

## **MELKIOR RESOURCES INC.**

66 Brousseau Avenue, Suite 207  
Timmins, Ontario  
P4N 5Y2

### **INFORMATION CIRCULAR**

as of February 22, 2024 (unless otherwise noted)

### **MANAGEMENT SOLICITATION OF PROXIES**

This Information Circular is furnished to you in connection with the solicitation of proxies by management of Melkior Resources Inc. (“we”, “us”, the “Company” or “Melkior”) for use at the Annual General and Special Meeting (the “Meeting”) of shareholders of the Company to be held on Thursday, March 28, 2024, at 82 Richmond Street East, Toronto, Ontario at 11:00 a.m. (Toronto time), and at any adjournment of the Meeting. The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

### **APPOINTMENT OF PROXY HOLDER**

The persons named as **proxy holders** in the enclosed form of proxy are the Company’s directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

### **VOTING BY PROXY**

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgment.

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an “X” in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

## RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Company’s registrar and transfer agent, Marrelli Trust Company Limited, The Canadian Venture Building, 82 Richmond Street East, Toronto, ON M5C 1P1, fax (416) 360-7812, by fax, by mail or by hand or to the Company’s head office at the address listed on the cover page of this Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

## ADVICE TO NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are “non-registered” shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a “**Nominee**”). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as “NOBOs”. Those non-registered Holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as “OBOs”.

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a “**VIF**”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIF’s, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the Shares which they beneficially own. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request (in writing) to the Company or its Nominee, as applicable, without expense to the non-registered holder, that the non-registered holder or his/her nominee be appointed as proxyholder and have the right to attend and vote at the Meeting.** Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

## **REVOCACTION OF PROXY**

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or
- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chair of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Omnibus Equity Incentive Plan (as defined herein), all described in this Information Circular, approval of which will be sought at the Meeting. Directors and executive officers of the Company may participate in the Company's Omnibus Equity Incentive Plan, and accordingly have an interest in its approval. See "Particulars of Matters to be Acted Upon".

## **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The Company is authorized to issue an unlimited number of common shares without par value, of which 34,267,447 common shares are issued and outstanding as of February 22, 2024. There is one class of shares only.

Persons who are registered shareholders at the close of business on February 22, 2024 will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share. In order to approve a motion proposed at the Meeting, a majority of at least 50% plus one vote of the votes cast will be required to pass an ordinary resolution, and a majority of at least 2/3 of the votes cast will be required to pass a special resolution.

To the knowledge of our directors and executive officers of the Company, as at the date of this Information Circular, the following persons beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the outstanding voting rights attached to all shares of the Company.

Name of Shareholder	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised	Percentage of Class
Keith James Deluce	5,562,917 <sup>(1)</sup>	16.23%

Note:

(1) Mr. Deluce also holds 605,000 share purchase warrants exercisable into common shares and 850,000 stock options exercisable into common shares.

## ELECTION OF DIRECTORS

Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. The shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at three (3) for the next year, subject to any increases permitted by the Company's Articles.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

Name, Province or State and Country of Residence and Present Office Held	Periods Served as Director	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised <sup>(1)</sup>	Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years
<b>Jonathon Deluce</b> <sup>(2)</sup> CEO and Director Ontario, Canada	February 20, 2020	255,000 <sup>(3)</sup>	CEO of the Company; President and CEO of Abitibi Metals Corp.; Chartered Professional Accountant
<b>Keith James Deluce</b> <sup>(2)</sup> Director Ontario, Canada	March 4, 2016	5,562,917 <sup>(4)</sup>	President of Bradel Properties Ltd, a private company controlled by Mr. Deluce.
<b>Norman Farrell</b> <sup>(2)</sup> Director Quebec, Canada	October 18, 1979	1,329,868 <sup>(5)</sup>	Marketing advisor for Forex Inc.

Notes:

(1) As at February 22, 2024.

(2) Member of the Audit Committee.

- (3) 40,000 Common Shares held directly; 215,000 Common Shares held indirectly by Mr. Jonathan Deluce through Silverwater Capital Corp.
- (4) 3,581,667 Common Shares held directly; 1,981,250 Common Shares controlled by Keith James Deluce beneficially through various TFSA and RRSP accounts.
- (5) 743,368 Common Shares held directly; 6,450 Common Shares held indirectly by Mr. Norman Farrell through Consultant Global Farrell & Lacelle; 580,050 Common Shares held indirectly by Mr. Norman Farrell through Gesfar Inc.

