at the date hereof, there are 107,185,253 Common Shares and no Preferred Shares. Each Common Share entitles the holder thereof to one (1) vote on all matters to be acted upon at the Meeting. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed as the close of business on the Record Date. All such holders of record of Common Shares are entitled either to attend and vote at the Meeting in person the Common Shares held by them or, provided a completed and executed proxy has been delivered to the Corporation’s transfer agent, Computershare, within the time specified in the attached Notice of Meeting, to attend and vote at the Meeting by proxy, the Common Shares held by them.

Registered holders of Common Shares of record as at the close of business on the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one (1) vote for each Common Share held except to the extent that: (i) such Shareholder transfers his, her or its shares after the close of business on the Record Date; and (ii) such transferee, at least ten (10) days prior to the Meeting, produces properly endorsed share certificates to the secretary or transfer agent of the Corporation or otherwise establishes his, her or its ownership of the Common Shares, in which case the transferee may vote those Common Shares at the Meeting.

The by-laws of the Corporation provide that the quorum for the transaction of business at any meeting of the Shareholders shall consist of at least two (2) persons present in person or by proxy, being shareholders entitled to vote thereat or a duly appointed proxy holder or representative for a shareholder so entitled and holding or representing by proxy not less than five percent (5%) percent of the outstanding Common Shares entitled to vote at such meeting.

Except as disclosed in this Information Circular, to the knowledge of the Board and the executive officers of the Corporation based on publicly available records and previously provided information, as at the Record Date, the only person, firm or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation are:

Name of Shareholder	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
Antoine (Tony) Chedraoui <sup>(2)</sup>	14,928,864 <sup>(2)</sup> (13.93%)

**Notes:**

- (1) Percentage of Common Shares beneficially owned is calculated based on an aggregate of 107,185,253 Common Shares issued and outstanding as of the Record Date.
- (2) All of which are held by Tyrus Capital Special Situations Master Fund Limited (formerly Tyrus Capital Event Master Fund Limited), a hedge fund operated by Tyrus Capital, an alternative asset manager, and over which Mr. Chedraoui has control and direction.

## MATTERS TO BE CONSIDERED AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

a) **Financial Statements**

The audited annual financial statements of the Corporation for the year ended December 31, 2023 and the auditors’ report thereon and management’s discussion and analysis thereto (the “**Financial Statements**”) will be tabled at the Meeting. A copy of the Financial Statements is available at the request of Shareholders. No formal action will be

taken at the Meeting to approve the Financial Statements. If Shareholders have questions respecting the Financial Statements, the questions will be addressed during the “Other Business” portion of the Meeting.

b) **Fixing the Number of Directors**

At the Meeting, it will be proposed that three directors be elected to hold office for the next ensuing year, subject to the provisions of the articles of the Corporation relating to subsequent appointments by the Board. Management therefore intends to place before the Meeting, for approval, with or without modification, a resolution fixing the number of directors to be elected until the next annual meeting of Shareholders, subject to the articles of the Corporation relating to subsequent appointments by the Board, at three members.

The text of the ordinary resolution which management intends to place before the Meeting for the approval of the fixing of the number of directors is as follows:

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

1. the number of directors to be elected at the Meeting for the ensuing year or otherwise as authorized by the Shareholders of the Corporation be and is hereby fixed at three; and
2. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

The foregoing resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy.

**Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote such proxies in favour of a resolution fixing the number of directors to be elected at the Meeting at three.**

c) **Election of Directors**

The Corporation currently has three directors, all of whom are being nominated for re-election. Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote for the election of the persons named in the following table to the Board. Management does not contemplate that any of such nominees will be unable to serve as directors. Each director elected will hold office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Alberta) to which the Corporation is subject.

The following table sets out the names of the nominees for election as directors, the province and country in which each is ordinarily resident, all offices of the Corporation now held by each of them, their principal occupation, business or employment, the period of time for which each has been a director of the Corporation, and the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by any proposed director, as at the date of this Information Circular.



<b>Name, Present Office, Province/State and Country of Residence<sup>(1)</sup></b>	<b>Director Since</b>	<b>Present Principal Occupation, Business or Employment<sup>(1)</sup></b>	<b>No. of Common Shares Beneficially Held or Controlled<sup>(1)</sup></b>
<b>Richard A. Graham<sup>(2)</sup></b> Director and Chief Executive Officer British Columbia, Canada	February 17, 2023	Mr. Graham is a consulting geologist. He is and has been a director and officer of several other public companies.	1,523,140
<b>Michael G. Leskovec<sup>(2)</sup></b> Director Ontario, Canada	December 14, 2020	Mr. Leskovec is the Chief Financial Officer of Northfield Capital Corporation, a TSX Venture Exchange listed investment holding company, since May 2020.	228,500
<b>Mario Kozma<sup>(2)</sup></b> Director Monaco	June 28, 2021	Mr. Kozma is a Portfolio Manager at Tyrus Capital since 2015.	Nil

**Notes:**

- (1) The information as to residence, present principal occupation, business or employment, and the number of Common Shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Member of the Audit Committee.

***Corporate Cease Trade Orders or Bankruptcies***

Except as disclosed herein, no proposed director of the Corporation:

- a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any other issuer (including the Corporation) that:
- (i) was subject to a cease trade order, or similar order, or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to a cease trade order, or similar order, or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, 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; or
- b) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any issuer (including the Corporation), that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Bemaba Resources Ltd. (“Bemaba”) And Dorset Resources Ltd. (“Dorset”)

Richard A. Graham has been a director and officer of each of Bemaba Resources Ltd. and Dorset Resources Ltd. since April 13, 2023. On December 4, 2023, British Columbia Securities Commission and Ontario Securities Commission issued a cease trade order against each of Bemaba and Dorset for failure to file its financial statements within the prescribed times.

### ***Penalties or Sanctions***

None of those persons who are proposed directors of the Corporation (or any personal holding companies) have 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 with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

### ***Personal Bankruptcies***

No proposed director of the Corporation, or a personal holding company of any such person has, within the past ten years, become 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 the assets of such person.

#### **d) Appointment of Auditor**

Davidson & Company LLP, Chartered Professional Accountants (“**Davidson**”) is the auditor of the Corporation and was appointed as the auditor of the Corporation on July 11, 2023. The management of the Corporation is recommending the appointment of Davidson & Company as the auditors of the Corporation at a remuneration to be fixed by the Board and to hold such office until the next annual meeting of the Corporation.

The resolutions appointing Davidson as auditor of the Corporation must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy.

**Unless otherwise directed, the management designees named in the enclosed Instrument of Proxy, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing Davidson as auditor for the Corporation for the next ensuing year.**

#### **e) Re-Approval of Stock Option Plan**

The Corporation has an existing stock option plan (the “**Stock Option Plan**”) last approved by the shareholders of the Corporation on August 24, 2023.

Pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”), listed issuers are permitted to have “rolling” stock option plans reserving a maximum of 10% of the issued shares of the issuer at the time of the stock option grant. The Stock Option Plan is considered to be a “rolling” stock option plan and pursuant to the policies of the Exchange, the Stock Option Plan must be approved annually by the Shareholders. That approval is being sought at the Meeting and accordingly the Shareholders will be asked to consider and, if thought appropriate, approve an ordinary resolution reapproving, adopting and ratifying the Stock Option Plan as the Corporation’s stock option plan.

The Stock Option Plan provides that the Board may from time to time, in its discretion, and in accordance with Exchange requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase Common Shares (“**Options**”), provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. Such Options will be exercisable for a period of up to 10 years from the date of grant, pursuant to the policies of the Exchange. In connection with the foregoing, the number of Common Shares reserved for issuance to any one person in any twelve-month period will not exceed five percent (5%) of the issued and outstanding Common Shares unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements. In addition: (i) the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares; and (ii) the number of Common Shares reserved for issuance to persons providing investor relations activities will not exceed two percent (2%) of the issued and outstanding Common Shares. Options must be exercised by the legal representative of the optionee within a reasonable period following cessation

of the optionee's position with the Corporation, provided that if the cessation was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option.

The exercise price of the Options shall be determined by the Board, subject to applicable Exchange approval, at the time any Option is granted. In no event shall such exercise price be lower than the "Discounted Market Price" (as such term is defined in Exchange policies). Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting or that no vesting restriction shall exist.

The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Stock Option Plan is as follows:

**"BE IT RESOLVED** as an ordinary resolution of the Corporation that:

1. the stock option plan of the Corporation, in substantially the form as attached as Exhibit "A" to the management information circular of the Corporation dated October 7, 2024 (the "**Stock Option Plan**"), be and is hereby ratified and approved as the stock option plan of the Corporation;
2. the form of the Stock Option Plan may be amended by the board of the directors, in its sole discretion, in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval from the shareholders of the Corporation;
3. all issued and outstanding stock options previously granted, be and are continued under the Stock Option Plan and are hereby ratified, confirmed and approved;
4. the shareholders of the Corporation hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
5. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

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

**Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the ordinary resolution approving the Stock Option Plan for the ensuing year.**

f) **Re-Approval of Restricted Share Unit Plan**

The Corporation has an existing restricted share unit plan (the "**RSU Plan**") for officers, employees, consultants and directors, last approved by the shareholders of the Corporation on August 24, 2023. The RSU Plan provides for the issue of Shares to participants for the purpose of advancing the interests of the Corporation through the motivation, attraction, and retention of officers, employees, consultants, and directors of the Corporation and its affiliates and to secure for the Corporation and its shareholders the benefits inherent in the ownership of Common Shares by key officers, employees, consultants, and directors of the Corporation and its affiliates; it being recognized generally that restricted share plans aid in attracting, retaining, and encouraging employees due to the opportunity offered to them, to acquire a proprietary interest in the Corporation.

The following is a summary of the RSU Plan and is qualified in its entirety by reference to the full text of the RSU Plan, a copy of which is available for review under the profile for the Corporation on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

The RSU Plan is administered by the Board or a committee of the Board (the "**Committee**") and the Committee will have full authority to administer the RSU Plan including the authority to interpret and construe any provision of the

RSU Plan and to adopt, amend and rescind such rules and regulations for administering the RSU Plan as the Committee may deem necessary in order to comply with the requirements of the RSU Plan.

Under the RSU Plan, eligible participants will be issued restricted share units (“**RSUs**”) from time to time that each represent the right to receive, subject to adjustments in certain circumstances, one Common Share in consideration for past performance upon expiry of an applicable restricted period. Each grant of RSUs will be reflected in a letter agreement that sets out the applicable restricted period (i.e. vesting period) for those RSUs, as determined by the Committee.

Participants who are residents of Canada for the purposes of the *Income Tax Act* (Canada) and not subject to the provisions of the *Internal Revenue Code* may elect to defer receipt all or any part of their RSUs until a deferred payment date if they elect to do so by written notice to the Corporation no later than 60 days prior to the expiry of the applicable restricted period.

Upon the termination or resignation of an eligible participant, RSUs of the participant that were subject to a restricted period would terminate without settlement for Common Shares, except as explicitly provided otherwise by the Committee. In the event of death or disability of a participant’s RSUs will automatically vest.

The aggregate maximum number of Shares available for issuance from treasury under the RSU Plan, the DSU Plan (as defined below), the Stock Option Plan, and any other security-based compensation arrangements, in aggregate, shall not exceed 10% of the issued and outstanding Common Shares at any given time.

The maximum number of Common Shares issuable to insiders (as defined in the plan), at any time, pursuant to the RSU Plan and any other security-based compensation arrangements of the Corporation, is 10% of the total number of Shares then outstanding. The maximum number of Common Shares issued to insiders, within any one-year period, pursuant to the RSU Plan and any other security based compensation arrangements of the Corporation is 10% of the total number of Common Shares then outstanding.

So long as the Corporation is subject to the requirements of the Exchange, no RSU may be issued to anyone engaged to perform Investor Relations Activities (as defined in the RSU Plan) for the Corporation and in no event can an issuance of RSUs, when combined with any grants made pursuant to any other share based compensation plan, result in:

- (a) any one person in a 12 months period being granted such number of share based compensation awards equaling or exceeding 5% of the issued Common Shares, calculated on the date a security based compensation unit/option is granted to the person (unless the Issuer has obtained the requisite disinterested Shareholder approval); and
- (b) any one Consultant in a 12 months period being granted such number of share based compensation awards equaling or exceeding 2% of the issued Shares, calculated at the date the security based compensation unit/option is granted to the Consultant.

In the event of (i) a change of control (as defined under the RSU Plan), and (ii) within 12 months of such change of control the participant is terminated or otherwise subject to a triggering event (as such term is defined under the RSU Plan), then all RSUs outstanding of such participant shall immediately vest on the date of such termination/resignation notwithstanding the restricted period.

In the event a cash dividend is paid to shareholders of the Corporation on the Common Shares while an RSU is outstanding, the Committee may, in its sole discretion, elect to credit each participant with additional RSUs.

The Board may from time to time in its discretion (without shareholder approval) amend, modify and change the provisions of the RSU Plan (including any grant letters), including, without limitation:

- (a) amendments of a house keeping nature; and
- (b) changes to the Restricted Period of any RSUs.

However, other than as set out above, any amendment, modification or change to the provisions of the RSU Plan which would:

- (a) increase the number of Common Shares or maximum percentage of Shares which may be issued pursuant to the plan, except for certain exceptions;
- (b) reduce the range of amendments requiring shareholder approval contemplated in the plan;
- (c) permit RSUs to be transferred other than for normal estate settlement purposes;
- (d) change insider participation limits which would result in shareholder approval being required on a disinterested basis;
- (e) materially modify the eligibility requirements for participation in the plan; or
- (f) modify section 2.06 on the RSU Plan,

shall only be effective on such amendment, modification or change being approved by the shareholders of the Corporation. In addition, any such amendment, modification or change of any provision of the Plan shall be subject to the approval, if required, by any stock exchange having jurisdiction over the securities of the Corporation.

