

APPLIED GRAPHITE TECHNOLOGIES CORPORATION
(formerly Audrey Capital Corporation)

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Vancouver, BC V6E 2J3
Phone: (604) 638-2545**

MANAGEMENT INFORMATION CIRCULAR

**ANNUAL GENERAL MEETING OF THE SHAREHOLDERS TO BE HELD ON
TUESDAY, MAY 28, 2024**

April 15, 2024

MANAGEMENT SOLICITATION

This information circular (this “**Circular**”) is being furnished to you in connection with the solicitation of proxies by management of Applied Graphite Technologies Corporation (“**we**”, “**us**”, “**AGT**” or the “**Company**”) for use at the annual general meeting of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of the Company to be held at 8:30 am (Vancouver time) on Tuesday, May 28th, 2024 at the place and for the purposes set forth in the Notice of the Meeting accompanying this Circular (the “**Meeting**”), and at any adjournment of the Meeting. The ISIN of the Company is CA03820A1093.

This Circular is being provided by management of the Company to Shareholders of record as of April 15, 2024 (the “**Record Date**”), which is the date that has been fixed by the board of directors of the Company (the “**Board**”) as the record date to determine the Shareholders who are entitled to receive notice of and to vote at the Meeting. We will conduct the solicitation by mail, and our officers, directors and employees may, without receiving special compensation, contact Shareholders by telephone, electronic means, or other personal contact. The cost of solicitation will be borne by the Company. No solicitation will be made by specifically engaged employees or soliciting agents.

The Meeting materials are being sent to both registered and non-registered owners of the Common Shares as of the Record Date in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to deliver proxy solicitation materials to the beneficial owners of the Common Shares. The Company may pay the reasonable costs incurred by such persons in connection with such delivery.

Under the articles of the Company (the “**Articles**”), quorum is two or more persons present and holding, or representing by proxy, 5% or more of the Common Shares eligible to be voted as of the Record Date for the Meeting. This quorum of shareholders entitled to attend and vote at the Meeting must be present at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Company will adjourn and reschedule the Meeting.

Words importing the singular include the plural and *vice versa*. In this Circular, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to “dollars” or “\$” are to Canadian dollars and references to “USD” are to United States dollars.

General Information

The Company was incorporated under the laws of the Province of British Columbia pursuant to the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) on March 9, 2021 under the name “Audrey Capital Corporation” (“**Audrey**”). The Company completed its initial public offering on November 26, 2021 and was listed on the TSX Venture Exchange (the “**Exchange**”) as a capital pool company until it completed its qualifying transaction on March 7, 2024 (the “**Transaction**”). On March 7, 2024, in connection with the Transaction, Audrey, Applied Graphite Technologies Corporation (“**Former AGT**”) and 1445056 B.C. Ltd. (“**Subco**”) completed a three-cornered amalgamation pursuant to which Former AGT and Subco amalgamated to become a wholly owned subsidiary of Audrey under the name “AGT Resources Corporation”, and Audrey changed its name to “Applied Graphite Technologies Corporation”. On March 12, 2024 the Common Shares were listed for trading on the Exchange under the symbol “AGT”.

Additional information relating to the Transaction can be found in the Filing Statement of Audrey dated February 29, 2024, available under the Company’s issuer profile on SEDAR+ at www.sedarplus.ca.

Cautionary Statement Regarding Forward-Looking Information

The information provided in this Circular, including exhibits, may contain “forward-looking statements” and/or “forward-looking information” within the meaning of applicable securities legislation (collectively, “forward-looking statements”). Forward-looking statements include statements concerning the Company's current expectations,

estimates, projections, assumptions and beliefs, and, in certain cases, can be identified by the use of words such as “potential”, “propose”, “aim”, “depend”, “seeks”, “plans”, “expects”, “is expected”, “budget”, “estimates”, “intends”, “anticipates”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “can”, “could”, “should”, “shall”, “would”, “might” or “will”, “occur” or “be achieved”, or the negative forms of any of these words and other similar expressions.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments as more particularly described in items proposed for approval at the Meeting, as more particularly described in this Circular, including the Company’s intentions and plans.

These statements speak only as at the date they are made and are based on information currently available and on the then-current expectations of the Company and/or assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the occurrence and outcome of the Meeting; and
- risks described in this Circular and elsewhere in the Company's public disclosure record.

Forward-looking statements reflect the Company's current expectations and assumptions, and are subject to a number of known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Consequently, all forward-looking statements made in this Circular and other documents of the Company are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Company.

The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on its behalf may issue. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation.

Certain historical information contained in this Circular herein has been provided by, or derived from information provided by, third parties. Although the Company does not have any knowledge that would indicate that any such information is untrue, incorrect or incomplete, the Company assumes no responsibility for the accuracy and completeness of such information or the failure by such third parties to disclose events which may have occurred or may affect the completeness or accuracy of such information but which is unknown to the Company.

