

KP3993 RESOURCES INC.

**MANAGEMENT INFORMATION CIRCULAR FOR THE ANNUAL AND SPECIAL
MEETING OF SHAREHOLDERS**

(This Information Circular contains information as at September 17, 2025)

SOLICITATION OF PROXIES

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation, by or on behalf of the management of KP3993 Resources Inc. (the “**Corporation**”), of proxies to be used at the Corporation’s annual and special meeting of the holders of common shares (the “**Common Shares**”) to be held at 10:00 am (ET) on October 17, 2025 (the “**Meeting**”) or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Corporation without special compensation, or by the Corporation’s transfer agent, Marrelli Trust Company Limited (“**Marrelli Trust**”) at nominal cost. The cost of solicitation will be borne by the Corporation.

APPOINTMENT OF PROXYHOLDER

The person(s) designated by the management of the Corporation in the enclosed form of proxy are consultant(s), director(s) and/or officer(s) of the Corporation. Each shareholder has the right to appoint as proxyholder a person or company (who need not be a shareholder of the Corporation) other than the person(s) or company(ies) designated by management of the Corporation in the enclosed form of proxy to attend and act on the shareholder’s behalf at the Meeting or at any adjournment thereof. Such right may be exercised by inserting the name of the person or company in the blank space provided in the enclosed form of proxy or by completing another form of proxy.

In the case of registered shareholders, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to the Corporate Secretary of the Corporation c/o Marrelli Trust Company Limited, Proxy Department, 82 Richmond Street East, 2nd Fl., Toronto, Ontario M5C 1P1. To be effective, a proxy must be received by Marrelli Trust not later than October 15, 2025 at 10:00 a.m. (ET), or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment. For general inquiries, shareholders may contact Marrelli Trust by email at info@marrellitrust.ca or by phone at 1-844-682-5888 within North America or 1-416-361-0737 outside of North America.

REVOCATION OF PROXY

A shareholder who has given a proxy may revoke it by:

- a) depositing an instrument in writing signed by the shareholder or by the shareholder’s lawyer, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the shareholder or by the shareholder’s attorney, who is authorized in writing, to or at the head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof; or

- b) any other manner permitted by law.

VOTING OF PROXIES

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by the management of the Corporation in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the form of proxy, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, the management of the Corporation is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Corporation in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

A registered shareholder may submit his or her proxy over the Internet by going to www.voteproxy.ca and following the instructions. Such shareholder will require a 12-digit control number (located on the front of the form of proxy) to identify himself or herself to the system.

NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (i.e. non-registered or beneficial shareholders) should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those shares will not be registered in the shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients. Therefore, beneficial shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by beneficial shareholders in order to ensure that their shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services Inc. ("**Broadridge**"). Broadridge typically uses its own form of proxy, mails those forms to the beneficial shareholders and asks beneficial shareholders to either

return the proxy forms to Broadridge or alternatively provide voting instructions by utilizing the Broadridge automated telephone system. 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 receiving a proxy from Broadridge cannot use that proxy to vote shares directly at the Meeting – the proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.

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 (or an agent of the broker), a beneficial shareholder may attend at 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 (or agent), well in advance of the Meeting.

RECORD DATE

The board of directors of the Corporation (the “**Board**”) has fixed September 12, 2025 as the record date (the “**Record Date**”) for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the record date is entitled to vote the Common Shares registered in such shareholder's name at that date on each matter to be acted upon at the Meeting.

VOTING SHARES AND PRINCIPAL SHAREHOLDER

As of the Record Date, the Corporation had 8,800,000 Common Shares outstanding, each carrying the right to one vote per Common Share. Except as otherwise noted in this Circular, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.

To the best knowledge of the Board, as at the Record Date, no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the voting rights attached to the outstanding Common Shares of the Corporation other than:

<i>Name</i>	<i>Number of Common Shares held</i>	<i>Shareholding Percentage</i>
Terry Wong	2,100,000	23.86%
Au Metals Limited	2,000,000	22.73%
Khione Gateway Inc.	2,000,000	22.73%

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

As of the date hereof, other than disclosed in this Circular, no informed person of the Corporation, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

As used herein, an “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 other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself, if and for so long as, it has purchased, redeemed or otherwise acquired any of its shares.

MATTERS TO BE ACTED UPON AT MEETING

1. Election of Directors

Shareholders will be asked to pass an ordinary resolution to fix the number of directors to be elected at the Meeting at four.

Under the constating documents of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the notice of articles of the Corporation.

In the absence of a contrary instruction, the person(s) designated by the management of the Corporation in the enclosed form of proxy intend to vote FOR (i) a special resolution fixing the number of directors to be elected at the Meeting at four, and (ii) election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee’s name.

Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person’s associates or affiliates as at the Record Date. Each of the nominees set forth below currently serves as a director of the Corporation. Shu Zhang and John Gravelle were elected to their present terms of office by a vote of the shareholders of the Corporation at the Corporation’s last annual and special shareholders’ meeting held on May 2, 2023. Joe Kin Foon Tai was appointed as a director by the Board on December 22, 2023 to fill the vacancy left by the resignation of Terry Wong, a former director of the Corporation, and Ying Kit (Joseph) Lau was appointed by the Board on September 17, 2025. Mr. Tai and Mr. Lau’s appointment as directors of the Corporation remains subject to final acceptance by the TSX Venture Exchange (“TSXV”).

Nominee's name and place of residence	Position and Office	Principal Occupation	Director of the Corporation since	Number of Common Shares beneficially owned, directly or indirectly, or over which control is exercised ⁽¹⁾
<i>John Gravelle</i> ⁽²⁾ <i>Toronto, Ontario</i>	Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director	Chief Executive Officer, Chief Financial Officer, Corporate Secretary of the Corporation	July 12, 2021	100,000
<i>Ying Kit (Joseph) Lau</i> ⁽²⁾ <i>Hong Kong</i>	Director	Director of finance and investor relations, and Company Secretary of Dalipal Holdings limited	September 17, 2025	20,000
<i>Shu Zhang</i> ⁽²⁾ <i>Brisbane City, Queensland</i>	Director	Advisor to Executive Chairman of Chinova Resources Pty Ltd CEO of Chinova Resources Pty Ltd Managing Director of Au KT Pty Ltd. VP HR & Organization of CuDeco Limited	July 12, 2021	100,000
<i>Joe Kin Foon Tai</i> <i>Vancouver, British Columbia</i>	Director	Executive Director of Goldpac Investments Ltd.	December 22, 2023	21,000