Pursuant to the requirements of the Exchange, the resolution approving the RSU Plan (the “**RSU Resolution**”) requires the approval of the majority of the votes cast by disinterested Shareholders at the Meeting. An “interested shareholder” for these purposes means an insider who may receive RSUs or an associate thereof.

At the Meeting, disinterested Shareholders will be asked to approve the RSU Resolution substantially in the form below:

“**BE IT RESOLVED**, that:

1. The restricted share unit plan (the “**RSU Plan**”) of Rhyolite Resources Ltd. (the “**Corporation**”), as described in the management information circular of the Corporation dated October 7, 2024, be and is hereby ratified, approved and adopted as the RSU Plan of the Corporation;
2. The Corporation is hereby authorized to grant and settle RSUs under the RSU Plan in accordance with the terms and conditions of the RSU Plan; and
3. Any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things, and to execute and deliver, under the corporate seal of the Corporation or otherwise, all such deeds, documents, instruments and assurances, as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the RSU Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the RSU Plan.”

The form of the RSU Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the RSU Resolution.

**Management of the Corporation recommends that Shareholders vote FOR the RSU Resolution at the Meeting. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the RSU Resolution.**

g) **Approval of Deferred Share Unit Plan**

The Corporation has an existing deferred share unit plan (the “**DSU Plan**”) for non-employee directors, last approved by the shareholders of the Corporation on August 24, 2023. The purpose of the DSU Plan is to strengthen the alignment of interests between non-employee directors (“**Eligible Directors**”) and the Corporation’s shareholders by linking a portion or all of annual director compensation to the future value of the Corporation’s Shares. In addition, the DSU Plan is intended to advance the interests of the Corporation through the motivation, attraction and retention of directors of the Corporation, it being generally recognized that deferred share unit plans aid in attracting, retaining

and encouraging director commitment and performance due to the opportunity offered to them to receive compensation in line with the value of the Shares.

The following is a summary of the DSU Plan and is qualified in its entirety by reference to the full text of the DSU Plan a copy of which is available for review under the profile for the Corporation on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

The DSU Plan is administered by the Board or a committee of the Board (the “**Committee**”) and the Committee will have full discretionary authority to administer the DSU Plan including the authority to interpret and construe any provision of the DSU Plan and to adopt, amend and rescind such rules and regulations for administering the DSU Plan as the Committee may deem necessary in order to comply with the requirements of the DSU Plan.

Deferred share units (“**DSUs**”) may be granted by the Corporation to Eligible Directors in lieu of a portion of the annual compensation payable to the Eligible Director in a fiscal quarter, excluding amounts received by the Eligible Director as reimbursement for expenses incurred in attending meetings of the Board (the “**Director’s Remuneration**”). Eligible Directors to which DSUs have been issued are referred to herein as “**DSU Participants**”.

The Committee will grant and issue to each Eligible Director on each issue date, as determined by the Committee (a “**DSU Issue Date**”), the aggregate of:

- (a) that number of DSUs having a value (such value being the “**Mandatory Entitlement**”) equal to the percentage or portion of the Director’s Remuneration payable to such Eligible Director for the current year as determined by the Board at the time of determination of the Director’s Remuneration; and
- (b) that number of DSUs having a value (such value being the “**Elective Entitlement**”) equal to the percentage or portion of the Director’s Remuneration which is not payable to such Eligible Director for the current year pursuant to paragraph (a) as determined by the Eligible Director.

The aggregate number of DSUs under paragraphs (a) and (b) will be calculated based on the sum of an Eligible Director’s Mandatory Entitlement and Elective Entitlement (collectively, the “**Entitlement**”) and the number of DSUs to be granted to an Eligible Director will be determined by dividing the Entitlement by the Market Value (as such term is defined in the DSU Plan) on the business day immediately preceding the DSU Issue Date.

Each vested DSU held by a DSU Participant who ceases to be an Eligible Director will be redeemed by the Corporation on the relevant date the DSU Participant ceases to be an Eligible Director (the “**Separation Date**”) for, subject to adjustments in certain events, the issuance of one Common Share for each DSU, or a cash payment by the Corporation equal to the Market Value (as defined in the DSU Plan) of a Common Share on the Separation Date in the sole discretion of the Corporation, to be made to the DSU Participant on such date as the Corporation determines not later than 60 days after the Separation Date.

An Eligible Director will have the right to elect in each calendar year the manner in which the Eligible Director wishes to receive the Director’s Remuneration (i.e. the Elective Entitlement), other than the portion fixed by the Board (i.e. the Mandatory Entitlement) in accordance with paragraph (a) (whether in cash, DSUs or a combination thereof). The Board may, from time to time, set such limits on the manner in which DSU Participants may receive their Director’s Remuneration and every election made by a DSU Participant is subject to such limits once they are set.

The aggregate maximum number of Shares available for issuance from treasury under the RSU Plan, the DSU Plan, the Stock Option Plan, and any other security-based compensation arrangements, in aggregate, shall not exceed 10% of the issued and outstanding Common Shares at any given time.

The maximum number of Shares issuable to insiders, at any time, under the Deferred Share Unit Plan, together with any other share compensation arrangements of the Corporation, shall be 10% of the outstanding issue. The maximum number Shares issued to insiders under the DSU Plan, together with other share compensation arrangements, within any one-year period will be 10% of the outstanding issue as calculated at the time of the grant.

The number of DSUs which may be granted to any one DSU Participant, together with grants under any other share-based compensation arrangements of the Corporation, within any one-year period may not exceed 5% of the outstanding Common Shares at the time of the grant.

In the event that a dividend (other than stock dividend) is declared and paid by the Corporation on its Common Shares, a DSU Participant will be credited with additional DSUs in accordance with the DSU Plan.

The Board may, from time to time, in its discretion (without shareholder approval) amend, modify and change the provisions of the DSU Plan, except however that, any amendment, modification or change to the provisions of the DSU Plan which would:

- (a) increase the number of Shares or maximum percentage of Shares, which may be issued pursuant to the DSU Plan, subject to certain exceptions;
- (b) reduce the range of amendments requiring shareholder approval contemplated in the DSU Plan;
- (c) permit DSUs to be transferred other than for normal estate settlement purposes;
- (d) change insider participation limits which would result in shareholder approval to be required on a disinterested basis; or
- (e) materially modify the requirements as to eligibility for participation in the DSU Plan,

will only be effective upon such amendment, modification or change being approved by the shareholders of the Corporation. In addition, any such amendment, modification or change of any provision of the DSU Plan will be subject to the approval, if required, by any regulatory authority having jurisdiction over the securities of the Corporation.