No proposed director of the Company is or has been, within the past 10 years, a director, chief executive officer or chief financial officer of any company that, while the person was acting in that capacity:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, “order” means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) 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.

No proposed director of the Company has, within the past 10 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 the proposed director.

To the knowledge of the Company, no nominee for director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, 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 its assets.

## EXECUTIVE COMPENSATION

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

The following persons are considered the “**Named Executive Officers**” or “**NEOs**” for the purposes of this disclosure:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);

- (c) each of the Company's most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the August 31, 2023 year end; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at August 31, 2023.

### Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiaries of the Company to each Named Executive Officer and director of the Company during the Company's two most recent financial years ended August 31, 2022 and August 31, 2023.

Table of compensation excluding compensation securities							
Name and position	Year Ended August 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
Keith James Deluce Director	2023	20,000	Nil	Nil	Nil	Nil	20,000
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Norman Farrell Director	2023	20,000	Nil	Nil	Nil	Nil	20,000
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Jonathon Deluce Director and CEO	2023	75,000	Nil	Nil	Nil	Nil	75,000
	2022	75,000	Nil	Nil	Nil	Nil	75,000
Sung Min (Eric) Myung CFO <sup>(2)</sup>	2023	N/A	N/A	N/A	N/A	N/A	N/A
	2022	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

(1) The value of perquisites and benefits, if any, was less than \$15,000.

(2) Mr. Myung is paid through Marrelli, which has a contract with the Company, as described below. An aggregate of \$62,428 was paid to Marrelli and affiliated entities during the financial year ended August 31, 2023, and an aggregate of \$61,911 was paid to Marrelli and affiliated entities during the financial year ended August 31, 2022. See note 7 to the Company's audited financial statements as at August 31, 2023 and note 7 to the Company's audited financial statements as at August 31, 2022.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued during the most recently completed financial year ended August 31, 2023 to each Named Executive Officer and director for services provided or to be provided, directly or indirectly, to the Company or its subsidiaries. Stock options held at the financial year ended August 31, 2023 but not granted during the year are shown as footnotes to the 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>Keith James Deluce</b> <sup>(1)</sup> Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
<b>Norman Farrell</b> <sup>(2)</sup> Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
<b>Jonathon Deluce</b> <sup>(3)</sup> Director and CEO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
<b>Sung Min (Eric) Myung</b> <sup>(4)</sup> CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) At year end, Mr. Keith Jim Deluce (or eligible entities controlled by him) held 400,000 stock options exercisable until February 27, 2025 at an exercise price of \$0.20, 300,000 stock options exercisable until February 21, 2026 at an exercise price of \$0.70 and 150,000 stock options exercisable until January 25, 2027 at an exercise price of \$0.35.
- (2) At year end, Mr. Norman Farrell (or eligible entities controlled by him) held 300,000 stock options exercisable until February 21, 2026 at an exercise price of \$0.70 and 150,000 stock options exercisable until January 25, 2027 at an exercise price of \$0.35.
- (3) At year end, Mr. Jonathon Deluce (or eligible entities controlled by him) held 300,000 stock options exercisable until February 21, 2026 at an exercise price of \$0.70 and 150,000 stock options exercisable until January 25, 2027 at an exercise price of \$0.35.
- (4) At year end, Mr. Sung Min Myung held 75,000 stock options exercisable until February 27, 2025 at an exercise price of \$0.20.

### Exercise of Compensation Securities by Directors and NEOs

During the financial year ending August 31, 2023, none of the Named Executive Officers or directors exercised any stock options.

For information about the material terms of the Company's Omnibus Equity Incentive Plan, under which existing stock options will be continued, please refer to the heading "Particulars of Matters to be Acted Upon – Shareholder Approval of Omnibus Equity Incentive Plan".