Notes:

- (1) Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, at the date hereof, based upon information furnished to the Corporation by individual nominees.
- (2) Member of the Audit Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Mr. Joe Tai has been acting as a director of Colt Resources Inc. (“**Colt**”) since November 2014 and Mr. John Gravelle has been acting as a director of Colt since January 2016. In December 2016, Mr. Gravelle and the other independent directors determined that Colt’s then CEO had executed documents to implement transactions that were not authorized by the board. These transactions resulted in an alleged fraudulent misappropriation of substantially all of Colt’s cash. The CEO was dismissed and Mr. Gravelle was appointed Interim CEO. Mr. Tai was never an officer of Colt. On February 1, 2017, the Investment Industry Regulatory Organization of Canada (IIROC) halted trading in the securities of Colt. Since Colt had no cash and limited capacity to borrow, it could not pay its audit fees and was not able to file audited financial statements. On May 8, 2017, the Autorité des marchés financiers issued a cease trade order against Colt for failure to file annual audited financial statements (and related materials) for the year ended December 31, 2016.

On March 29, 2019, Colt's listing on the TSXV was transferred to NEX for failure to maintain the requirements for a TSXV Tier 2 company and, further to the TSXV bulletin issued on March 28, 2017, trading in the shares of Colt remained suspended. On September 16, 2019, the securities of Colt were delisted from NEX, for failure to pay their quarterly NEX Listing Maintenance Fees.

In July 2017 a statement of claim in respect of a class action was filed. The action alleged that damages were suffered because the defendants (being Colt's former CEO and CFO, certain directors including Mr. Tai and Colt itself) allegedly made misrepresentations as a result of their failure to disclose in the third quarter of 2016 the transactions that the former CEO executed without the directors' knowledge at that time. Neither Colt nor its independent directors could disclose the transactions at the time since its former CEO did not disclose the transactions to Colt's directors. The former CEO and CFO were named individually and two other long-term directors, including Mr. Tai were later added as defendants. Colt was also named since it was vicariously liable for the actions of the former CEO. Colt had directors and officers' insurance to cover damages and related legal costs of the defence. The insurer selected counsel to represent Colt Resources. The action was ultimately settled on April 15, 2021 for an amount that was completely covered by the insurer. There was no admission by Colt or its directors of any wrongdoing.

Mr. Tai has been acting as a director of Axmin Inc. ("**Axmin**") since April 2013 and Mr. Gravelle has been acting as a director of Axmin since August 2023. Axmin has initiated an international arbitration claim against the government of the Central African Republic in connection with the state's nationalizing Axmin's gold project. While the company has substantial potential upside as a result of this claim, it currently has no cash to prepare its annual audited financial statements. As a result of the Company not submitting its audited annual financial statements on time, the BCSC issued a cease trade order on May 6, 2024. Axmin has not been able to raise funds required to complete its annual audit so the cease trade order remains in place.

Other than the foregoing, none of the nominee directors of the Corporation:

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

Other than as disclosed herein, no proposed director of the Corporation 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 securityholder in deciding whether to vote for a proposed director.

2. Re-appointment of Auditors

MNP LLP are the current auditors of the Corporation. At the Meeting, the holders of Common Shares will be requested to re-appoint MNP LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the board of directors to fix the auditors' remuneration.

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the re-appointment of MNP LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board to fix the remuneration of the auditors.

3. Approval of Stock Option Plan

Shareholders will be asked to approve an ordinary resolution set forth below in this Circular ratifying the Corporation's existing stock option plan (the "**Option Plan**"), which is considered a "rolling" stock Option Plan and reserves a maximum of 10% of the Corporation's total outstanding Common Shares at the time of grant for issuance pursuant to the Option Plan. Any previously granted options are governed by the Option Plan, and if options granted expire or terminate for any reason without having been exercised, the unpurchased Common Shares will again be available under the Option Plan. The policies of TSXV provide that, where a corporation has a rolling stock option plan in place, it must seek shareholder approval for such plan annually.

A full copy of the Option Plan is attached hereto as Schedule "A" and will be available for inspection at the Meeting. A summary of the Option Plan can also be found herein under "*Executive Compensation – Option Plan*".

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the following ordinary resolution ratifying the Option Plan.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- A. The Option Plan of the Corporation, a copy of which is attached hereto as Schedule "A", is hereby ratified and shall continue and remain in effect until further ratification is required pursuant to the rules of the TSXV or other applicable regulatory requirements.

- B. Any one director or officer may amend the Option Plan in order to satisfy the requirements or requests of the TSXV without requiring further approval of the shareholders of the Corporation.
- C. 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 that may be necessary or desirable to give effect to this ordinary resolution.”

4. Approval of Corporate Actions

The shareholders will be asked to approve an approve an ordinary resolution set forth below in this Circular in order to approve and confirm all the acts and proceedings of the directors of the Corporation made since the Corporation’s last annual general and special meeting of shareholders held on May 2, 2023 to the date of the Meeting that require approval of the shareholders of the Corporation, including the election of directors, re-appointment of MNP LLP as the Corporation’s auditors and approval of the stock option plan of the Corporation and such other acts and proceedings as disclosed or referred to in the Corporation’s minute books, in information disseminated by the Corporation to the Shareholders, and in the financial statements of the Corporation.

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the following ordinary resolution.

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

Notwithstanding any failure to properly convene, constitute, proceed with, hold or record any meeting of the shareholders for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with a notice of a meeting, have a quorum present at a meeting, sign the minutes of a meeting or sign a ballot electing a slate of directors, all approvals, appointments, elections, resolutions, contracts, acts and proceedings enacted, passed, made, done or taken by the directors of the Corporation since May 2, 2023 that require approval of the shareholders of the Corporation, including the election of directors, re-appointment of MNP LLP as the Corporation’s auditors and approval of the stock option plan of the Corporation, and such other acts and proceedings as set forth or referred to in the Corporation’s minute books, in information disseminated by the Corporation to the Shareholders, and in the financial statements of the Corporation, and all actions heretofore taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, confirmed and approved.”

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or officers of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any proposed nominee for election as a director of the Corporation, 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 Option Plan.

EXECUTIVE COMPENSATION

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

The purpose of this section is to describe the compensation of the directors and Named Executive Officers of the Corporation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* published by the Canadian Securities Administrators. When used in this Circular, “Named Executive Officer” means: (i) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, serve as chief executive officer, including an individual performing functions similar to a chief executive officer; (ii) 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; (iii) in respect of the Corporation, the most highly compensated executive officer other than the individuals identified above at the end of the most recently completed financial year whose total compensation was more than \$150,000; and (iv) each individual who would be a Named Executive Officer under (iii) above 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.