GENERAL VOTING INFORMATION

If you are a registered Shareholder and eligible to vote, you can vote your Common Shares in person at the Meeting or by signing and returning the enclosed form of proxy by internet, by phone, or by mail in the return envelope provided. Please see “*Registered Shareholders*” below.

If your Common Shares are not registered in your name but are held by a nominee (usually a bank, trust company, securities broker or other financial institution), please see “*Non-Registered Shareholders*” below.

Registered Shareholders

Appointment of Proxyholders

The persons named as proxyholders in the enclosed form of proxy are the Company's directors or officers. **A Shareholder has the right to appoint a person or company (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 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 and delivery is accompanied by proof of authority to sign on behalf of the corporation.

Voting by Proxy

The persons named in the enclosed form of proxy will vote or withhold from voting the Common Shares represented by a 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 Common 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 Common Shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxyholders discretionary authority regarding amendments to or variations of matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this 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 a proxy are to vote on any matter by marking an “X” in the appropriate space. If you wish to give the persons named in a proxy a discretionary authority on any matter described in the form of proxy, then you should leave the space blank. **In that case, the proxyholders nominated by management will vote the Common Shares represented by your proxy in accordance with their judgment.**

Completion and Return of Proxy

You must deliver a completed proxy to the office of the Company's registrar and transfer agent, **Olympia Trust** (contact information below), or to the Company's registered and records office at the address listed on the cover page of this Circular, by **May 24, 2024** at 8:30 am (Vancouver time), which is not less than 48 hours (Saturdays, Sundays, and holidays excepted) before the scheduled time of the Meeting (or any adjournment, as applicable). The Chair of the Meeting will have the discretion to accept or reject proxies otherwise deposited.

Mail: Olympia Trust Company
PO BOX 128 STN M,
CALGARY, AB, T2P 2H6

Email: PROXY@OLYMPIATRUST.COM

Revocability 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 enclosed form of proxy is required to be signed as set out in the notes to the enclosed form of 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 registered and records office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment or postponement thereof.

Non-Registered Holders

Only Shareholders whose names appear on our records or validly appointed proxyholders are permitted to vote at the Meeting. However, most Shareholders are “non-registered Shareholders” because their Common 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 Shareholders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as “**NOBOs**”. Those non-registered Shareholders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as “**OBOs**”.

In accordance with securities regulatory requirements under NI 54-101, we have distributed copies of the materials related to the Meeting 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. Management intends to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials, and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*.

Shares held by Nominees can only be voted in accordance with the instructions of the non-registered Shareholder. Meeting materials sent to non-registered Shareholders who have not waived the right to receive Meeting materials may be accompanied by a voting instructions form (a “**VIF**”) instead of a form of proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered Shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered Shareholder. VIFs, 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 Shareholders to direct the voting of the shares they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. **Each non-registered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting so that your Nominee has enough time to submit your instructions to us.**

If you are a non-registered Shareholder who wishes to revoke a proxy VIF or to revoke a waiver of your right to receive materials related to the Meeting and to give voting instructions, you must give written instructions to your Nominee in accordance with such Nominee’s instructions.

United States Shareholders

This solicitation of proxies involves securities of a corporation incorporated in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the BCBCA. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors

in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

MATTERS TO BE ACTED UPON AT THE MEETING

(1) Financial Statements

The financial statements of the Company for the period ended December 31, 2023 will be placed before you at the Meeting. No vote is required for this item. A copy of these financial statements, together with the auditor's report thereon, and management's discussion and analysis, were mailed to Shareholders. These financial statements and management discussion and analysis (“**MD&A**”) are also available for review on SEDAR+ at www.sedarplus.ca or are available free of charge by phoning 604-638-2545 ext. 102 and providing your mailing address.

(2) Number of Directors

Under the Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but must not be fewer than three. It is proposed to set the number of directors at five. This requires the approval of the Shareholders by an ordinary resolution, which approval will be sought at the Meeting.

The Board and management recommend that you vote “FOR” fixing the number of directors at five. **Unless otherwise instructed, the proxies solicited by management will be voted “FOR” fixing the number of directors of the Company at five (5).**

(3) Election of Directors

There are currently five directors of the Company and five nominees are proposed by management for election at the Meeting. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time.

Unless otherwise instructed, the proxies solicited by management will be voted “FOR” the election of the five (5) management nominees as directors of the Company for the ensuing year.

Management does not expect that any of the nominees will be unable to serve as a director, however, if before the Meeting any vacancies occur in the list of nominees listed below, the person named in a proxy will exercise his or her discretionary authority to vote the Common Shares represented by the proxy for the election of any other person or persons as directors.