### Employment, Consulting and Management agreements

The CEO, through Silverwater Capital Corp., is paid a consulting fee of \$6,250 per month. The Company can terminate the agreement with three months' notice. The CEO has change of control provisions in his consulting agreements that provide for, upon a change of control as defined in their agreements, all unpaid expenses incurred in accordance with the agreement up to the date of termination of the agreement must be paid and a lump sum payment equivalent to 36 months' of consulting fees based on the average fees paid to the CEO over the three months prior to the date of termination must be paid.

The Company is party to arrangements with Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited and Marelli Trust Company Ltd. (collectively, the "Marelli Group"). Mr. Sung Min (Eric) Myung acts as CFO of the Company and is compensated through the Marelli Group. A suite of services including bookkeeping services, regulatory filing

services, corporate secretarial services and transfer agent services are provided by the Marelli Group.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### *Director compensation*

As at the financial year ended August 31, 2023, the Company had three directors, one of whom is also an NEO. For the year ended August 31, 2023, the Company did not pay directors who are not officers of the Company for attending directors' meetings or for serving on committees. None of the Company's directors have received any cash compensation for services provided in their capacity as directors during the Company's most recently completed financial year. Directors are entitled to reimbursement of reasonable out-of-pocket expenses incurred in the course of their duties as a director.

The Company may, from time to time, grant to its directors equity compensation pursuant to the terms of the Omnibus Equity Incentive Plan and in accordance with the policies of the TSX Venture Exchange (the "TSXV").

### *Named Executive Officer Compensation*

The Board is responsible for ensuring that the Company's compensation strategy is aligned with performance and shareholder interests.

The main objectives the Company hopes to achieve through its compensation policies are to attract and retain executives critical to the Company's success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value. The Board has responsibility for determining compensation for the directors and Named Executive Officers. To determine compensation payable, the Board considers compensation paid for directors and CEO's of companies of similar size and stage of development in the mineral exploration and development industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. The Board also has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Executive compensation is comprised of short-term fee compensation and long-term ownership through the grant of stock options or other equity compensation. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value.



## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company presently has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company's directors and are only granted in compliance with applicable laws and regulatory policy. The Company presently has a "rolling up to 10%" stock option plan, which is proposed to be replaced by an Omnibus Equity Incentive Plan as described further under "Particulars of Matters to be Acted Upon – Shareholder Approval of Omnibus Equity Incentive Plan". The policies of the TSXV limit the granting of stock options to employees, officers, directors and consultants of the Company and provide limits on the length of term, number and exercise price of such options.

The following table sets out equity compensation plan information as at the end of the financial year ended August 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options <sup>(1)</sup>	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup>
(a)	(b)	(c)	
Equity compensation plans <b>approved</b> by securityholders	1,925,000	0.54	1,210,270
Equity compensation plans <b>not approved</b> by securityholders	N/A	N/A	N/A
Total	1,925,000	0.54	1,210,270

Notes:

(1) Assuming outstanding options are fully vested.

(2) Excluding the number of shares issuable on exercise of the outstanding options shown in the second column.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Company or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries, other than as disclosed under the heading "Particulars of Matters to be Acted On".

An "informed person" means:

- (a) a director or executive officer of the Company;

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

## AUDIT COMMITTEE

Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* (“NI 52-110”).

### Audit Committee Charter

The Audit Committee Charter was adopted by the Company’s Audit Committee and the Board of Directors. The full text of the Company’s Audit Committee Charter is attached as Exhibit “B” to the Company’s Information Circular dated December 20, 2017 which was filed on SEDAR+ on December 28, 2017.

### Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Name of Member	Independent <sup>(1)(2)</sup>	Financially Literate <sup>(1)</sup>
Norman Farrell	Independent	Yes
Keith James Deluce	Independent	Yes
Jonathon Deluce	Not Independent	Yes

Notes:

(1) As that term is defined in NI 52-110.

(2) Under NI 52-110, a venture issuer’s audit committee must comply with section 6.1.1 of NI 52-110, which requires that the majority of the audit committee not be executive officers, employees or control persons of the issuer.

### Relevant Education and Experience of Audit Committee Members

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;

3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting, are as follows:

**Keith James Deluce** – Mr. Deluce is a mining and real estate executive with over 40 years of experience in leadership roles, including both business ownership and business management. Mr. Deluce was the Chief Executive Officer of Melkior Resources Inc., a mineral exploration company, from October 2016 to March 2020. Based on his experience, Mr. Deluce has an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as an audit committee member.