For the most recently completed financial year of the Corporation, the Corporation has two Named Executive Officer: John Gravelle who currently serves as the Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation and Joe Kin Foon Tai who served as the Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Corporation from December 22, 2023 until November 25, 2024.

There was no salary, consulting fee, retainer, commission, bonus, committee or meeting fees or perquisites paid or payable indirectly to the Named Executive Officer and directors of the Corporation for each of the two most recently completed financial years.

Stock Options and other Compensation Securities

No options or other compensation securities were granted to the Named Executive Officer and the directors in the most recently completed financial year of the Corporation.

The following table provides information for the total amount of compensation securities, and underlying securities, held by each Named Executive Officer or director on the last day of the most recently completed financial year.

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 (\$) ⁽¹⁾	Closing price of security or underlying security at year end (\$)	Expiry date
John Gravelle <i>CEO, CFO & Corporate Secretary</i>	Option	100,000	January 17, 2022	\$0.10	\$0.10	\$0.10	January 17, 2027
Shu Zhang <i>Director</i>	Option	100,000	January 17, 2022	\$0.10	\$0.10	\$0.10	January 17, 2027
Joe Kin Foon Tai <i>Former ⁽³⁾ CEO, CFO & Corporate Secretary</i>	--	--	--	--	--	--	--

Note:

- (1) The options were granted concurrently with the closing of the Corporation's initial public offering on January 17, 2022 and vested immediately.
- (2) No options were exercised by a director or Named Executive Officer during the most recently completed financial year.
- (3) Joe Kin Foon Tai served as the CEO, CFO and Corporate Secretary of the Corporation from December 22, 2023 to November 25, 2024.

Stock Option Plan and Other Incentive Plans

The Corporation has adopted an incentive stock Option Plan that enables the directors, officers, employees and consultants of the Corporation and its affiliates to participate in the growth and development of the Corporation by providing such persons with the opportunity, through options to purchase Common Shares, to acquire an increased proprietary interest in the Corporation that is aligned with the interests of the shareholders.

The Option Plan provides that the directors of the Corporation may from time to time, in their discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issue will not exceed 10% of the number of then outstanding Common Shares as at the date of the grant. The Board shall determine the term within which the options may be exercised provided that such term shall not exceed ten years from the date of grant thereof. The number of Common Shares reserved for issue to any individual will not exceed five per cent of the number of then outstanding Common Shares, the number of Common Shares reserved for issue to all consultants will not exceed two per cent of the number of then outstanding Common Shares, and the number of Common Shares reserved for issue to all persons employed in investor relations activities on behalf of the Corporation will not exceed two

per cent of the number of then outstanding Common Shares (provided that while the Corporation is a CPC, it will not grant any options to such person). Options may be exercised within a reasonable amount of time following cessation of the optionee's position with the Corporation as may be specified by the Board which period shall not exceed one year from the date of cessation, provided that if the cessation of office, directorship, or consulting arrangement 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. Any Common Shares acquired pursuant to the exercise of options prior to completion of the Corporation's Qualifying Transaction must be deposited in escrow and will be subject to escrow until the bulletin is issued by the TSXV following closing of the Corporation's Qualifying Transaction that evidences the final acceptance by the TSXV of the Qualifying Transaction. Prior to the completion of the Corporation's Qualifying Transaction, no Options may be granted pursuant to the Option Plan unless the optionee first enters into the CPC Escrow Agreement agreeing to deposit the Options, and the Common Shares acquired pursuant to the exercise of such Options into escrow.

The Option Plan is administered by the Board which may grant options to directors, officers, employees and consultants of the Corporation. The Board has the discretion to determine to whom options will be granted, the number and exercise price of such options and the terms which the options will vest and be exercisable. Options, however, may only be exercisable for a maximum of ten calendar years from the date of grant.

The following table sets forth, as of July 31, 2025, information concerning securities authorized for issue under the Option Plan, which is the only equity compensation plan of the Company.

<i>Plan Category</i>	<i>Securities to be issued upon exercise of outstanding options (#)</i>	<i>Weighted average exercise price of outstanding options (CDN\$)</i>	<i>Securities remaining available for future issuance under equity compensation plans (#)</i>
Equity compensation plans approved by securityholders (the only such plan is the stock option plan)	200,000	\$0.10	680,000 ⁽¹⁾
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	200,000	\$0.10	680,000

(1) Pursuant to the Stock Option Plan, subject to other restrictions, 10% of the number of outstanding Common Shares from time to time is available for issuance pursuant to options granted under the Stock Option Plan. As of July 31, 2025, each of John Gravelle and Shu Zhang hold 100,000 options.

The Option Plan was first adopted by the Corporation on July 27, 2021. The Option Plan's continuation is required to be approved by the Shareholders of the Corporation at the annual meeting of shareholders in each of the subsequent years. The continuation of the Option Plan has been previously approved by the shareholders of the Corporation on May 2, 2023 and will be presented to the shareholders for approval at this Meeting. The continuation of the Option Plan is next required to be approved by the shareholders at the Corporation's next annual general meeting or as may be otherwise required by the rules of the TSXV.

Oversight and Description of Director and Named Executive Officer Compensation

The Corporation's executive compensation is reviewed annually by the Board. The Board approves the base salary of each Named Executive Officer (and any other person).

Elements of Executive Compensation

The Corporation has established the Option Plan under which incentive stock options are granted to directors, officers, employees and consultants of the Corporation as an incentive to serve the Corporation in attaining its goal of improving shareholder value.

Total compensation or any significant element of total compensation is not tied to one or more performance criteria or goals. Options are awarded by the Board in a manner that ensures that the total number of options granted to any particular individual, including previous grants of options, is commensurate with the individual's level of ongoing responsibility and contribution to the Corporation. All options under the Option Plan vest immediately upon granting. The Board determines at the date of grant of the option the exercise price for each option, in accordance with the policies of the TSXV. There have been no significant events that have occurred during the most recently completed financial year that have significantly affected compensation. In respect of the Corporation's financial year ended July 31, 2025, no option was granted to the Named Executive Officers.

The determination of the executive compensation packages is not based on a formula or comparison to a defined benchmark group, but rather is intended generally to reflect market practices and realities as well as the discretionary assessment by the Board of each Named Executive Officer's past contribution and ability to contribute to future short-term and long-term business results. There have been no significant changes to the Corporation's compensation policies during or after the most recently completed financial year that could or will have an effect on director or Named Executive Officer compensation.