Pursuant to the requirements of the Exchange, the resolution approving the DSU Plan (the “**DSU Resolution**”) requires the approval of the majority of the votes cast by disinterested Shareholders at the Meeting. An “interested shareholder” for these purposes means an insider who may receive DSUs or an associate thereof.

At the Meeting, disinterested Shareholders will be asked to approve the DSU Resolution substantially in the form below:

“**BE IT RESOLVED**, that:

1. The restricted share unit plan (the “**DSU Plan**”) of Rhyolite Resources Ltd. (the “**Corporation**”), as described in the management information circular of the Corporation dated October 7, 2024, be and is hereby ratified, approved and adopted as the DSU Plan of the Corporation;
2. the Corporation is hereby authorized to grant and settle DSUs under the DSU Plan in accordance with the terms and conditions of the DSU Plan; and
3. Any one director or officer of the Corporation be and is hereby authorized and directed to do all such acts and things, and to execute and deliver, under the corporate seal of the Corporation or otherwise, all such deeds, documents, instruments and assurances, as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the DSU Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the DSU Plan.”

The form of the DSU Resolution set forth above is subject to such amendments as Management may propose at the Meeting, but which do not materially affect the substance of the DSU Resolution.

**Management of the Corporation recommends that Shareholders vote FOR the DSU Resolution at the Meeting. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the DSU Resolution.**



h) **Other Matters**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. If any other matter properly comes before the Meeting the Instrument of Proxy furnished to the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy provided, however, that the persons voting the proxy shall not be permitted to vote for the election of directors where a proposed nominee does not stand for election or is unable to serve as such, or any other matters prohibited by applicable law.

**COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**

**1. Compensation Discussion and Analysis**

*Named Executive Officers*

The following discussion describes the elements of the Corporation's executive compensation program, with particular emphasis on the process for determining compensation payable to the President and Chief Executive Officer and the Chief Financial Officer of the Corporation. The Corporation does not have any other executive officers that receive compensation.

In this Information Circular, "**Named Executive Officer**" means each of the following individuals:

- (a) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Corporation 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, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) 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 Corporation, and was not acting in a similar capacity, at the end of that financial year.

As at the year ended December 31, 2023, Richard A. Graham was Chief Executive Officer of the Corporation since February 17, 2023 and Quinn Martin was Chief Financial Officer of the Corporation since May 5, 2023. Fed Stanford, the former CEO, resigned on December 15, 2022 and Cybill Tsung, the former CFO, resigned on May 5, 2023.

***Overview and Objectives of Compensation Program***

*Objectives of Compensation Program*

The Board recognizes that the Corporation's performance depends on the quality of its directors and executives. To achieve its operating and financial objectives, the Corporation must attract, motivate, and retain highly skilled directors and executives who are able and capable of managing the Corporation's operations and carrying out the objectives of the Corporation. The Board further recognizes that there must be a link between compensation and business strategy and that remuneration at the Corporation should be comparable with that offered by companies of comparable size operating in the mineral exploration and development industry in order to ensure that the Corporation can retain its executives and promote a culture aimed at achieving its business objectives.



### *Compensation Philosophy and Goals*

The Board has the responsibility of overseeing the Corporation's compensation program, including approval of material amendments to or the adoption of new equity-based compensation plans.

The Board makes decisions concerning the nature and scope of the compensation to be paid to the Corporation's executive officers based on the Corporation's compensation philosophy and the Board's assessment of corporate and individual performance, recruiting and retention needs. In the normal course, the Corporation's total compensation package is comprised of three principal elements: salary, bonus, and equity incentives.

The Corporation has not yet developed a formal executive compensation program; however, in implementing its compensation philosophy the Board is mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

### *Role of Executive Officers in Compensation Decisions*

With respect to the grant of Options, the Chief Executive Officer recommends to the Board the individual equity incentive awards for each executive officer and director. The Board then takes these recommendations into consideration when making final decisions on compensation for those executive officers. The Board does not use formulas for each grant, but is restricted by the policies of the TSX Venture Exchange ("**Exchange**") and the Corporation's stock option plan (the "**Stock Option Plan**") in how many Options it may grant. Options under the Stock Option Plan are awarded based upon the level of responsibility and contribution of the individuals towards the Corporation's goals and objectives. Previous grants of Options to a particular individual will be taken into account when considering future grants of Options to that particular individual.

### *Stock Option Plan*

The Stock Option Plan was last approved by the shareholders of the Corporation on August 24, 2023.

Pursuant to the policies of the Exchange, listed issuers are permitted to have "rolling" stock option plans reserving a maximum of 10% of the issued shares of the issuer at the time of the stock option grant. The Stock Option Plan is considered to be a "rolling" stock option plan and pursuant to the policies of the Exchange, the Stock Option Plan must be approved annually by the Shareholders. That approval is being sought at the Meeting and accordingly the Shareholders will be asked to consider and, if thought appropriate, approve an ordinary resolution reapproving, adopting and ratifying the Stock Option Plan as the Corporation's stock option plan.

The Stock Option Plan provides that the Board may from time to time, in its discretion, and in accordance with Exchange requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase Common Shares ("**Options**"), provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. Such Options will be exercisable for a period of up to 10 years from the date of grant, pursuant to the policies of the Exchange. In connection with the foregoing, the number of Common Shares reserved for issuance to any one person in any twelve-month period will not exceed five percent (5%) of the issued and outstanding Common Shares unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements. In addition: (i) the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares; and (ii) the number of Common Shares reserved for issuance to persons providing investor relations activities will not exceed two percent (2%) of the issued and outstanding Common Shares. Options must be exercised by the legal representative of the optionee within a reasonable period following cessation of the optionee's position with the Corporation, provided that if the cessation was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option.

The exercise price of the Options shall be determined by the Board, subject to applicable Exchange approval, at the time any Option is granted. In no event shall such exercise price be lower than the “Discounted Market Price” (as such term is defined in Exchange policies). Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting or that no vesting restriction shall exist.

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

The Corporation 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 Corporation.

### ***Employment and Management Agreements***

#### *Cybill Tsung*

Ms. Tsung was appointed as Chief Financial Officer on November 16, 2020 and resigned May 5, 2023. Under an employment agreement dated January 1, 2022 between the Corporation and Ms. Tsung (the “**Tsung Agreement**”), Ms. Tsung is entitled to an annual salary of \$300,000 (“**Base Salary**”), four (4) weeks paid annual vacation and will be reimbursed for all reasonable expenses incurred in the course of performing her duties as CFO. The Corporation may terminate the agreement at any time, without cause, upon providing Ms. Tsung with the greater of: (a) notice of termination (or pay in lieu) and severance pay as required by and in accordance with the Ontario *Employment Standards Act, 2000* (the “**ESA**”); and

(b) twelve (12) months of Salary and target Bonus, payable to Ms. Tsung via salary continuance, less applicable deductions. In the event that Ms. Tsung obtains new employment or self-employment in the twelve (12) month period following the date of termination, Ms. Tsung’s entitlement to receive salary continuance shall cease as of the effective date of Ms. Tsung’s new employment or self-employment. Ms. Tsung is entitled to terminate the Tsung Agreement with at least one (1) month advance written notice. Ms. Tsung will be entitled to accrued but unpaid salary, accrued but untaken vacation, and unreimbursed expensed accrued to the last day of the employment.