Management Nominees

Management proposes to nominate the persons named in the table below, each of whom are presently members of the Board, for election as director. The information concerning the proposed nominees has been furnished by each of them as of the date of this Circular:

Name, Jurisdiction of Residence, and Present Office Held	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
Donald Baxter Director & CEO ON, Canada	March 7, 2024	2,837,845 ⁽²⁾	Management consultant, public company director, CEO of Ceylon Graphite

Name, Jurisdiction of Residence, and Present Office Held	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
Rodney Stevens ⁽¹⁾ Director BC, Canada	March 7, 2024	325,000	Provides financing, M&A and corporate advisory services to junior mining companies
Ian Harris Director Medellin, Colombia	March 7, 2024	554,545	CEO, Outcrop Silver & Gold Corporation
Chaanaka Abeyratne ⁽¹⁾ Director Colombo, Sri Lanka	March 7, 2024	100,000	Practicing attorney at law, Sri Lanka
James Ruane ⁽¹⁾ Director North Carolina, USA	March 7, 2024	100,000	Managing Member of Whitney Hill Partners

Notes:

(1) Denotes a member of the Audit Committee, chaired by Rodney Stevens.

(2) These shares are owned through 1163863 Ontario Ltd., a company owned by Donald Baxter.

(3) Information about principal occupation, business or employment and number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, that is not within the knowledge of the Company has been furnished by respective persons set forth above.

Corporate Cease Trade Orders, Bankruptcy or Penalties and Sanctions

Other than as described below, no proposed nominee for election as a 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:

- (a) was 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; or
- (b) was subject to an event that resulted, after the director or executive 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,

Donald K. Baxter became the Chief Executive Officer of Ceylon Graphite Corp. (“**Ceylon**”) in June 2021. Due to delays and restrictions relating to the COVID-19 pandemic, Ceylon did not complete its annual filings for the financial year ended March 31, 2021 on time. As a result, a management cease trade order (the “**Order**”) was issued by the British Columbia Securities Commission. The annual filings were subsequently completed and the Order was revoked on September 22, 2021.

No proposed nominee for election as a director of the Company, other than as described below, 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, 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. 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 been 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.

No proposed nominee for election as a director, has been subject to any penalties or sanction imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any 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.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will consider, among other things, the degree of risk to which the Company may be exposed relative to the potential reward and its financial position at that time.

Except as disclosed elsewhere in this Circular, to the Company's knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters, and other members of management may from time to time serve as directors, officers, promoters and members of management of other private or public companies, and therefore it is possible that a conflict may arise in respect of their duties as a director, officer, promoter or member of management of such other companies. In addition, the directors of the Company also have other employment or other business or time restrictions placed on them and accordingly will only be able to devote part of their time to the business and affairs of the Company.

(4) Appointment of Auditor

Effective April 1, 2021, Davidson & Company LLP, Chartered Professional Accountants, located at 1200-609 Granville Street, PO Box 10372 Pacific Centre, Vancouver, BC, was appointed as the auditors to the Company.

The Audit Committee has reviewed the performance of Davidson & Company LLP and recommends the re-appointment of Davidson & Company LLP, as the Company's auditor to hold office until the Company's next annual general meeting.

Unless otherwise instructed, the proxies solicited by management will be voted “FOR” the appointment of Davidson & Company LLP as the Company’s auditor to hold office until the next annual general meeting and that the Board be authorized to fix the remuneration to be paid to the auditor.

(5) Approval of the 10% Rolling Stock Option Plan

During the year ended December 31, 2023, the Company had in effect a 10% rolling stock option incentive plan (the “**Stock Option Plan**”) pursuant to which it could, from time to time in the Board’s discretion and in accordance with the requirements of the Exchange, grant to Eligible Persons non-transferable options to purchase Common Shares (collectively, “**Stock Options**”) exercisable for periods of up to 10 years from the date of grant. Policy 4.4 – *Security Based Compensation* of the Exchange’s Corporate Finance Manual (“**Policy 4.4**”), requires that Shareholders approve the Stock Option Plan annually.

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, approve the 10% Rolling Stock Option Plan.

An “**Eligible Person**” under the Stock Option Plan is defined as a director, officer, employee, Management Company Employee (as defined in Policy 4.4), or consultant of the Company or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons.

The number of Common Shares subject to each Stock Option, the exercise price (subject to a minimum exercise price equal to the greater of \$0.10 and the Discounted Market Price (as defined in the Exchange's Corporate Finance Manual)), the expiry time, the extent to which such Stock Option is exercisable, vesting requirements, and other terms and conditions relating to the Stock Option will continue to generally be determined by the Board; Stock Options may continue to have a term of up to ten years and will continue to be non-assignable and non-transferable.