Pension Disclosure

As of the date hereof, the Corporation does not have any pension, defined benefit or defined contribution plans in place.

Termination and Change of Control Benefits

The Corporation has no plan or arrangement whereby the Named Executive Officer may be compensated in the event of such Named Executive Officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Corporation or a change in any Named Executive Officer's responsibilities following such a change of control.

Indebtedness of Directors and Executive Officers

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, other management of the Corporation, employees, or former executive officers, directors or employees were indebted to the Corporation as of the end of the most recently completed financial year of the Corporation or as at the date hereof.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The Corporation is a “venture issuer” as that term is defined under National Instrument 52-110 – Audit Committees (“NI 52-110”). NI 52-110 requires the Corporation, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the paragraphs below.

The Audit Committee’s Charter

The Corporation's Audit Committee is governed by an Audit Committee charter which was established by the Board on July 27, 2021.

Composition of the Audit Committee

The Corporation's Audit Committee is comprised of three (3) members, John Gravelle, Shu Zhang and Ying Kit (Joseph) Lau. Each member of the Audit Committee is financially literate, as such term is defined in NI 52-110, and each of Shu Zhang and Ying Kit (Joseph) Lau is independent, as such term is defined in NI 52-110 and the *Business Corporations Act* (Ontario). John Gravelle is not considered as independent by virtue of being the CEO, CFO and Corporation Secretary of the Corporation. Information regarding the relevant education and experience of the members of the Audit Committee is set out below.

Mr. John Gravelle is a director and audit committee chair of Century Global Commodities Corporation and Legacy Gold Mines Ltd. He was previously a director of Century Metals Inc. (now Reyna Silver Corp.) and a director of Brio Gold Inc. (then Leagold Mining Corporation, which was acquired by Equinox Gold Corp.). Mr. Gravelle is a retired Partner of PwC LLP, where he was a partner from 1996 to 2015. He held leadership positions with PwC LLP, including serving as the firm's Global Mining Leader from 2013 to 2015, and as Canadian Mining Leader and Americas Mining Leader from 2010 to 2015. Mr. Gravelle has a Bachelor of Commerce degree from Laurentian University and has a CA, CPA designation.

Dr. Shu Zhang is an advisor to the Executive Chairman of Chinova Resources Pty Ltd, a private Australian mineral exploration, development and mining company where he was previously the Chief Executive Officer. He was previously the Managing Director of Au KT Pty Ltd and the VP HR & Organization of CuDeco Limited (ASX). Dr. Zhang has more than 30 years of experience managing companies in the mining sector in Australia, China and Canada. Dr. Zhang has a Ph.D in Civil & Mining Engineering from the University of Wollongong, NSW, Australia, and a BE in Mining Engineering from Central South University of Technology, Hunan, PR China.

Mr. Ying Kit (Joseph) Lau is the director of finance and investor relations and the company secretary of Dalipal Holdings Limited which is listed on the Main Board of the Hong Kong Stock Exchange. Prior to joining to Dalipal Holdings Limited, he has worked as the chief financial officer, company secretary and independent non-executive directors in certain listed companies in Hong Kong and Canada. Mr. Lau has over 20 years experience in financing and accounting in China, Hong Kong and Canada. Mr. Lau is a fellow member of the Hong Kong Institute of Certified Public Accountants and holds a master degree in finance from City University of Hong Kong. He is currently also an independent non-executive director of four companies listed on the Main Board of the Hong Kong Stock Exchange, namely Kingdom Holdings Limited, United Strength Power Holdings Limited, Sinco Pharmaceuticals Holdings Limited and Kangli International Holdings Limited. Mr. Lau was also a director of Adex Mining Inc.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since incorporation 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.

The Corporation is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Corporation, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110.

Pre-Approval Policies and Procedures

Except as otherwise set forth in the Audit Committee Charter, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The aggregate fees incurred with MNP LLP for audit and non-audit services for each of the last two financial years are outlined in the following table:

Category of Fees	Year Ended July 31, 2023	Year Ended July 31, 2024
Audit Fees ⁽¹⁾	\$18,000	\$19,161
Audit-Related Fees ⁽²⁾	\$1,323	\$1,330
Tax Fees ⁽³⁾	\$2,247	\$2,471.70
All Other Fees ⁽⁴⁾	\$900	\$1,055
Total	\$22,470	\$24,017.70

Notes:

- (1) “**Audit Fees**” include fees necessary to perform the annual audit and quarterly reviews of the Corporation’s financial statements and includes the fees of the Corporation’s auditors, MNP LLP. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “**Audit-Related Fees**” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “**All Other Fees**” include all other non-audit service.

MANAGEMENT CONTRACTS

Management functions of the Corporation and its subsidiaries are not, to any material degree, performed by anyone other than directors or Named Executive Officers of the Corporation.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation's corporate governance disclosure obligations are set out in the Canadian Securities Administrators' National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the “**National Instrument**”) and National Policy 58-201 – *Corporate Governance Guidelines*. These instruments set out a series of guidelines and requirements for effective corporate governance (together, the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. The National Instrument requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines.

Set out below is a description of the Corporation's approach to corporate governance in relation to the Guidelines.

The Board of Directors

The National Instrument defines an “independent director” as a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is in turn defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with the exercise of such member's independent judgment. In determining whether a particular director is an “independent director” or a “non-independent director”, the board of directors considers the factual circumstances of each director in the context of the Guidelines.

The board is currently comprised of four members, two of whom are “independent directors” within the meaning of the National Instrument. The two independent directors are: Shu Zhang and Ying Kit (Joseph) Lau. Joe Kin Foon Tai and John Gravelle are not independent as Mr. Gravelle is the CEO, CFO and Corporate Secretary of the Corporation and Mr. Tai has been within the last three years an executive officer of the Corporation.