If at any time during the term of the Tsung Agreement there is a change of control, and within six (6) months of such change of control Ms. Tsung’s employment is terminated by the Corporation without Cause or is terminated by Ms. Tsung for Good Reason, Ms. Tsung shall be entitled to receive:

- i) any earned but unpaid Salary, pro-rated Bonus at target and vacation pay accrued to the date of termination;
- ii) reimbursement for unreimbursed business expenses properly incurred by Ms. Tsung, which shall be subject to and paid in accordance with the Corporation’s expense reimbursement policy;
- iii) the greater of (x) a lump sum cash payment equal to one times the Salary and Bonus at target, less applicable deductions, in lieu of notice of termination, or (y) Ms. Tsung’s minimum entitlement to notice of termination and severance pay, less applicable deductions; and
- iv) Ms. Tsung’s benefits coverage will be continued for such minimum period of time as is required by the ESA.

The term “Good Reason” means the occurrence of either of the following events without Ms. Tsung’s prior consent: (i) a material change in Ms. Tsung’s overall authority and responsibilities with the Corporation, including a material and fundamental change in the nature or scope of the duties of Ms. Tsung; or (ii) a material decrease in Ms. Tsung’s Salary or targeted incentive.

The Ms. Tsung’s entitlements under the Equity Plans will be determined in accordance with applicable Plan terms.

Effective on May 5, 2023, Ms. Tsung resigned from her role as CFO.

### ***Risks of Compensation Policies and Practices***

The Corporation'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 Corporation's executives from taking unnecessary or excessive risk:

- the Corporation's business strategy and related compensation philosophy; and
- 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 Corporation's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

### ***Financial Instruments***

The Corporation 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.

### ***Share-Based and Non-Equity Incentive Plan Compensation***

The Corporation has not granted any share-based awards, nor has it provided any awards pursuant to a non-equity incentive plan at any time within the past three years nor or any such awards outstanding.

### ***Compensation Governance***

For a discussion on policies and practices by the Board to determine the compensation of the Corporation's directors and executive officers, see "*Statement of Executive Compensation – Overview and Objectives of Compensation Program*".

### ***Compensation of Consultants or Advisors***

During the financial years ended December 31, 2023, the Board did not retain an independent compensation consultant or advisor to assist in determining the compensation for the Corporation's directors and executive officers.

## **2. Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets forth the information required under *Form 51-102F6V-Statement of Executive Compensation-Venture Issuers of Regulation 51-102 respecting Continuous Disclosure Obligations* ("**Form 51-102F6V**"), regarding all compensation paid, payable, granted or otherwise provided during the two most recently completed financial years of the Corporation, to all persons acting as directors or as Named Executive Officers, as this expression is defined in Form 51-102F6V.

The following table sets forth all annual and long-term compensation for services paid to or earned by the Named Executive Officers and the directors for the two fiscal years ended December 31, 2023 and December 31, 2022:

TABLE OF COMPENSATION, EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Richard Graham</b> Current <sup>(1)</sup> CEO and Director	2023	83,452	Nil	Nil	Nil	Nil	83,452
	2022	-	-	-	-	-	-
<b>Fred Stanford</b> Former CEO <sup>(2)</sup> and Director	2023	-	-	-	-	-	-
	2022	912,750	Nil	Nil	Nil	Nil	912,750
<b>Quinn Martin</b> CFO <sup>(3)</sup>	2023	41,000	Nil	Nil	Nil	Nil	41,000
	2022	-	-	-	-	-	-
<b>Cybill Tsung</b> CFO <sup>(4)</sup>	2023	125,384	Nil	Nil	Nil	Nil	125,384
	2022	300,000	Nil	Nil	Nil	Nil	300,000
<b>Andrew Stanford</b> Former Vice-President, System Development <sup>(5)</sup>	2023	-	-	-	-	-	-
	2022	249,000	Nil	Nil	Nil	Nil	249,000
<b>Anne Stephen</b> Former Vice-President, Human Resources <sup>(6)</sup>	2023	-	-	-	-	-	-
	2022	253,000	Nil	Nil	Nil	Nil	253,000
<b>Terry Cholewinsky</b> Former Vice-President, Mine Development <sup>(7)</sup>	2023	-	-	-	-	-	-
	2022	165,000	Nil	Nil	Nil	Nil	165,000
<b>Arsalan Talebzadeh</b> Former Vice-President, Mine Development <sup>(8)</sup>	2023	-	-	-	-	-	-
	2022	\$252,630	Nil	Nil	Nil	Nil	\$252,630
<b>Kashif Hameed</b> Former Director Finance <sup>(9)</sup>	2023	-	-	-	-	-	-
	2022	\$165,560	Nil	Nil	Nil	Nil	\$165,560
<b>Michael Leskovec</b> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Mario Kozma</b> <sup>(10)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
<b>Tony Chedraoui</b> <sup>(11)</sup> Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Graham was appointed as CEO on February 17, 2023. On February 15, 2023, and as amended on March 20, 2023, the Company entered into a Consulting Agreement (the “RG Agreement”) with Richard Graham for the provision of services as the Company’s CEO and as a Director. Pursuant to the RG Agreement, the Company pays a base fee of \$7,500 per month and out-of-pocket costs for standard management and office services. The Company may terminate the RG Agreement at any time by providing one month’s written notice.
- (2) Mr. Stanford was appointed as CEO on September 7, 2021 and resigned on December 15, 2022.
- (3) Mr. Martin was appointed as CFO on May 5, 2023. He is a principal of Donaldson Brohman Martin CPA, Inc. (“DBM CPA”), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services, at a standard base rate of \$3,000 per month, plus amounts for non-routine services/
- (4) Ms. Tsung resigned as CFO on May 5, 2023.
- (5) Mr. A. Stanford was appointed as Vice-President effective April 1, 2022 and ceased to be involved with the Corporation effective December 15, 2022.
- (6) Ms. Stephen was appointed as Vice-President effective May 15, 2022 and ceased to be involved with the Corporation effective December 9, 2022.
- (7) Mr. Cholewinsky was appointed as Vice-President effective May 16, 2022 and ceased to be involved with the Corporation effective December 9, 2022.
- (8) Mr. Talebzadeh was appointed as Vice-President effective September 1, 2021 and ceased to be involved with the Corporation effective May 10, 2022.
- (9) Mr. Hameed was appointed as Director of Finance effective February 21, 2022 and ceased to be involved with the Corporation effective December 9, 2022.
- (10) Mr. Kozma was elected to the Board on June 28, 2021.
- (11) Mr. Chedraoui resigned as a director on February 17, 2023.