The term "Investor Relations Service Provider" has been defined in the Stock Option Plan. The maximum aggregate number of Stock Options granted to all Investor Relations Service Providers in any 12-month period shall not exceed 2% of the outstanding Common Shares at the time of the grant. Investor Relations Service Providers may not receive any compensation involving the issuance or potential issuance of Common Shares other than Stock Options. No more than 1/4 of the Stock Options granted to Investor Relations Service Providers may vest sooner than three months after the Stock Options were granted, and thereafter no more than an additional 1/4 of the Stock Options may vest sooner than six, nine and 12 months, respectively, after the Stock Options were granted.

The aggregate number of Common Shares reserved for issuance under the Stock Option Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate such number of Common Shares as is equal to 10% of the Common Shares issued and outstanding at the time of a grant.

The maximum aggregate number of Common Shares issuable pursuant to all security-based compensation granted to any one person will not exceed 5% of the issued and outstanding Common Shares at the time of grant. The maximum aggregate number of Common Shares issuable pursuant to all security-based compensation granted to all technical consultants will not exceed 2% of the issued and outstanding Common Shares at the time of grant. The maximum aggregate value of Stock Options granted to any one non-executive director in any 12-month period shall not exceed \$100,000 (at the time of the grant) and together with the aggregate value of awards to such non-executive under any other share compensation arrangement, shall not exceed \$150,000 (at the time of grant). The maximum aggregate number of Common Shares reserved for issuance to insiders shall not exceed 10% of the outstanding Common Shares at any point in time, and the maximum aggregate number of Common Shares issuable pursuant to all security-based compensation granted to insiders (as a group) in any 12-month period shall not exceed 10% of the outstanding Common Shares at the time of the grant.

Subject to the requirements of the Stock Option Plan and the policies of the Exchange, upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan and described below), the Board will have the power to accelerate the vesting of Stock Options. An Accelerated Vesting Event includes the acquisition by certain acquirors (beneficial or otherwise) for the first time, of the ability to cast at least 50% of the votes attached to all shares in the capital of the Company, and also includes certain amalgamations, mergers, arrangements or other business combinations involving the Company.

Other than in the case of (i) death, or (ii) termination for cause, Stock Options will cease to be exercisable no later than the earlier of the Expiry Date (as defined in the Stock Option Plan) and 30 days after the option holder ceases to be a Director, Officer, Employee, Consultant, or Management Company Employee (each as defined in the Stock Option Plan). In the case of death of an option holder that is an Eligible Person, each Stock Option held by such option holder shall be exercisable by the heirs or administrators of such option holder and shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the option holder's death. The Board may, in its discretion and subject to the approval of the Exchange, extend the date of the aforementioned terminations in certain circumstances. If an option holder who is an Eligible Person is terminated for cause, each Stock Option held by such option holder shall terminate and shall cease to be exercisable upon the date of such termination for cause.

In accordance with Policy 4.4, the Stock Option Plan requires annual approval by shareholders at the Company's annual general meeting, in accordance with the timing requirements set forth in Exchange Policy 3.2 *Filing Requirements and Continuous Disclosure*.

The Stock Option Plan contains a “cashless exercise” provision and a “net exercise” provision. The “cashless exercise” provision provides a mechanism for a brokerage firm to facilitate the exercise of a stock option by loaning funds to the option holder. The “net exercise” provision allows for a method of stock option exercise under which the option holder does not make any payment to the issuer for the exercise of their stock options and receives, on exercise, a number of shares equal to the value (current market price less the exercise price) of the stock option valued at the current market price. Pursuant to Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to stock option exercise. The “net exercise” provision is not available for use by Investor Relations Service Providers (as defined in Policy 4.4).

Disinterested shareholder approval is required for any amendment to the Stock Option Plan that results in:

- a) any reduction in exercise price of a Stock Option if the option holder is an insider at the time of the proposed amendment;
- b) an increase to the limits prescribed by section 4.3 of the Stock Option Plan including any grant that would result in the limits being exceeded;
- c) an extension of the expiry date of the Stock Options if the option holder is an Insider at the time of the proposed extension;
- d) any benefit to an Insider; and
- e) other types of compensation through Common Share issuance.

Policy 4.4 requires any Stock Options issued in lieu of dividends to be factored into the limits prescribed by section 4.3 of the Stock Option Plan. Therefore, the Stock Option Plan contains a provision allowing for any Stock Options issued in lieu of dividends to be settled in cash.

Other than amendments to fix typographical errors and clarify existing provisions, shareholder approval shall be obtained in accordance with the requirements of the Exchange including without limitation, any amendment that results in:

- a) any cancellation and reissuance of a Stock Option;
- b) the addition of additional categories of Eligible Person;
- c) an increase in the maximum number of Common Shares issuable pursuant to the Stock Option Plan;
- d) the method for determining the exercise price of a Stock Option;
- e) the maximum term of a Stock Option;
- f) the expiry and termination provisions of a Stock Option, including the addition of a blackout period; and
- g) any method or formula for calculating prices, values, or amounts under the Stock Option Plan that may result in a benefit to an option holder.