**Norman Farrell** – Mr. Farrell received a B.Sc.Com. from the École des Hautes Études Commerciales of the University of Montreal in 1969. He has been a director of the Company since 1979, and was the President of the Company from 1982 to 1998. From 1987 to 1990, he was Vice-President and director of Ressources Oasis Inc. and Ressources Orient Inc., which were both listed on the Montreal Exchange. He also was a director of Cambior Inc. from 1986 to 1989. From 1993 to 1999, he was Vice-president Marketing of Le Groupe Forex Inc., a publicly traded forest company.

**Jonathon Deluce** – Mr. Deluce obtained his CPA/CA while working at EY in the Assurance and Advisory practices. While at EY he led quarterly and year-end audit engagements on NYSE and TSX clients in the construction, mining and power / utilities industries. While in advisory he led internal control and internal audit projects on multiple intermediate gold producers. Mr. Deluce graduated with a Bachelor of Business Administration (Accounting Specialization) degree from the University of Western Ontario in April 2014 and obtained his Chartered Professional Accountant designation from the CPA Association of Canada in December 2017. Based on his experience, Mr. Deluce has an understanding of financial reporting requirements respecting financial statements sufficient enough to enable him to discharge his duties as an audit committee member.

#### ***Audit Committee Oversight***

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

#### ***Reliance on Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally***

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside of Control of Member*), the exemption in

subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

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

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

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

The following table discloses the fees billed to the Company by its external auditor during the last two financial years:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit-Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
August 31, 2023	\$22,000	N/A	\$4,000	N/A
August 31, 2022	\$17,000	N/A	\$7,500	N/A

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice.
- (4) "All Other Fees" includes all other non-audit services.

***Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations***

Since the Company is a venture issuer, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in 'Composition of the Audit Committee' above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in this Information Circular).

**CORPORATE GOVERNANCE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Company to annually disclose certain information regarding its corporate governance practices. Under this heading, the Company is providing the disclosure required by Form 58-101F2.

**Board of Directors**

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems.

The Board sets long term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Company to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Company's business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Company is authorized to act without board approval, on all ordinary course matters relating to the Company's business.

The Board also monitors the Company's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

Only one of the Company's directors is involved in the day-to-day management of the Company. The Board considers that Jonathon Deluce, the CEO of the Company, is not independent because he is a member of management. Mr. Keith James Deluce and Mr. Norman Farrell are considered independent.

### **Directorships**

Certain of the directors are presently a director of one or more other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction, as follows:

<b>Name of Director</b>	<b>Other reporting issuer (or equivalent in a foreign jurisdiction)</b>
Jonathon Deluce	Abitibi Metals Corp.
Keith James Deluce	Abitibi Metals Corp.

### **Orientation and Continuing Education**

The Board takes the following steps to ensure that all new directors receive orientation regarding the role of the Board, its committees and its directors, and the nature and operation of the Company: reports and other documentation relating to the Company's business and affairs are provided to new directors and Board meetings are held to give the directors additional insight into the Company's business and operations.

The Board has not at this time taken any measures to provide continuing education for the directors; however, the directors of the Company are encouraged to attend, at the Company's expense, any seminar given by the TSXV or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public

company. Furthermore, the directors are given access to the Company's legal advisors for any questions they may have relating to such responsibilities.

### **Ethical Business Conduct**

The Board relies on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Company. The Board has found that these, combined with the conflict of interest provisions of the *Business Corporations Act* (BC), as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Board and CEO of the Company seek qualified candidates to be considered for nomination as directors. Proposed nominations are subject to review and approval by the Board.

Any new appointees or nominees to the Board must have a favourable track record in general business management, special expertise in areas of strategic interest to the Company, the ability to devote the time required and a willingness to serve as a director.

### **Compensation**

The Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO of the Company and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations in general; and (v) permitted compensation under TSXV rules.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board has not established any formal procedures for assessing the performance of the Board or its committees and members. Generally, those responsibilities have been carried out on an informal basis by the Board itself. Furthermore, it is the view of the Board that, in light of its small size and the close and open relationship among its members, the formality of a committee would not be as effective as the current arrangement and is unnecessary.