### *Stock Options and Other Compensation Securities*

Compensation securities were granted or issued to the Named Executive Officers and directors by the Corporation in the financial year ended December 31, 2023 for services provided or to be provided, directly or indirectly, to the Corporation, as disclosed in the following table:

COMPENSATION SECURITIES							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Richard Graham</b> <sup>(1)(2)</sup> Current CEO and Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Quinn Martin</b> <sup>(2)</sup> Current CFO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Cybill Tsung</b> <sup>(3)</sup> Former CFO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Michael Leskovec</b> Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Mario Kozma</b> Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Tony Chedraoui</b> <sup>(4)</sup> Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Mr. Graham was appointed as CEO on February 17, 2023.
- (2) Mr. Martin was appointed as CFO on May 5, 2023.
- (3) Ms. Tsung resigned as CFO on May 5, 2023.
- (4) Mr. Chedraoui resigned as a director on February 17, 2023.

No compensation securities were exercised by NEOs and directors during the financial year ended December 31, 2023.

The Corporation has no form of compensation plan under which equity securities of the Corporation are authorized for issuance to employees or non-employees in exchange for consideration in the form of goods or services other than the Stock Option Plan.

Under the terms of the Stock Option Plan, any options will terminate 90 days after the optionee ceases to be a director, senior officer, employee or consultant of the Corporation or a subsidiary (except for persons providing investor relations services which terminate 30 days after cessation), except by reason of the death of the optionee, in which case the optionee's personal representative may exercise the options by the earlier of one year following the date of death or the expiry date of the stock option.

### **Pension Plan Benefits**

The Corporation does not have in place any deferred compensation plan or pension plan that provides for payments.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that were authorized for issuance under equity compensation plans as at the end of the Corporation’s financial year ended December 31, 2023.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for issuance under equity compensation plans <sup>(1)</sup>
Equity compensation plans approved by securityholders	Nil	Nil	10,718,523
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	10,718,523

Note:

<sup>(1)</sup> The aggregate number of Common Shares that may be reserved for issuance under the Stock Option Plan shall not exceed 10% of the Corporation’s issued and outstanding Common Shares (107,185,253) as at December 31, 2023.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer or proposed director of the Corporation or any associate of the foregoing is, or at any time since the beginning of the Corporation’s most recently completed financial year has been, indebted to the Corporation, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation, including under any securities purchase or other program.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular, the Corporation is not aware of any material transaction involving any informed person of the Corporation, any proposed director of the Corporation or any associate or affiliate of any of informed person or proposed director.

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations, and situations may arise where such directors and officers will be in competition with the Corporation. Individuals concerned shall be governed in any conflicts or potential conflicts by applicable law and internal policies of the Corporation.

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

## **CORPORATE SERVICES AGREEMENT**

No management functions of the Corporation are, to any substantial degree, performed by a person or company other than the directors or senior officers of the Corporation.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), sets out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation and the guidelines of the Exchange for effective corporate governance, including National Policy 58-201 – *Corporate Governance Guidelines*. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.

### **Board of Directors**

The Board is currently made up of three members, of which the Board considers Michael Leskovec and Mario Kozma independent as such term is defined by NI 58-101. The Board considers that Richard Graham is not independent as he is the Chief Executive Officer of the Corporation. The Board approves all significant decisions that affect the Corporation before they are implemented, and the Board supervises their implementation and reviews the results.

The Board is actively involved in the Corporation’s strategic planning process. The Board discusses and reviews all materials relating to strategic and operating plans with management. The Board is responsible for reviewing and approving strategic and operating plans and budgets. Management must seek the Board’s approval for any transaction that would have a significant impact on the strategic plan.

The Board is also responsible for selecting the President and appointing senior management and for monitoring their performance. The Board delegates to management responsibility for, among other things, meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Corporation’s business, evaluating new business opportunities and complying with applicable regulatory requirements.

The Board periodically reviews the Corporation’s business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Corporation’s internal control and management information systems. The Board also monitors the Corporation’s compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution.

## Other Public Company Directorships

The following members of the Board, and proposed nominees to the Board, currently hold directorships in other reporting issuers as set forth below:

<u>Name of Director</u>	<u>Name of Reporting Issuer</u>	<u>Exchange</u>
Richard A. Graham	Carrie Arran Resources Inc.	N/A
	Bemaba Resources Ltd.	N/A
	Dorset Resources Ltd.	N/A
	Talmine Resources Ltd.	N/A
Michael Leskovec	Hemlo Explorers Inc.	TSXV

## Orientation and Continuing Education of Board Members

The Corporation does not currently have any formal orientation and education programs for new directors as the changes in Board membership have been limited. The Board briefs all new directors on the corporate policies of the Corporation and other relevant corporate and business information. If there is a change in the number of directors required by the Corporation, this policy will be reviewed.

## Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. The Board has adopted a Board Mandate and Code of Business Conduct and Ethics. The Board has also adopted a whistleblower protection policy with respect to the confidential and anonymous reporting of complaints and irregularities.

## Nomination of Directors

The Board as a whole remains responsible for nominating new members of the Board and assessing members of the Board on an on-going basis. If it becomes necessary, a nomination committee will be created which in turn will develop relevant criteria for suitable candidates including the independence of the individual, financial acumen and availability to devote sufficient time to the duties of the Board.

## Compensation

For a discussion on the process by which the Board determines compensation for the directors and executive officers, see "*Statement of Executive Compensation – Compensation Discussion and Analysis*".

## Other Board Committees

The only standing committee of the Board is the audit committee of the Corporation (the "**Audit Committee**"). For further information regarding the Audit Committee, see the description under the heading "*Audit Committee Disclosure*".



## **Assessments of Directors, the Board and Board Committees**

To date, given the small size of the Board, the Board has not found it necessary to institute any formal process in order to satisfy itself that the Board, its committees and its individual directors are performing effectively.

### **AUDIT COMMITTEE DISCLOSURE**

The following information is provided in accordance with Form 52-110F2 under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

#### **Audit Committee Charter**

The Audit Committee is a committee of the Board established for the purpose of overseeing the accounting and financial reporting processes of the Corporation and annual external audits of the consolidated financial statements. The Audit Committee has formally set out its responsibilities and composition requirements in fulfilling its oversight in relation to the Corporation’s internal accounting standards and practices, financial information, accounting systems and procedures. See Exhibit “B” hereto for a copy of the Audit Committee Charter of the Corporation.

#### **Composition of the Audit Committee**

The Audit Committee currently consists of Michael Leskovec, Mario Kozma and Richard Graham. Michael Leskovec is the Chair of the Audit Committee. Michael Leskovec and Mario Kozma have been determined to be independent. Richard Graham is not independent as he is the Chief Executive Officer of the Corporation. All members are considered to be financially literate.