Shareholder Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, pass an ordinary resolution (the “**Stock Option Plan Resolution**”) approving the Stock Option Plan, dated for reference as of May 5, 2022. In order to be effective, the Stock Option Plan Resolution must be approved by a simple majority of 50% plus one vote of the votes cast by the Shareholders in respect thereof at the Meeting. The text of the Stock Option Plan Resolution is set out below:

“**BE IT RESOLVED**, as an ordinary resolution that:

1. The 10% rolling stock option plan for the Company, as described in the management information circular of the Company dated April 15, 2024, is hereby approved, ratified and confirmed; and

2. Any director or officer of the Company is hereby authorized to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to the above resolution.”

The Board and management recommend that you vote “FOR” the Stock Option Plan Resolution. **Unless you give other instructions, the proxies solicited by management will be voted “FOR” the Stock Option Plan Resolution.**

Other Matters

Management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting and further described in this Circular. Should any other matters properly come before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting such proxies.

INTEREST OF CERTAIN PERSONS

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of the directors, or any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a *pro-rata* basis by all holders of Common Shares in the capital of the Company.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without par value, of which 21,533,938 Common Shares were issued and outstanding as of the Record Date, being April 15, 2024.

Persons who are registered Shareholders at the close of business on the Record Date will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every Shareholder and proxyholder will have one vote and, on a poll, every Shareholder present in person or represented by proxy will have one vote for each Common Share. In order to approve a motion proposed at the meeting, a majority of more than 50% of the votes cast will be required to pass an ordinary resolution.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person or company beneficially owns directly or indirectly, controls, or directs shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company, except Donald Baxter, the CEO of the Company, who indirectly owns 2,837,845 shares through 1163863 Ontario Ltd., representing 13.2% of the Company; Paul Beattie, who indirectly through BT Advisory Inc. and BT Global Capital Inc owns a total of 2,666,667 Common Shares, for a total of 12.4% of the Common Shares of the Company; Jackie Cheung, who owns 2,666,667 Common Shares indirectly through Koi Communications Corporation, representing 12.4% of the Common Shares of the Company; and Ian Slater, who indirectly through Slater Capital Corporation owns 2,666,667 Common Shares representing 12.4% of the Common Shares of the Company. 10,478,191 Common Shares are held in escrow through the transfer agent.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation, Philosophy and Objectives

The Board meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis.

The general objectives of the Company's compensation strategy are to:

- (a) compensate senior management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
- (b) align management's interests with the long-term interests of Shareholders;
- (c) provide a compensation package that is commensurate with other comparable publicly listed companies of a similar size to enable the Company to attract and retain talent; and
- (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under without a history of profits.

The Board as a whole ensures that total compensation paid to all Named Executive Officers (as hereinafter defined) is fair and reasonable. The Board relies on the significant financial industry, consulting, and other related business experience of its members in assessing compensation levels. The Board considered the risks associated with the current compensation program and did not note any potential material risks. No director or Named Executive Officer is permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of the Company's equity securities held directly or indirectly.

Compensation Oversight for Named Executive Officers

All compensation matters for Named Executive Officers are dealt with by the Board.

To determine compensation payable to Named Executive Officers, the Board determines appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the senior management, while taking into account the cash flow projections and financial and other resources of the Company. In setting the compensation, the Board annually reviews the performance of the CEO and CFO in light of the Company's strategic objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

The Board may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning with comparable market compensation. The Board has not yet engaged such external advice.

Analysis of Elements

Base compensation is used to provide the Named Executive Officers a set amount of money during the year with the expectation that each Named Executive Officer will perform their responsibilities to the best of their abilities and in the best interests of the Company. The Company considers the granting of incentive stock options, to be a useful component of executive compensation as it allows the Company to reward each Named Executive Officer's efforts to increase value for Shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants and employees periodically at the discretion of the Board. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's Stock Option Plan.

Long-Term Compensation and Equity-Based Awards

The Company has no long-term incentive plans other than the Stock Option Plan. The Company's directors, officers, employees and consultants are entitled to participate in the Stock Option Plan. This plan is designed to encourage share ownership and entrepreneurship on the part of senior management, employees and other consultants. The Board believes that the Stock Option Plan aligns the interests of the Named Executive Officers and the Board with Shareholders by linking a component of executive compensation to the longer-term performance of the Common Shares.