## **APPOINTMENT OF AUDITOR**

Our Audit Committee recommends the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as our auditor to hold office until the Company's next annual general meeting. Davidson & Company LLP, Chartered Professional Accountants was first appointed as auditor on August 12, 2022. The Audit Committee proposes that the Board of Directors be authorized to fix the remuneration to be paid to the auditor.

**Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor.**

## **MANAGEMENT CONTRACTS**

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and directors of the Company.

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

### **Approval of Omnibus Equity Incentive Plan**

The Company presently has a "rolling up to 10%" stock option plan, which is proposed to be replaced by an omnibus equity incentive plan comprised of multiple types of equity compensation. At the Meeting, shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution (the "**Omnibus Plan Resolution**") approving the omnibus equity incentive plan of the Company (the "**Omnibus Equity Incentive Plan**" or "**Omnibus Plan**"). A full copy of the Omnibus Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the Omnibus Plan from the Company prior to the Meeting on written request.

#### Background & Purpose

The Board passed a resolution to adopt the Omnibus Equity Incentive Plan, subject to, and effective upon, the approval of shareholders. The Omnibus Equity Incentive Plan provides flexibility to the Company to grant equity-based compensation awards in the form of options ("**Options**"), restricted share units ("**RSUs**"), preferred share units ("**PSUs**") and deferred share units ("**DSUs**"), as described in further detail below. Provided that the Omnibus Equity Incentive Plan is approved by the shareholders at the Meeting, all future grants of equity-based compensation awards will be made pursuant to, or as otherwise permitted by, the Omnibus Equity Incentive Plan, and no further equity-based compensation awards will be made pursuant to the Company's current Stock Option Plan. Upon the Omnibus Plan becoming effective, no further equity compensation awards shall be granted pursuant to the Stock Option Plan; outstanding awards under the Stock Option Plan shall continue to be outstanding as awards granted under and subject to the terms of the new Omnibus Plan, provided however, that if the terms of new Omnibus Plan adversely alter the terms or conditions, or impair any right of, a participant pursuant to the Stock Option Plan, and such participant has not consented thereto, the applicable terms of the Stock Option Plan shall continue to apply for the benefit of such participant, subject to compliance with the policies of the TSXV.

The objectives of the Omnibus Equity Incentive Plan are to, among other things, to promote a significant alignment between directors, officers, employees and consultants of the Company (collectively "**Participants**") and the long term growth objectives of the Company; to associate a portion of participants' compensation with the performance of the Company over the long term; and to attract, motivate and retain the key participants to drive the business success of the Company and its subsidiaries.

A summary of the key terms of the Omnibus Equity Incentive Plan is set out below, which is qualified in its entirety by the full text of the Omnibus Equity Incentive Plan.

### Recommendation of the Board

The Board recommends that shareholders vote in favour of the approval of the Omnibus Plan Resolution. **Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the Omnibus Equity Incentive Plan.**

### Reasons for the Recommendation

In support of its recommendation to shareholders to vote **FOR** the Omnibus Plan Resolution, the Board considered that the Omnibus Plan is an efficient and effective plan to provide the Company with a share-related mechanism to (a) advance the interests of the Company by enhancing the ability of the Company and its subsidiaries to attract, motivate and retain employees, officers, directors, and consultants, (b) reward such persons for their sustained contributions and (c) encourage such persons to take into account the long-term corporate performance of the Company.

### Summary of the Omnibus Plan

The Omnibus Plan allows the grant of stock options (“**Options**”), restricted share units (“**RSUs**”) and performance share units (“**PSUs**” and together with RSUs, “**Share Units**”) settled in common shares (or, at the election of the Company, their cash equivalent). In addition, under the Omnibus Plan, the Company is able to grant deferred share units (“**DSUs**”) to non-employee members of the Board and its designated affiliates.