#### **Relevant Education and Experience of Audit Committee Members**

##### *Michael Leskovec*

Mr. Leskovec is the Chief Financial Officer of Northfield Capital Corporation, a TSX Venture Exchange listed investment holding company, since May, 2020. Mr. Leskovec is a CPA, CA with 20 years of financial experience with publicly listed companies and capital markets. He has served most recently as a Vice President and Financial Control Officer of Northfield from 2010 to May 2020. He also currently serves as an Officer/Director of several other public companies, primarily in the mineral and investment industries. Mr. Leskovec earned his CPA, CA designation while working in the public company audit and assurance practice for Smith Nixon LLP and holds an Honours Bachelor of Accounting Degree from Brock University in Ontario, Canada.

##### *Mario Kozma*

Mr. Kozma is a Portfolio Manager at Tyrus Capital since 2015. Prior to that, he was Chief Investment Officer at Dubai-based Belhoul Investment Office and before that, Investment Manager at Waterloo-based Inter-IKEA Treasury. Mr. Kozma has developed a 17-year track record in Private Equity spanning across sourcing, analysing, structuring and executing primary and secondary transactions. Prior to that, from 2001 to 2003, he worked as Investment Analyst in the Merchant Banking team at Lehman Brothers in London. Mr. Kozma holds a bachelors degree in Civil and Environmental Engineering and a master degree in Business Administration from Ecole Superieure des Sciences Economiques et Commerciales (ESSEC) in Paris.

##### *Richard A. Graham*

Mr. Graham has obtained a Bachelor of Science in Geology from the University of Alberta and is a Professional Geologist, registered with the Association of Professional Engineers, Geologists and Geophysicists of Alberta and has over 30 years of geological experience. From February 2004 until June 2023, Mr. Graham was the Manager of Corporate Development for Earlston Investments Corp., a private merchant bank. He is currently a consulting geologist and is also a director and officer of other public companies.

Following the Meeting, it is anticipated that the following directors will be appointed to the Audit Committee: Michael Leskovec, Mario Kozma and Richard Graham.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

### **Pre-Approval Policies and Procedures**

The Audit Committee will review and pre-approve any engagements for non-audit services to be provided by the external auditor, together with estimated fees.

### **External Auditor Service Fees (By Category)**

The following table discloses the approximate aggregate fees paid by the Corporation to the external auditors of the Corporation in each of the last two financial years of the Corporation for audit fees.

<b>Financial Year Ended</b>	<b>Audit fees<sup>(1)</sup></b>	<b>Audit related fees<sup>(2)</sup></b>	<b>Tax fees<sup>(3)</sup></b>	<b>All other fees<sup>(4)</sup></b>
December 31, 2023	\$55,000	Nil	Nil	Nil
December 31, 2022	\$186,180	Nil	Nil	Nil

#### **Notes:**

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

### **Exemption**

As a "venture issuer" (as such term is defined under NI 51-102 – *Continuous Disclosure Obligations*), the Corporation is relying upon the exemption provided for in section 6.1 of NI 52-110.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found under the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). Inquiries, including requests for copies of the Corporation's financial statements and management's discussion and analysis may be directed to Sandra Lee, Corporate Secretary of the Corporation. Additional financial information is provided in the Corporation's audited financial statements and management's discussion and analysis for the year ended December 31, 2023 which are also available on SEDAR+.

## EXHIBIT "A"

### STOCK OPTION PLAN OF RHYOLITE RESOURCES LTD.

#### 1. Purpose

The purpose of the Stock Option Plan (the "**Plan**") of **Rhyolite Resources Ltd.**, a corporation incorporated under the *Business Corporations Act* (Alberta) (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

#### 2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed and delegated such authority from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

#### 3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or quotation system on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the "**Exchange**").

#### 4. Shares Subject to Plan

Subject to adjustment as provided in Section 20 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

#### 5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

## **6. Eligibility and Participation**

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

The Corporation and the Participant must be able to represent to Exchange as of the grant date that the Participant is a bona fide Employee, Consultant or Management Company Employee of the Corporation or any subsidiary.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

## **7. Exercise Price**

- a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval at the time any option is granted. In no event shall such exercise price be lower than the Discounted Market Price, as such term is defined by the Exchange.
- b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that in the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

## **8. Number of Optioned Shares**

- a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- b) No single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than ¼ of the options vesting in any 3 month period.

## **9. Duration of Option**

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11, 12 and 13, provided that in no circumstances shall the

duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange, the maximum term may not exceed 10 years.

#### **10. Option Period, Consideration and Payment**

- a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11, 12 and 13 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

#### **11. Ceasing To Be a Director, Officer, Consultant or Employee**

- a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death or termination with cause), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within one (1) year after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee.
- b) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

#### **12. Death of Participant**

Notwithstanding section 11, if a Participant dies, the legal representatives of the Participant may exercise the options held by the Participant within a period after the date of the Participant's death as determined by the Board, provided that, such period shall not extend beyond 12 months following the death of the Participant with respect to any option held by the Participant. For greater certainty, such determination may be made at any time subsequent to the date of grant of the options, provided that no option shall remain outstanding beyond 12 months following the date of death or such other period as determined by the Board, provided that, in any event, no option shall remain outstanding for any period that exceeds the expiry date of such Option. The Board may determine at any time, including for greater certainty at any time subsequent to the date of grant of the options, that such portion of the option vests automatically or pursuant to a vesting schedule determined by the Board. The Board may delegate authority to the Chief Executive Officer to make any determination with respect to the expiry or termination date of options or vesting of options or any portion thereof held by any deceased Participant. If the legal representative of a Participant who has died exercises the option of the Participant in accordance with the terms of this Plan, the Corporation will have no obligation to issue

the Shares until evidence satisfactory to the Corporation has been provided by the legal representative that the legal representative is entitled to act on behalf of the Participant to purchase the Shares under this Plan.

### **13. Termination with Cause**

Notwithstanding section 11, in the event that a Participant is terminated for cause, as such term is defined in the agreement governing such Participants relationship with the Corporation and/or applicable laws, the option previously granted to such Participant will expire immediately upon such termination for cause. For greater certainty, immediately upon such termination for cause, the option shall concurrently expire and terminate and be of no further force or effect whatsoever.

### **14. Extension of Expiry of Time During Blackout Periods**

Notwithstanding the provisions contained herein for the expiry of options, and subject to the rules of the Exchange, in the event that the expiry date of an option occurs during a blackout period that is self-imposed by the Corporation pursuant to its policies (“Blackout Period”), the expiry date of such option shall be automatically extended for a period of 10 business days following the end of the Blackout Period.