Options to purchase Common Shares under the terms of the Stock Option Plan (each, an “**Option**”) are granted by the Board. In monitoring or adjusting the Option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value, previous Option grants if any, and any objectives set for the Named Executive Officers and the Board. In addition to determining the number of Options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- the parties who are entitled to participate in the Stock Option Plan;
- the exercise price of each Option granted;
- the date on which each Option is granted;
- the vesting period, if any, for each Option;
- the other material terms and conditions of each Option grant.; and
- any re-pricing or amendment to an Option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan and applicable laws. The Board reviews and approves grants of Options periodically during the financial year. The exercise price of Options is determined by the Board but will in no event be lower than the higher of the closing trading price of the Common Shares on the Exchange on a) the day before an Option is granted or b) on the day it is granted.

Summary of Compensation

For the purposes of this Circular, “**Named Executive Officer**” means each of the following individuals:

- (a) each individual who, during any part of the year ended December 31, 2023, served as the chief executive officer (“**CEO**”) of the Company;
- (b) each individual who, during any part of the year ended December 31, 2023, served as the chief financial officer (“**CFO**”) of the Company;
- (c) the most highly compensated executive officer, other than the CEO and CFO, at the end of the year ended December 31, 2023 whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer, nor acting in a similar capacity, on December 31, 2023.

Compensation Excluding Compensation Securities

During the financial years ended December 31, 2023 and 2022, the Company had one Named Executive Officer: Ian Slater, CEO, CFO, and a director. The following table sets forth all direct and indirect compensation, other than the issuance of stock options, for, or in connection with, services provided to the Company and its subsidiaries for each of the two most recently completed financial years for each member of the Board and each Named Executive Officer. Additional information about the Company is available on its SEDAR+ profile at www.sedarplus.ca.

Table of Compensation Excluding Compensation Securities							
Name and Principal Position	Year	Salary or Consulting Fee	Bonus	Committee Fees	Value of Perquisites	Value of All Other Compensation	Total Compensation
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Ian Slater, Former CEO, CFO, & Director ⁽¹⁾	2023	Nil	Nil	N/A	Nil	Nil	Nil
	2022	Nil	Nil	N/A	Nil	Nil	Nil
Jay Sujir, Former Director ⁽²⁾	2023	Nil	Nil	N/A	Nil	Nil	Nil
	2022	Nil	Nil	N/A	Nil	Nil	Nil
Paul Beattie, Former Director ⁽³⁾	2023	Nil	Nil	N/A	Nil	Nil	Nil
	2022	Nil	Nil	N/A	Nil	Nil	Nil
Peter M. Roth, Former Director ⁽⁴⁾	2023	Nil	Nil	N/A	Nil	Nil	Nil
	2022	Nil	Nil	N/A	Nil	Nil	Nil

Notes:

⁽¹⁾ Ian Slater was appointed as CEO on March 9, 2021 and CFO on January 13, 2022, and resigned on March 7, 2024. No director is compensated for services.

⁽²⁾ Jay Sujir was appointed as director on April 30, 2021 and resigned on March 7, 2024.

⁽³⁾ Paul Beattie was appointed as director on April 30, 2021 and resigned on March 7, 2024.

⁽⁴⁾ Peter M. Roth was appointed as director on August 4, 2021 and resigned on March 7, 2024.

Stock Options and other Compensation Securities

No compensation securities were granted or issued to any director or Named Executive Officer during the year ended December 31, 2023.

External Management Companies

The Company entered into a cost reimbursement agreement with Slater Corporate Services Corporation, a company controlled by the former CEO, dated November 1, 2021 and revised March 8, 2024 under which the Company reimburses \$10,000 monthly plus applicable taxes for services including accounting, shareholder communications, corporate secretary, administrative, office and IT support costs.

INCENTIVE PLAN AWARDS

Stock Options and other Compensation Securities

No compensation securities were granted or issued to any director or Named Executive Officer during the year ended December 31, 2023. No compensation securities were repriced, cancelled and replaced, extended, or otherwise materially modified in the year ending December 31, 2023. All previously granted Options are non-transferrable and are in escrow with the transfer agent.

The Stock Option Plan

The Company has established the “rolling” Stock Option Plan for its directors, officers, employees and consultants pursuant to which the aggregate number of Common Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company's issued and outstanding Common Shares from time to time.

The Stock Option Plan is intended as an incentive to attract and retain qualified directors, senior officers, employees, and consultants to promote a proprietary interest in the Company among such persons, and to stimulate the active interest of such persons in the development and financial success of the Company.

Exercise of Compensation Securities by Directors and Named Executive Officers

No compensation securities were exercised by directors or Named Executive Officers in the year ended December 31, 2023.

Pension Plan Benefits

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following, or in connection with retirement for any director or Named Executive Officer.

EMPLOYMENT AGREEMENTS, TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as described below, there are no compensatory plans or arrangements, with respect to any Named Executive Officer, resulting from the resignation, severance, constructive dismissal, retirement or any other termination of employment of the officer or from a change in control of the Company or a change of any Named Executive Officer's responsibilities following a change of control.