### Administration

The Omnibus Plan will be administered by the Board. The Board will determine which directors, officers, eligible employees or consultants of the Company or its affiliates are eligible to receive awards under the Omnibus Plan. In addition, the Board will interpret the Omnibus Plan and may adopt, amend or rescind any administrative rules, regulations, procedures and guidelines relating to the Omnibus Plan as it deems appropriate, provided however, that the Company shall be required to obtain shareholder or disinterested shareholder approval, as applicable, for any amendments to the Omnibus Plan other than amendments: (i) of a “housekeeping” nature to clarify the meaning of an existing provision or correct any grammatical or typographical errors in the Omnibus Plan, or (ii) necessary to comply with applicable law or the requirements of any stock exchange on which the securities of the Company are listed.

Except as otherwise required by law, the Board may, from time to time, delegate powers conferred on the Board under the Omnibus Plan to a committee, including the Compensation & Nominations Committee. In such event, such committee will exercise the powers delegated to it by the Board in the manner and on such terms authorized by the Board, and all decisions made, or actions taken, by the committee arising in connection with the administration of the Omnibus Plan within its authority are final, conclusive and binding.

### Eligibility

All employees and directors of the Company or its designated affiliates are eligible to participate in the Omnibus Plan. In addition, subject to applicable laws, the Board may determine, in its discretion, which consultants are eligible to participate in the Omnibus Plan. However, PSUs may not be granted to non-employee directors of the Company or its designated affiliates and RSUs and PSUs may not be granted to consultants of the Company or its designated affiliates.



In addition, any Participants under the Omnibus Plan who are “Investor Relations Service Providers” (as defined in the policies of the TSXV) are not eligible to receive RSUs, PSUs (as defined herein) or DSUs (as defined herein).

#### Common Shares Subject to the Omnibus Plan and Limitation on Awards

The maximum number of common shares available for issuance pursuant to the Omnibus Plan and any other security-based compensation arrangement of the Company shall not exceed 10% of the issued and outstanding common shares from time to time.

The Omnibus Plan is also subject to the following limitations:

- (a) the aggregate number of common shares issuable to “Insiders” (as defined in the policies of the TSXV) of the Company under the Omnibus Plan or any other security-based compensation arrangement of the Company shall not exceed 10% of the issued and outstanding common shares and the aggregate number of common shares issuable to Insiders of the Company under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not exceed 10% of the issued and outstanding common shares as at the date any award is granted to any Insider of the Company (unless the Company has obtained disinterested shareholder approval in respect thereof);
- (b) the aggregate number of common shares issuable to any one Participant under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not at any time exceed 5% of the issued and outstanding common shares as at the date any award is granted to the Participant (unless the Company has obtained disinterested shareholder approval in respect thereof);
- (c) the aggregate number of common shares issuable to any one consultant under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not at any time exceed 2% of the issued and outstanding common shares as at the date any award is granted to the consultant; and
- (d) the aggregate number of common shares issuable to all persons retained to provide investor relations activities under the Omnibus Plan or any other security-based compensation arrangement of the Company, within a one-year period, shall not at any time exceed 2% of the issued and outstanding common shares as at the date any award is granted to the persons retained to provide investor relations activities.

If for any reason common shares subject to issuance on the exercise of stock options granted under the Omnibus Plan are not issued, for reasons including the termination, expiration or cancellation, such common shares will become available for additional grants under the Omnibus Plan. If any RSUs, PSUs or DSUs granted under the Omnibus Plan expire, terminate or are cancelled for any reason without being settled in the form of common shares issued from treasury, such common shares will become available for additional grants under the Omnibus Plan.

No Share Units may vest before the date that is one year following the date it is granted or issued, although vesting may be accelerated for a participant who dies or ceases to be an

eligible Participant in connection with a change of control, take over bid, RTO or similar transaction.

### Stock Options

The Board may grant stock options to any Participant under the Omnibus Plan at any time. The exercise price for stock options will be determined by the Board, but may not be less than the Discounted Market Price (as defined below, and, in the event that the common shares are not listed and posted for trading on any stock exchange, the fair market value of the common shares as determined by the Board in its sole and absolute discretion (the “**Market Value**”) on the date the stock option is granted). For the purposes of the Omnibus Plan the “**Discounted Market Price**” means if the common shares are listed only on the TSXV, the Market Value, less the maximum discount permitted under the TSXV policy applicable to stock options. Stock options must be exercised within a period fixed by the Board that may not exceed 10 years from the date of grant, except in a case where the expiry period falls during a blackout period, in which case the expiry period will be automatically extended until 10 business days after the end of the blackout period.