### **15. Rights of Optionee**

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

### **16. Acceleration on Change of Control**

- a) For the purposes of this Section 16, “Change of Control” means the occurrence of any one or more of the following:
- a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction;
  - b) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Corporation and/or any of its Subsidiaries which have an aggregate book value greater than 30% of the book value of the assets, rights and properties of the Corporation and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned subsidiary of the Corporation in the course of a reorganization of the assets of the Corporation and its subsidiaries;
  - c) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
  - d) any person, entity or group of persons or entities acting jointly or in concert (an “**Acquiror**”) acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Corporation which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or Associates and/or Affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Corporation’s outstanding Voting Securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);
  - e) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in

the most recent Management Information Circular of the Corporation for election to the Board shall not constitute a majority of the Board; or

- f) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

For the purposes of the foregoing, “Voting Securities” means Shares and any other shares entitled to vote for the election of directors of the Corporation and shall include any security, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors of the Corporation but are convertible into or exchangeable for shares which are entitled to vote for the election of directors of the Corporation including any options or rights to purchase such shares or securities;

For the purposes of the foregoing, “control” means the ability of a person or company, directly or indirectly, to direct management and policies of another person or company, as defined in the *Securities Act* (Alberta);

- b) In the event of a Change of Control, all Options outstanding shall be immediately exercisable, notwithstanding any determination of the Board pursuant to this Plan or any stock option agreements, if applicable, and the expiry date of such Options shall remain the same. In the event of a Change of Control and options are held by Consultants performing Investor Relations, as such terms are defined by the Exchange, vesting of such options shall be subject to Exchange approval. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Corporation with respect to the consideration that the Participant would be entitled to receive for their Shares.

#### **17. Right to Terminate Options on Sale of Corporation**

Notwithstanding any other provision of this Plan, if the Board at any time by resolution declares it advisable to do so in connection with any proposed sale or conveyance of all or substantially all of the property and assets of the Corporation or any proposed merger, consolidation, amalgamation or offer to acquire all of the outstanding Shares (collectively, the “Proposed Transaction”), the Corporation may give written notice to all Participants advising them that, within 30 days after the date of the notice each Participant must advise the Board whether the Participant desires to exercise its options prior to the closing of the Proposed Transaction, provided that the Proposed Transaction is completed within 180 days after the date of the notice. In the event the Proposed Transaction is completed within 180 days after the date of the notice and the Participant does not advise the Board of their desire to exercise its options prior to the closing of the Proposed Transaction, the said options shall expire. If the Proposed Transaction is not completed within the 180-day period, no right under any option will be exercised or affected by the notice. If a Participant gives notice that the Participant desires to exercise its options prior to the closing of the Proposed Transaction, then all options which the Participant elected by notice to exercise will be exercised immediately prior to the effective date of the Proposed Transaction or such earlier time as may be required to complete the Proposed Transaction.

#### **18. Withholding**

- a) To the extent required under applicable law, the Corporation shall be entitled to take all reasonable and necessary steps, which may include the sale of certain Shares issued upon the exercise of any option granted under the Plan (other than a redemption or purchase for cancellation), or obtain all reasonable or necessary indemnities, assurances, payments or undertakings, to the sole satisfaction of the Corporation, to satisfy any tax remittance obligations of the Corporation or any Subsidiary to any taxing authorities arising in respect of any exercise of any options granted hereby or any other options heretofore granted by the Corporation and the President of the Corporation shall be appointed as the attorney-in-fact for any person granted an option under this Plan to take all such reasonable and necessary steps or Share sales.
- b) Each Participant (or their beneficiaries) shall be responsible for all taxes with respect to any options granted to such Participant under this Plan, whether as a result of the grant or exercise of options or otherwise. The Corporation makes no guarantee to any person regarding the tax treatment of options or payments made



under this Plan and none of the Corporation, or any of its employees or representatives shall have any liability to any Participant with respect thereto.

#### **19. Proceeds from Sale of Shares**

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

#### **20. Adjustments**

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

#### **21. Transferability**

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

#### **22. Amendment and Termination of Plan**

- a) The Board may, at any time, amend or terminate the terms and conditions of the Plan by resolution of the Board (the "Amendment Procedure"). Any amendment to the Plan shall take effect only with respect to options granted after the effective date of such amendment, provided that it may apply to any outstanding options with the mutual consent of the Corporation and the Participant to whom such options have been granted. Amendments to the terms of the Plan are subject to prior Exchange acceptance. Without limiting the generality of the foregoing, the Board may use the Amendment Procedure without seeking shareholder approval when:
  - a) altering, extending or accelerating the terms and conditions of vesting of any options, subject to the prior written approval of the Exchange;
  - b) accelerating the expiry date of options;
  - c) amending the definitions contained within the Plan;
  - d) effecting amendments of a "housekeeping" or administrative nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error, inconsistency or omission in or from the Plan;
  - e) effecting amendments necessary to comply with the provisions of applicable laws (including, without limitation, the rules, regulations and policies of the Exchange), or necessary or desirable for any advantages or other purposes of any tax law (including, without limitation, the rules, regulations, and policies of the Canada Revenue Agency or any taxation authority);
  - f) effecting amendments respecting the administration of the Plan;
  - g) effecting amendments necessary to suspend or terminate the Plan; and



- h) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law (including, without limitation, the rules, regulations, and policies of the Exchange).
- b) Shareholder approval will be required for the following types of amendments:
  - a) amendments that increase the number of Shares issuable under the Plan, except such increases by operation of Section 19 of the Plan; and
  - b) amendments required to be approved by shareholders under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).
- c) disinterested shareholder approval will be required for the following types of amendments:
  - a) amendments to the Plan that could result in the number of Shares reserved for issuance under the Plan to Insiders, within a 12 month period, exceeding 10% of the outstanding issue;
  - b) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the Corporation's issued Shares;
  - c) an extension of the term of the Plan;
  - d) any reduction in the price of an option if the Participant is an Insider at the time of the proposed amendment; and
  - e) amendments requiring disinterested shareholder approval under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

#### 23. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

#### 24. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

#### 25. Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

## EXHIBIT “B”

### RHYOLITE RESOURCES LTD. (the “Corporation”)

#### AUDIT COMMITTEE CHARTER OF THE CORPORATION

##### I. Mandate

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

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

##### II. Composition

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

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Corporation’s Charter, the definition of “financially literate” is the ability to read and understand a balance sheet, an income statement and a cash flow statement. The definition of “accounting or related financial management expertise” is the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with Canadian generally accepted accounting principles.

The members of the Committee shall be elected by the board of directors at its first meeting following the annual shareholders’ meeting. Unless a Chairman is elected by the full board of directors, the members of the Committee may designate a Chairman by a majority vote of the full Committee membership.

##### III. Meetings

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

##### IV. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

## **Documents/Reports Review**

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

## **External Auditors**

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Corporation.
4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the auditors.
6. Take, or recommend that the full board of directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
9. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

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

### **Financial Reporting Processes**

12. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

### **Other**

22. Review any related-party transactions.