Effective March 8, 2024, the Company entered into an agreement with 1163863 Ontario Ltd., for consulting fees relating to the services of Donald Baxter as CEO of the Company, which includes a change of control provision. In the event of a change of control (as defined in the agreement) and subsequent termination of Donald Baxter as CEO and director of the Company, 1163863 Ontario Ltd. will be compensated for up to 24 months of consulting fees.

DIRECTOR COMPENSATION

As at the date of this Circular, the Company has five directors. Directors are eligible for the granting from time to time of incentive stock options in accordance with the policies of the Exchange. Compensation for directors is not tied to any performance criteria or goals. A peer group is not used to benchmark compensation for directors. No director is paid for committee or chairman responsibilities or any meeting fees or other form of compensation except the granting of incentive stock options at the discretion of the Board.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of December 31, 2023 regarding the number of Common Shares to be issued pursuant to the Stock Option Plan. The Company completed a 1.5:1 common share consolidation effective March 7, 2024 and all options were adjusted accordingly. The Company does not have any other equity compensation plans.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans not approved by securityholders (Stock Option Plan)	0	N/A	0
Equity compensation plans approved by securityholders (Stock Option Plan)	1,333,333	\$0.15	Nil
Total	1,333,333	\$0.15	Nil

INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No person who is, or at any time since the commencement of the Company's last completed financial year was a director, executive officer or senior officer of the Company, and no associate of any of the foregoing persons has been indebted to the Company at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person, other than amounts not exceeding \$50,000 for travel advances.

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 the Company's most recently completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company.

An "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights 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.

MANAGEMENT CONTRACTS

Management functions of the Company are substantially performed by executive officers of the Company and not to any substantial degree by any other person with whom the Company has contracted, other than pursuant to the cost reimbursement agreement between Slater Corporate Services Corporation and AGT dated November 1, 2021 and revised March 8, 2024. The CFO, and the Corporate Secretary, are employed by Slater Corporate Services Corporation. The agreement may be terminated by either party on 30 days' notice. A new management contract between 1163863 Ontario Ltd. and the Company was entered into on March 8, 2024. 1163863 Ontario Ltd. employs Donald Baxter, who is the CEO and a director of the Company.

CORPORATE GOVERNANCE

The following is a summary of the Company's corporate governance disclosure required by Form 58-101F2 of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

Board of Directors

The Board is composed of five directors, one of whom is an executive officer of the Company and four of whom are considered to be "independent", as that term is defined in applicable securities legislation. Ian Harris, Rodney Stevens, James Ruane, and Chaanaka Abeyratne are considered to be independent directors. In determining whether a director is independent, the Board chiefly considers whether the director has no direct or indirect material relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

Directorships

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

Name of Director	Name of Other Reporting Issuer (or Equivalent in Foreign Jurisdiction)
Donald Baxter	N/A
Ian Harris	Emperor Metals Inc. Gladiator Metals Corp. Libero Copper & Gold Corporation Outcrop Silver & Gold Corporation PEZM Gold Inc. Strikepoint Gold Inc. Universal Copper Ltd.

Name of Director	Name of Other Reporting Issuer (or Equivalent in Foreign Jurisdiction)
Rodney Stevens	Big Red Mining Corp. Bocana Resources Corp. Canada One Mining Corp. Discovery Harbour Resources Corp. GSP Resource Corp. Guyana Goldstrike Inc. Inca One Gold Corp. Kesselrun Resources Ltd. Luxxfolio Holdings Inc. Muzhu Mining Ltd. Nexus Gold Corp. Nexus Metals Corp. NSJ Gold Corp. Origen Resources Inc. Red Metal Resources Ltd. Silver Wolf Exploration Ltd. Solis Minerals Ltd. Terra Balcanica Resources Corp. Westminster Resources Ltd.
James Ruane	N/A
Chaanaka Abeyratne	N/A

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors can become familiar with the Company by meeting with the other directors and with management and reviewing the recent press releases and financial statements. Orientation activities are tailored to the needs and experience of each director and the overall needs of the Board. Directors are encouraged by the Board to pursue continuing education.

Ethical Business Conduct

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board has not yet appointed a nominating committee because the Board fulfills these functions. The Board periodically reviews suggestions from existing directors regarding potential changes to the Board and researches new candidates.

Committees of the Board

The Board has appointed an Audit Committee, the members of which are as follows:

Audit Committee
Rodney Stevens (Chair)
James Ruane
Chaanaka Abeyratne

All members of the Audit Committee are independent. A description of the function of the Audit Committee can be found in this Circular under “*Audit Committee*”.

As the directors are actively involved in the operations of the Company, the size of the Company’s operations does not warrant a larger Board, and does not currently have any other committees.