Directorships

The following directors are presently directors of other issuers that are reporting issuers:

Name of Director	Name of other Reporting Issuers (or Foreign Equivalent)
John Gravelle	Director of Axmin Inc. (TSX.V:AXM) Director of Century Global Commodities Corporation (TSX:CNT) Director Legacy Gold Mines Ltd. (TSX.V:LEGY)
Joe Tai	Director Adex Mining Inc. (TSXV: ADE) Director of Axmin Inc. (TSX.V:AXM) Director of China Goldcorp Ltd. (TSXV:CAU.H)
Shu Zhang	Director of Northern Sun Mining Corp. (formerly Liberty Mines Inc.) (TSXV:KPEN.P)

Ying Kit (Joseph) Lau	Director of Kingdom Holdings Limited (HKEX: 528) Director of United Strength Power Holdings Limited (HKEX: 2337) Director of Sinco Pharmaceuticals Holdings Limited (HKEX: 6833) Director of Kangli International Holdings Limited (HKEX: 6890)
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Orientation and Continuing Education

While the Corporation does not currently have a formal orientation and education program for new members of the Board, the Corporation provides such orientation and education on an *ad hoc* and informal basis. The directors believe that these procedures are a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, the number, experience and expertise of its directors.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the required time, show support for the Corporation's mission and strategic objectives, and a willingness to serve.

Other Board Committees

The board has no committees other than the Audit Committee. In light of the Corporation's current operations and small board size the Corporation considers this reasonable.

Compensation

The Corporation's executive compensation is reviewed annually by the Board. The Board approves the base salary of each Named Executive Officer (and any other person).

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information about the Corporation is provided in the Corporation's comparative financial statements and MD&A for its most recently completed financial year.

Shareholders of the Corporation may request copies of the Corporation's financial statements and MD&A by contacting the Corporation's head office, which is located at 1111 Alberni Street, Suite 2209 Vancouver, BC V6E 4V2 Canada.

DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the board of directors of the Corporation.

By Order of the Board of Directors

(Signed) "John Gravelle"

John Gravelle
Chief Executive Officer

Schedule “A”
KP3993 RESOURCES INC.
STOCK OPTION PLAN

Please see attached.

KP3993 Resources Inc.

STOCK OPTION PLAN

This stock option plan has been adopted by the directors of KP3993 Resources Inc. in connection with its initial public offering and listing of its common shares on the TSX Venture Exchange pursuant to the CPC program of the TSX Venture Exchange as governed by their Policy 2.4. Notwithstanding anything herein to the contrary, while the Company remains a CPC, the terms of this stock option plan and the terms of all options granted pursuant to this stock option plan shall include all terms, conditions and restrictions provided by Policy 2.4 as if such terms, conditions and restrictions were reproduced herein. While the Company is a CPC, Policy 2.4 shall prevail in the event of any inconsistency between Policy 2.4 and this stock option plan.

PART 1 INTERPRETATION

1.01 Definitions. In this Plan the following words and phrases shall have the following meanings, namely:

“Associate” means, where used to indicate a relationship with any person:

- (i) a partner, other than a limited partner, of that person;
- (ii) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity;
- (iii) a company in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the company; or
- (iv) a relative, including the spouse or child, of that person or a relative of that person’s spouse, where the relative has the same home as that person;

and for the purpose of this definition, “spouse” includes an individual who is living with another individual in a marriage-like relationship.

“Board” means the Board of Directors of the Company or, if applicable, the Committee.

“CPC” or “Capital Pool Company” has the meaning set out in the policies of the Exchange.

“Committee” means a committee of the Board appointed in accordance with this Plan or, if no such committee is appointed, the Board itself.

“Company” means KP3993 Resources Inc..

“Consultant” means, in relation to the Company, an individual (or a company wholly-owned by an individual) who:

- (i) provides ongoing consulting services to the Company or an affiliate of the Company under a written contract other than services provided in relation to a “Distribution” (as that term is defined in Exchange Policy 1.1);
- (ii) possesses technical, business or management expertise of value to the Company or an affiliate of the Company;
- (iii) spends a significant amount of time and attention on the business and affairs of the Company or an affiliate of the Company; and
- (iv) has a relationship with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

“Director” means any director of the Company or of any of its subsidiaries.

“Disinterested Shareholder Approval” means that the proposal must be approved by a majority of the votes cast at the shareholders’ meeting other than votes attaching to securities beneficially owned by Insiders and their

Associates to whom shares may be issued pursuant to this Plan and, for purposes of this Plan, holders of non-voting and subordinate voting securities (if any) will be given full voting rights on a resolution which requires disinterested shareholder approval.

“Employee” means:

- (i) an individual who is considered an employee of the Company or any of its subsidiaries under the *Income Tax Act* (i.e. for whom deductions (income tax, UIC and CPP) must be made at source);
- (ii) an individual who is a full-time (i.e. 35 - 40 hours per week) dependent contractor, that is one who works full-time for the Company or any of its subsidiaries providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the detail and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source; or
- (iii) a part-time dependent contractor, that is an individual who works for the Company or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source;

and includes Management Company Employees and Consultants.

“Exchange” means the TSX Venture Exchange.

“Insider” means:

- (i) a director or senior officer of the Company;
- (ii) a director or senior officer of a person that is itself an insider or subsidiary of the Company; or
- (iii) a person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company; or
- (iv) the Company itself if it holds any of its own securities.

“Management Company Employee” means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations activities.

“Market Price” means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company’s shares before the issuance of the required news release disclosing the grant of options (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Company’s shares before the grant of options).

“Officer” means any senior officer of the Company or of any of its subsidiaries as defined in the *Securities Act* (British Columbia).

“Plan” means this stock option plan as from time to time amended.

“Qualifying Transaction” has the meaning set out in the policies of the Exchange.

“Resulting Issuer” has the meaning set out in the policies of the Exchange.

“Seed Shares” means securities issued before the Company’s initial public offering.

“Shares” means common shares without par value in the capital of the Company.

“Tier 1 Issuer” and “Tier 2 Issuer” have the meanings prescribed by the TSX Venture Exchange.

- 1.02 Gender. Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

PART 2 PURPOSE OF PLAN

2.01 Purpose. The purpose of this Plan is to attract and retain Employees, Officers, Directors and Consultants and to motivate them to advance the interests of the Company by affording them the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares. The Plan is expected to benefit the Company's shareholders by enabling the Company to attract and retain personnel of the highest caliber by offering to them an opportunity to share in any increase in the value of the Shares to which they have contributed. The Company represents that Employees, Consultants or Management Company Employees who are granted options will be bona fide Employees, Consultants or Management Company Employees at the time of grant.

PART 3 GRANTING OR AMENDING OF OPTIONS

3.01 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (consisting of not less than three (3) of its members) appointed by the Board. Any Committee shall administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and either appoint new members in their place or decrease the size of the Committee, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan. A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Part 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of options pursuant to the Plan, except that no such member shall act upon the granting of an option to himself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to granting options to him).