Subject to the terms of the Omnibus Plan and any option agreement, stock options granted under the Omnibus Plan may also be purchased by a Participant by way of a “cashless exercise method”, whereby the Company may have an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase common shares underlying the stock options. The brokerage firm then sells a sufficient number of common shares to cover the exercise price of the stock options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of common shares from the exercise of the stock options and the Participant then receives the balance of common shares or the cash proceeds from the balance of such common shares.

The Omnibus Plan also provides for earlier termination of stock options on the occurrence of certain events, including but not limited to, termination of a Participant’s employment.

Options granted to Investor Relations Service Providers must be vested in stages over a period of not less than 12 months with no more than  $\frac{1}{4}$  of the stock options vesting in any three-month period.

### Restricted Share Units

The Board may grant RSUs to any Participant (other than consultants) under the Omnibus Plan at any time. The terms and conditions of grants of Share Units, including the quantity, type of award, award date, vesting conditions, applicable vesting periods (the time period of which may be no earlier than one year following the award date, except as provided for in the Omnibus Plan) and other terms and conditions with respect to the award, as determined by the Board, will be set out in such Participant’s RSU agreement. One RSU is equivalent to one common share.

An RSU account will be maintained for each Participant and each notional grant of RSUs, as granted to such Participant from time to time, will be credited to such Participant’s account. RSUs that fail to vest with respect to a Participant, or that are paid out to the Participant are cancelled and will be removed from such Participant’s account.

Upon the vesting and settlement of RSUs, the Company is entitled to elect, at the Board’s sole discretion, to settle vested RSUs for their cash equivalent, common shares or a combination thereof. For purposes of determining the cash equivalent of RSUs on settlement, such calculation will be made on the settlement date based on the Market Value on the settlement

date multiplied by the number of vested RSUs in the Participant's notional RSU account. For the purposes of determining the number of common shares from treasury to be issued and delivered to a Participant upon settlement of RSUs, such calculation will be made on the settlement date based on the whole number of common shares equal to the whole number of vested RSUs then recorded in the Participant's notional RSU account. If an RSU would otherwise expire during a blackout period, the term of such RSU shall automatically be extended until 10 business days after the end of the blackout period, however, in all cases, RSUs shall expire and be settled by no later than December 31 of the third calendar year commencing after the date of award.

### Performance Share Units

The Board may grant PSUs to any Participant (other than non-employee directors and consultants) under the Omnibus Plan at any time. The terms and conditions of grants of PSUs, including the quantity, type of award, award date, vesting conditions, applicable vesting periods (which may be no earlier than one year following the award date, except as provided for in the Omnibus Plan) and other terms and conditions with respect to the award, as determined by the Board, will be set out in such Participant's PSU agreement. PSUs are subject to the attainment of performance goals and may become vested PSUs based on a multiplier, which may be greater or less than 100%, subject to such percentage being no greater than 200%. A PSU account will be maintained for each Participant and each notional grant of PSUs, as granted to such Participant from time to time, will be credited to such Participant's account. PSUs that fail to vest with respect to a Participant, or that are paid out to the Participant are cancelled and will be removed from such Participant's account.

Upon the vesting and settlement of PSUs, the Company is entitled to elect, in the Board's sole discretion, to settle vested PSUs for their cash equivalent, common shares or a combination thereof. For purposes of determining the cash equivalent of PSUs on settlement, such calculation will be made on the settlement date based on the Market Value on the settlement date multiplied by the number of vested PSUs in the Participant's notional PSU account. For the purposes of determining the number of common shares from treasury to be issued and delivered to a Participant upon settlement of PSUs, such calculation will be made on the settlement date based on the whole number of common shares equal to the whole number of vested PSUs then recorded in the Participant's notional PSU account. If a PSU would otherwise expire during a blackout period, the term of such Share Unit shall automatically be extended until 10 business days after the end of the blackout period, however, in all cases, Share Units shall expire and be settled by no later than December 31 of the third calendar year commencing after the date of award.