Compensation

A description of the compensation process can be found in this Circular under “*Executive Compensation*” and “*Director Compensation*”.

Assessments

The Board has not adopted procedures for assessing the effectiveness of the Board, or its committee, or individual directors. The relatively small size of the Company enables the Board to satisfy itself that directors are performing effectively.

AUDIT COMMITTEE

As at the date of this Circular, the Audit Committee is composed of Rodney Stevens (Chair), James Ruane, and Chaanaka Abeyratne. All members are independent and all of the members of the Audit Committee are “financially literate”. Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The text of the Audit Committee mandate is attached in Appendix A.

The Board and senior management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

Relevant Education and Experience

Rodney Stevens, Chair of Audit Committee

Mr. Stevens is a Chartered Financial Analyst (CFA) Charterholder with over a decade of experience in the capital markets, first as an investment analyst with Salman Partners Inc. and subsequently as a merchant and investment banker. While at Salman Partners, he became a top-rated analyst by StarMine for the metals and mining industry. Mr. Stevens was also a Portfolio Manager registered with Wolverton Securities Ltd. and over the course of his career, he has been instrumental in assisting in financings and mergers and acquisitions activities worth over \$1 billion in transaction value.

James Ruane, Director

Mr. Ruane has thirty-one years of experience as a Managing Director with leading advisory firms such as PwC, KPMG, Huron Consulting and currently as Managing Member of Whitney Hill Partners. COO of a coal mining, coal processing and coking manufacturing company. He has provided a broad-based selection of services to customers in a wide range of industries both in the U.S. and abroad such as Interim Management, Operational Consulting, Chief Executive Officer, Chief Restructuring Officer, and Chapter 11 Bankruptcy Trustee. He has twelve years' experience in both specialized industries and traditional corporate lending, project financing, international trade financing, leverage lease financing, business valuations, corporate finance and mergers and acquisitions. Mr. Ruane obtained an MBA from Duke University in North Carolina.

Chaanaka Abeyratne, Director

Mr. Abeyratne is a Director and Country Manager of AGT's Sri Lankan subsidiary. Chaanaka holds an LLB and is an Attorney at Law in Sri Lanka, with nearly 25 years' experience. He has been involved with the graphite mining industry in Sri Lanka for the last eight years and is an expert in permitting and compliance.

Each member of the Audit Committee has relevant education and experience to allow for:

- (a) an understanding of the accounting principles used by the issuer to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analysing 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 issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Sections 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total amount of fees payable to the auditor in the financial year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The Company has not relied on any of the exemptions under s. 5 of Form 52-110F2:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*),
- (b) the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer),
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*),

(d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or

(e) an exemption from this Instrument, in whole or in part, granted under Part 8 (*Exemption*),

Pre-Approval Policies and Procedures

The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

External Auditor Service Fees (By Category)

Audit Fees

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2023 for audit and assurance and related services were approximately \$15,000 (2022 – \$14,000).

Audit-Related Fees

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2023 for audit related services were \$15,000 (2022 – Nil).

Tax Fees

The aggregate fees billed for tax compliance, tax advice, and tax planning services by the Company's external auditor for the financial year ended December 31, 2023 were approximately \$2,500 (2022 – \$2,500).

All Other Fees

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2023 for review of unaudited interim financial statements, compilation of consolidated financial statements, and related services were \$6,500 (2022 - Nil).

Exemption

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 by virtue of the fact that it is a venture issuer. Section 6.1 exempts the Company from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 *Disclosure by Venture Issuers* and disclosed in this Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on its SEDAR+ profile at www.sedarplus.ca. Shareholders may contact the Company at (604) 638-2545 ext. 102 to request that copies of the Company's financial statements and MD&A be sent to them by mail.

Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year ended December 31, 2023, which are filed on SEDAR+ and included in this mailing.

The contents of this Circular have been reviewed by the Board.

DATED this 15th day of April, 2024.

ON BEHALF OF THE BOARD

“Don Baxter”
CEO & Director

Appendix A – Audit Committee Charter

AUDIT COMMITTEE CHARTER

Purpose

The overall purpose of the Audit Committee (the “Committee”) is to ensure that the Company’s management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company’s Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and external auditors. The Committee will monitor the independence and performance of the Company’s independent auditors.

Composition, Procedures and Organization

- (1) The Committee shall consist of at least three members of the Board of Directors (the “Board”).
- (2) At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- (3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (5) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (6) The Committee shall have access to such officers and employees of the Company and to the Company’s external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (7) Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet as necessary to fulfill its duties and responsibilities in person or via telephone at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

- (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
- (8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Roles and Responsibilities

- (9) The overall duties and responsibilities of the Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (10) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (iv) co operation received from the Company's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Company;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- (11) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (12) The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to Shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Company; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Company's consolidated financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.
- (13) The Committee shall have the authority:

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