3.02 Committee's Recommendations. The Board may accept all or any part of the recommendations of the Committee or may refer all or any part thereof back to the Committee for further consideration and recommendation. Such recommendations may include, but not be limited to, the following:

- (a) resolution of questions arising in respect of the administration, interpretation and application of the Plan;
- (b) reconciliation of any inconsistency or defect in the Plan in such manner and to such extent as shall reasonably be deemed necessary or advisable to carry out the purpose of the Plan;
- (c) determination of the Consultants, Employees, Officers and Directors (or their wholly-owned corporations) to whom, and when, options should be granted, as well as the number of Shares subject to each option;
- (d) determination of the terms and conditions of the option agreement to be entered into with any optionee, consistent with this Plan; and
- (e) determination of the duration and purpose of leaves of absence from employment which may be granted to optionees without constituting a termination of employment for purposes of the Plan.

3.03 Grant by Resolution. The Board, on its own initiative or, if a Committee of the Board shall have been appointed for the purpose of administering this Plan, upon the recommendation of such Committee, may by resolution designate those Consultants, Employees, Officers and Directors to whom options should be granted (unless the Committee has been authorized by the Board to pass such resolution in which case they may do as so authorized).

3.04 Terms of Options. The resolution of the Board, or the Committee if applicable, shall specify the number of Shares that should be placed under option to each optionee, the price per Share to be paid upon exercise of the options, and the period during which such options may be exercised, such period not to exceed 10 years.

3.05 Written Agreements. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the optionee and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.

3.06 Regulatory Approvals. The Board shall obtain all necessary regulatory approvals, which may be required under applicable securities laws or the rules or policies of the Exchange. The Board shall also take reasonable steps to ensure that no options granted under the Plan, or the exercise thereof, shall violate the securities laws of the jurisdiction in which any optionee resides.

3.07 Amendment of Options. Options may also be amended under this Plan, whether granted under this Plan or otherwise, and the terms of this Plan shall apply mutatis mutandis.

PART 4

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

4.01 Exercise Price. The exercise price per Common Share granted by the Company prior to the closing of the initial public offering cannot be less than the lowest price at which Seed Shares were issued by the Company.

4.02 Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years.

4.03 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting options under this Plan, specify different time periods following the dates of granting the options during which the optionees may exercise their options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each optionee may exercise his option during each respective time period.

4.04 Number of Shares. The number of Shares reserved for issuance to any one person pursuant to options granted under this Plan, together with any Shares reserved for issuance pursuant to options granted to that person during the previous 12 months in the case that the Company is a Tier 2 Issuer, shall not exceed 5% of the issued and outstanding Shares at the time of granting of the options, provided that the aggregate number of options granted to each of the following categories of optionee:

- (a) Consultants; and
 - (b) persons employed in investor relations activities on behalf of the Company (provided that while the Company is a CPC, it must not grant any options to such persons employed in investor relations activities);
- must not exceed 2% of the outstanding Shares at the time of grant unless the Exchange permits otherwise.

4.05 Death of Optionee. If an optionee dies prior to the expiry of his option, his legal representatives may exercise any portion of such option, by the earlier of:

- (a) one year from the date of the optionee's death (or such lesser period as may be specified by the Board at the time of granting the option); and
- (b) the expiry date of the option.

4.06 Expiry on Termination or Cessation. If an optionee ceases to be a Consultant, Director, Officer or Employee for any reason other than death, his option shall terminate within a reasonable time as specified by the Board at the time of granting the option, such period to not exceed a period of one year from the date of termination, and all rights to purchase Shares under such option shall cease and expire and be of no further force or effect. Notwithstanding the foregoing, options granted to any optionee of the Company while the Company is a Capital Pool Company, where the optionee does not continue as a Director, Officer, Consultant or Employee of the

Resulting Issuer, have a maximum term of 12 months after after the optionee ceases to become a Director, Officer, Consultant or Employee of the Resulting Issuer, following which all rights to purchase Shares under such option shall cease and expire and be of no further force or effect.

4.07 Leave of Absence. Employment shall be deemed to continue intact during any sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the optionee's right to reemployment is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the optionee's reemployment is not so guaranteed, then his employment shall be deemed to have terminated on the ninety-first day of such leave.

4.08 Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an optionee shall have the right to assign any option granted to him hereunder to a trust or similar legal entity established by such optionee.

4.09 Notice. Options shall be exercised only in accordance with the terms and conditions of the agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company at its principal place of business.

4.10 Payment. Subject to any vesting requirements described in each individual option agreement, options may be exercised in whole or in part at any time prior to their lapse or termination. The exercise price of all options must be paid in cash. Shares purchased by an optionee on exercise of an option shall be paid for in full at the time of their purchase (i.e. concurrently with the giving of the requisite notice).

4.11 Share Certificate. As soon as practicable after due exercise of an option, the Company shall issue a share certificate evidencing the Shares with respect to which the option has been exercised. Until the issuance of such share certificate, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the share certificate is issued, except as provided in Part 6 hereof.

4.12 Vesting. Subject to the discretion of the Board, the options granted to an optionee under this Plan shall fully vest on the date of grant of such options. In accordance with the policies of the Exchange, and subject to their approval to the contrary, options issued to Consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than 1/4 of the options vesting in any 3 month period.

4.13 Hold Period.

- (a) If required by applicable securities laws, any options will be subject to a hold period expiring on the date that is four months and a day after the date the options are granted, and the Option Agreements and the certificates representing any Shares issued prior to the expiry of such hold period will bear a legend in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY MUST NOT TRADE THE SECURITIES BEFORE *[INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT]*.”

- (b) In addition to any resale restrictions under any applicable securities laws, if the exercise price is set at a discount to the Market Price (as defined in Exchange Policies), or if options are granted to Insiders, the Option Agreements and the certificates representing any Shares realized on the exercise thereof will bear the following legend:

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL *[INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT]*.

4.14 Escrow. No Option may be granted by the Company unless the optionee first enters into a CPC Escrow Agreement agreeing to deposit the Option, and the Shares acquired pursuant to the exercise of such Option, into escrow as described in Part 10 of Policy 2.4.

4.15 Individuals. Options may be granted only to an individual or to a company that is wholly-owned by an individual who is eligible for an option grant. Only individuals who are Directors, Officers, Consultants, Employees or Management Company Employees may be granted stock options. If the optionee is a company, it must agree not to effect or permit any transfer of ownership or option of shares of the company nor to issue further shares of any class in the company to any other individual or entity as long as the incentive stock option remains outstanding, except with the written consent of the Exchange.