If the performance goals in respect of the vesting of PSUs determined by the Board at the time of granting the award with respect to a fiscal year are not met during such fiscal year, the PSUs which were scheduled to vest at the end of such fiscal year shall expire. Performance goals may be based upon the achievement of corporate, divisional, cluster or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Board which may be measured over a specified period and may have a multiplier effect based on the level of achievement.

### DSUs

The Board may grant DSUs to any DSU Participant (being a non-employee director of the Company) under the Omnibus Plan at any time. In addition, subject to Board approval, a DSU Participant may elect, once each fiscal year, to be paid up to 100% of his or her annual board retainer (including any committee fees, attendance fees and retainers to committee chairs) in

the form of DSUs with the balance, if any, being paid in cash in accordance with the Company's regular practices. A DSU Participant is entitled to terminate his or her participation in the Omnibus Plan.

One DSU is equivalent to one common share. Fractional DSUs are permitted under the Omnibus Plan. The number of DSUs granted at any particular time pursuant to the Omnibus Plan will be calculated by: (a) in the case of an elected amount by a DSU Participant, dividing (i) the dollar amount of the elected amount by (ii) the Market Value of a common share on the applicable award date; or (b) in the case of a grant of DSUs, dividing (i) the dollar amount of such grant by (ii) the Market Value of a common share on the date of grant. The Company shall maintain a notional account for each DSU Participant.

All DSUs recorded in a Participant's notional account will vest on the DSU termination date, being the day that the DSU Participant ceases to be a director of the Company for any reason.

Upon the settlement of DSUs, the number of common shares covered by the DSUs will be issued from treasury by the Company as fully paid non-assessable common shares based on the whole number of common shares equal to the whole number of DSUs then recorded in the DSU Participant's notional account (fractions of common shares will be settled in cash). If a DSU Participant gives notice to the Company of its election to receive cash pertaining to a DSU, the Company, with the approval of the Board, may agree to pay an amount in cash equal to the aggregate Market Value of the common shares as at the DSU termination date to be issued in place of issuing to the DSU Participant common shares under the DSU.

#### Omnibus Equity Incentive Plan Resolution

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the Omnibus Equity Incentive Plan in substantially the following form:

#### **"IT IS RESOLVED THAT:**

1. The Omnibus Equity Incentive Plan of the Company and the reservation for issuance thereunder of up to 10% of the aggregate number of common shares of the Company as are issued and outstanding from time to time, is confirmed, ratified and approved as the omnibus equity incentive plan of the Company and the Company has the ability to grant options and other awards under the Omnibus Equity Incentive Plan;
2. The options and other awards to be issued under the Omnibus Equity Incentive Plan, and all unallocated options and other awards under the Omnibus Equity Incentive Plan, are approved;
3. The Board is authorized to make such amendments to the Omnibus Equity Incentive Plan from time to time, in accordance with the terms of the Omnibus Equity Incentive Plan, as may be required by the applicable regulatory authorities, or as may be considered appropriate by the Board, in its sole discretion, provided always that such amendments be subject to the approval of the regulatory authorities, if applicable, and in certain cases, the approval of the shareholders; and
4. Any one officer of the Company is authorized and directed, for and on behalf of the Company, to finalize, sign or deliver all documents, to enter into any agreements and to do and perform all acts and things as such individual, in his or her discretion, deems necessary or advisable in order to give effect to the intent of this resolution and the matters authorized hereby, including compliance with all securities laws and regulations

and the rules and requirements of the stock exchanges on which the Company's shares may be listed, such determination to be conclusively evidenced by the finalizing, signing or delivery of such document or agreement or the performing of such act or thing."

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

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the Omnibus Equity Incentive Plan.**

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that shareholders of the Company vote in favor of the resolution.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the Company's audited financial statements and Management's Discussion and Analysis for its most recently completed financial year ended August 31, 2023. Shareholders may also contact the Company to request copies of the Company's financial statements and the Management's Discussion and Analysis at 66 Brousseau Avenue, Suite 207, Timmins, Ontario, P4N 5Y2.

### **OTHER MATERIAL FACTS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

DATED at Timmins, Ontario, on the 22<sup>nd</sup> day of February, 2024.

BY ORDER OF THE BOARD

**MELKIOR RESOURCES INC.**

(signed) "*Jonathon Deluce*"

Jonathon Deluce  
Chief Executive Officer and Director