PART 5 RESERVE OF SHARES FOR OPTIONS

5.01 Maximum Number of Shares Reserved Under Plan. Subject to adjustment as provided in PART 6, while the Company is a CPC the aggregate number of Shares which may be subject to issuance pursuant to options granted under this Plan shall not exceed 10% of the issued and outstanding Shares of the Company as at the time any options are granted. The aggregate number of shares to be delivered upon the exercise of all options granted under this Plan shall not exceed the maximum number of shares permitted under the rule of any stock exchange on which Shares are then listed or other regulatory body having jurisdiction. In addition, all options granted outside of this Plan, which are in existence on the effective date of this Plan, shall be counted as if granted under this Plan. The terms of this Plan shall not otherwise govern such pre-existing options.

5.02 Sufficient Authorized Shares to be Reserved. Whenever the Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of options granted under this Plan or otherwise. Shares that were the subject of options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.

5.03 Disinterested Shareholder Approval. Unless Disinterested Shareholder Approval is obtained, under no circumstances shall this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, result in or allow at any time:

- (a) the number of Shares reserved for issuance pursuant to options granted to Insiders exceeding 10% of the outstanding Shares at the time of granting the options;
- (b) the issuance to Insiders, within a one year period, of a number of Shares exceeding 10% of the outstanding Shares at the time of granting the options; or
- (c) the issuance to any one Insider and such Insider's Associates, within a one year period, of a number of Shares exceeding 5% of the outstanding Shares at the time of granting the options; or
- (d) any reduction in the exercise price of options granted to any person who is an Insider at the time of the proposed reduction.

PART 6 CHANGES IN SHARES

6.01 Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.

6.02 Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

6.03 Reorganization. Subject to any required action by its shareholders, if the Company shall be a party to an reorganization, merger, dissolution or sale or lease of all or substantially all of its assets, whether or not the Company is the surviving entity, the option shall be adjusted so as to apply to the securities to which the holder of the number of shares of capital stock of the Company subject to the option would have been entitled by reason of such reorganization, merger or sale or lease of all or substantially all of its assets, provided however that the Company may satisfy any obligations to an optionee hereunder by paying to the said optionee in cash the difference between the exercise price of all unexercised options granted hereunder and the fair market value of the securities to which the optionee would be entitled upon exercise of all unexercised options, regardless of whether all conditions of exercise relating to continuous employment have been satisfied. Adjustments under this paragraph or any determinations as to the fair market value of any securities shall be made by the Board, or any committee thereof specifically designated by the Board to be responsible therefor, and any reasonable determination made by the said Board or committee thereof shall be binding and conclusive.

6.04 Rights Offering. If at any time the Company grants to the holders of its capital stock rights to subscribe for and purchase pro rata additional securities of the Company or of any other corporation or entity, there shall be no adjustments made to the number of shares or other securities subject to the option in consequence thereof and the said stock option of the optionee shall remain unaffected.

PART 7 EXCHANGE'S RULES AND POLICIES APPLY

7.01 Exchange's Rules and Policies Apply. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in the rules and policies on stock options of the Exchange and any securities commission having jurisdiction and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern.

PART 8 AMENDMENT OF PLAN

8.01 Board May Amend. Subject to Part 5 the Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then been exercised or terminated.

8.02 Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until accepted for filing by the Exchange.

PART 9 MISCELLANEOUS PROVISIONS

9.01 Tax Withholding. The Company may withhold from any amount payable to an optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options (“**Withholding Obligations**”). The Company may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by:

- (a) requiring an optionee, as a condition to the exercise of any options, to make such arrangements as the Company may require so that the Company can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such Withholding Obligations; or
- (b) selling on the optionee’s behalf, or requiring the optionee to sell, any Shares acquired by the optionee under the Plan, or retaining any amount which would otherwise be payable to the optionee in connection with any such sale.

9.02 Other Plans Not Affected. This Plan shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers and Employees.

9.03 Effective Date of Plan. This Plan shall become effective upon receipt of shareholder approval. However, options may be granted under this Plan prior thereto. Any option granted prior thereto may not be exercised prior to such date.

9.04 Use of Proceeds. Proceeds from the sale of Shares pursuant to the options granted and exercised under the Plan shall constitute general funds of the Company and shall be used for general corporate purposes.

9.05 Headings. The headings used in this Plan are for convenience of reference only and shall not in any way affect or be used in interpreting any of the provisions of this Plan.

9.06 No Obligation to Exercise. Optionees shall be under no obligation to exercise options granted under this Plan.

9.07 Termination of Plan. This Plan shall only terminate pursuant to a resolution of the Board or the Company’s shareholders.

SCHEDULE "A"

KP3993 Resources Inc.

OPTION AGREEMENT

The Option granted herein is not assignable or transferable by the Optionee.

[If the option is granted at a discount to the Market Price, or if the Options are granted to Insiders, insert the following hold period legend: Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities issued upon the exercise of the option granted herein may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until (four months and one day after the date of grant).]

[If the option is granted to an Insider, insert the following hold period legend: Unless permitted under securities legislation, the holder of the securities represented hereby must not trade the securities before (four months and one day after the date of grant)].

This Option Agreement is entered into between KP3993 Resources Inc. ("the Company") and the Optionee named below pursuant to the Company's Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on _____, _____ (the "Grant Date");
2. _____ (the "Optionee");
3. was granted the option (the "Option") to purchase _____ Common Shares (the "Option Shares") of the Company;
4. at the price (the "Option Price") of \$_____ per Option Share;
5. which shall / shall not (*select*) be exercisable ("Vested") in accordance with Section 6.6 of the Plan (*applicable if the Optionee is a person who performs Investor Relations Activities for the Company*);
6. shall expire on _____, 20____ (the "Expiry Date"); and
7. [insert other terms or conditions],

all on the terms and subject to the conditions set out in the Plan.

By receiving and accepting the Options, the Optionee:

- (a) confirms that he has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Certificate;
- (b) consents to the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (c) consents to the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

Issued as of the _____ day of _____, 20____.

KP3993 Resources Inc.
By its authorized signatory:

[NAME OF OPTIONEE]

SCHEDULE B
Stock Option Plan
Exercise Notice

TO: KP3993 Resources Inc.
2209 – 1111 Alberni Street, Vancouver, British Columbia, Canada V6E 4V2

Re: Exercise of Options

The undersigned hereby irrevocably gives notice, pursuant to the stock option plan (the “Plan”) of **KP3993 Resources Inc.** (the “Company”), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (i) all of the Option Shares; or
- (ii) certain of the Option Shares which are the subject of the option certificate attached hereto.

Calculation of total Exercise Price:

(i) number of Shares to be acquired on exercise: _____ Option Shares

(ii) times the Exercise Price per Option Share: \$_____

Total Exercise Price, as enclosed herewith: \$_____

The undersigned tenders herewith a cheque or bank draft for the Total Exercise Price, payable to the Company, and directs the Company to issue the share certificate evidencing the Option Shares in the name of the undersigned to be mailed to the undersigned at the following address:

All capitalized terms, unless otherwise defined in this exercise notice, will have the meaning provided in this Plan.

DATED the _____ day of _____, 20____.

Signature of Option Holder

Name of Option Holder (Print)

Schedule “B”

**KP3993 RESOURCES INC.
AUDIT COMMITTEE CHARTER**

Please see attached.

AUDIT COMMITTEE CHARTER

KP3993 Resources Inc.

(the “Company”)

1. OVERALL PURPOSE AND OBJECTIVES

The Audit Committee will assist the directors (the “Directors”) of the Company in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Audit Committee or as required by applicable legal or regulatory requirements, the Audit Committee will review the financial reporting process of the Company, the system of internal controls and management of the financial risks of the Company and the audit process of the financial information of the Company. In fulfilling its responsibilities, the Audit Committee should maintain an effective working relationship with the Directors, management of the Company and the external auditor of the Company as well as monitor the independence of the external auditor.

2. AUTHORITY

(a) The Audit Committee shall have the authority to:

- (i) engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
- (ii) set and pay the compensation for any advisors employed by the Audit Committee;
- (iii) communicate directly with the internal and external auditor of the Audit Committee and require that the external auditor of the Company report directly to the Audit Committee; and
- (iv) seek any information considered appropriate by the Audit Committee from any employee of the Company.

(b) The Audit Committee shall have unrestricted and unfettered access to all personnel and documents of the Company and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. MEMBERSHIP AND ORGANIZATION

(a) The Audit Committee will be composed of at least three members. The members of the Audit Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The majority of the members of the Audit Committee must be Directors who are independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements (“Applicable Laws”). In this Charter, the terms “independent” and “financially literate” have the meaning ascribed to such terms by Applicable Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term “independent” the terms “outside” and “unrelated” to the extent such latter terms are applicable under Applicable Laws.

- (b) The chairman of the Audit Committee will be an independent Director and will be appointed by the Audit Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.
- (c) The secretary of the Audit Committee will be the chosen by the Audit Committee.
- (d) The Audit Committee may invite such persons to meetings of the Audit Committee as the Audit Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.
- (e) The Audit Committee may invite the external auditor of the Company to be present at any meeting of the Audit Committee and to comment on any financial statements, or on any of the financial aspects, of the Company.
- (f) The Audit Committee will meet as considered appropriate or desirable by the Audit Committee. Any member of the Audit Committee or the external auditor of the Company may call a meeting of the Audit Committee at any time upon 48 hours' prior written notice.
- (g) All decisions of the Audit Committee shall be by simple majority and the chairman of the Audit Committee shall not have a deciding or casting vote.
- (h) Minutes shall be kept in respect of the proceedings of all meetings of the Audit Committee.
- (i) No business shall be transacted by the Audit Committee except at a meeting of the members thereof at which a majority of the members thereof is present.
- (j) The Audit Committee may transact its business by a resolution in writing signed by all the members of the Audit Committee in lieu of a meeting of the Audit Committee.

4. ROLE AND RESPONSIBILITIES

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Audit Committee shall:

- (a) recommend to the Directors
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Company or performing other audit, review or attest services for the Company, and
 - (ii) the compensation to be paid to the external auditor of the Company;
- (b) review the proposed audit scope and approach of the external auditor of the Company and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;
- (c) meet separately and periodically with the management of the Company, the external auditor of the Company and the internal auditor (or other personnel responsible for the internal audit function of the Company) of the Company to discuss any matters that the Audit Committee, the external auditor of the Company or the internal auditor of the Company, respectively, believes should be discussed privately;

- (d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Company or performing other audit, review or attest services for the Company, including the resolution of disagreements between management of the Company and the external auditor of the Company regarding any financial reporting matter and review the performance of the external auditor of the Company;
- (e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Company;
- (f) review audit issues related to the material associated and affiliated entities of the Company that may have a significant impact on the equity investment therein of the Company;
- (g) meet with management and the external auditor of the Company to review the annual financial statements of the Company and the results of the audit thereof;
- (h) review and determine if internal control recommendations made by the external auditor of the Company have been implemented by management of the Company;
- (i) pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company and, to the extent considered appropriate:
 - (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or
 - (ii) delegate to one or more independent members of the Audit Committee the authority to pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company provided that the other members of the Audit Committee are informed of each such non-audit service;
- (j) consider the qualification and independence of the external auditor of the Company, including reviewing the range of services provided by the external auditor of the Company in the context of all consulting services obtained by the Company;
- (k) consider the fairness of the Interim Financial Report and financial disclosure of the Company and review with management of the Company whether,
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results,
 - (ii) generally accepted accounting principles have been consistently applied,
 - (iii) there are any actual or proposed changes in accounting or financial reporting practices of the Company, and
 - (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;

- (l) review the financial statements of the Company, management's discussion and analysis and any annual and interim earnings press releases of the Company before the Company publicly discloses such information and discuss these documents with the external auditor and with management of the Company, as appropriate;
- (m) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Company of financial information extracted or derived from the financial statements of the Company, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;
- (n) establish procedures for,
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters relating to the Company;
- (o) review and approve the hiring policies of the Company regarding partners, employees and former partners and employees of the present and any former external auditor of the Company;
- (p) review the areas of greatest financial risk to the Company and whether management of the Company is managing these risks effectively;
- (q) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Company;
- (r) review any legal matters which could significantly impact the financial statements of the Company as reported on by counsel and meet with counsel to the Company whenever deemed appropriate;
- (s) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;
- (t) at least annually, obtain and review a report prepared by the external auditor of the Company describing:
 - (i) the firm's quality-control procedures;
 - (ii) any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - (iii) (to assess the auditor's independence) all relationships between the independent auditor and the Company;

- (u) review with the external auditor of the Company any audit problems or difficulties and management's response to such problems or difficulties;
- (v) discuss the Company's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and
- (w) review this charter and recommend changes to this charter to the Directors from time to time.

5. COMMUNICATION WITH THE DIRECTORS

- (a) The Audit Committee shall produce and provide the Directors with a written summary of all actions taken at each Audit Committee meeting or by written resolution.
- (b) The Audit Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.