

PACIFIC ARC RESOURCES LTD.

Suite 410 - 885 Dunsmuir Street,
Vancouver, British Columbia V6C 1N5

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS
TO BE HELD ON DECEMBER 18, 2023**

AND

INFORMATION CIRCULAR

November 17, 2023

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

PACIFIC ARC RESOURCES LTD.
Suite 410 - 885 Dunsmuir Street,
Vancouver, British Columbia V6C 1N5
Telephone: 778-688-7411

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders of Pacific Arc Resources Ltd. (the “**Company**”) will be held at the offices of Clark Wilson LLP, Suite 900 – 885 West Georgia Street, Vancouver, British Columbia, on Monday, December 18, 2023, at the hour of 11:00 a.m. (Vancouver time) for the following purposes:

- (1) to receive the audited financial statements of the Company for the financial year ended January 31, 2023, and the accompanying report of the auditors;
- (2) to set the number of directors of the Company for the ensuing year at four (4) persons;
- (3) to elect John MacPhail, Raphael Danon, Brock Daem and Mark Klein as directors of the Company;
- (4) to appoint Saturna Group Chartered Professional Accountants LLP as the auditors of the Company for the financial year ending January 31, 2024 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the financial year ending January 31, 2024;
- (5) to consider and, if thought fit, to re-approve the Company’s Equity Incentive Plan, including re-approval of a 10% rolling plan for stock options and a fixed plan of 1,862,871 common shares for performance-based awards of restricted share units, performance share units and deferred share units, all as described in the accompanying management information circular (the “**Information Circular**”); and
- (6) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of Meeting (the “**Notice**”).

The board of directors of the Company has fixed November 9, 2023 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (each, an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 17th day of November 2023.

By Order of the Board of Directors of

PACIFIC ARC RESOURCES LTD.

“John MacPhail”

John MacPhail

President, Chief Executive Officer and Director

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

PACIFIC ARC RESOURCES LTD.
Suite 410 - 885 Dunsmuir Street,
Vancouver, British Columbia V6C 1N5
Telephone: 778-688-7411

INFORMATION CIRCULAR
November 17, 2023

INTRODUCTION

This information circular (the “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of Pacific Arc Resources Ltd. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (each, a “**Share**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 11:00 a.m. (Vancouver time) on Monday, December 18, 2023 at the offices of Clark Wilson LLP, Suite 900 - 885 West Georgia Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is November 17, 2023. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

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

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

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of November 9, 2023 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in their sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

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

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of all of Beneficial Shareholders. 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 form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. 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 Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the**

Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument 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.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners (each, a “**NOBO**”) and objecting beneficial owners (each, an “**OBO**”). A NOBO is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators. An OBO means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under NI 54-101.

The materials are being sent to both registered and non-registered owners of the Shares. If you are a Beneficial Shareholder and the Company or its agent has sent the materials directly to you, your name and address and information about your holdings of the Company's securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. By choosing to send the materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering the materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the proxy.

The Company is sending proxy-related materials directly to NOBOs of the Shares. The Company will not pay for the delivery of proxy-related materials to OBOs of the Shares under NI 54-101 and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*. The OBOs of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the “**Board**”) to be the close of business on November 9, 2023, a total of 18,992,043 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended January 31, 2023, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting. Receipt at the Meeting of the financial statements and auditor's report will not constitute approval or disapproval of any matters referred to therein. The Company's financial statements and Management's Discussion and Analysis ("MD&A") are available on SEDAR+ at www.sedarplus.ca.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at four (4). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends the approval of setting the number of directors of the Company at four (4).

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Management of the Company proposes to nominate all of the current directors of the Company, as set out in the table below, for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
<p>John MacPhail⁽²⁾ British Columbia, Canada</p> <p><i>President, Chief Executive Officer and Director</i></p>	<p>Mr. MacPhail has been the President, Chief Executive Officer and a director of the Company since January 5, 2018. Mr. MacPhail has been a director of several publicly listed companies, including: Cavalry Capital Corp., a capital pool company listed on the TSX Venture Exchange (“TSXV” or “Exchange”) since May 5, 2022, MiMedia Holdings Inc., a technology company listed on the TSXV since March 15, 2022, Valencia Capital Inc., a capital pool company listed on the TSXV since June 19, 2019, Jack Nathan Medical Corp., a company listed on the TSXV and Over-the-counter markets from February 1, 2018 to September 30, 2020, Eastwest Bioscience Inc., a biotechnology and pharmaceutical company listed on the TSXV from July 16, 2018 to October 3, 2018 and Agrios Global Holdings Ltd., an agricultural technology and property management company listed on the Canadian Securities Exchange (“CSE”) from October 29, 2018 to December 19, 2019. Mr. MacPhail was the Chief Executive Officer and a director of Woodbridge Ventures Inc., a capital pool company listed on the TSXV from February 1, 2019 to September 3, 2020 and the Chief Executive Officer of I-5 Holdings Ltd., a Canadian private company with assets in the US cannabis industry from February 2017 to June 2019.</p>	<p>January 5, 2018</p>	<p>790,350⁽³⁾</p>
<p>Raphael Danon⁽²⁾ Ontario, Canada</p> <p><i>Director</i></p>	<p>Mr. Danon has been a director of the Company since October 15, 2018. Mr. Danon was a director and/or officer of several publicly listed and private companies, including: Zeb Nickel Corp., (formerly Blue Rhino Capital Corp), a capital pool company listed on the TSXV from October 15, 2020 to July 30, 2021, Chief Financial Officer and a director of Woodbridge Ventures Inc., a capital pool company listed on the TSXV, from March 27, 2019 to September 30, 2020, a co-founder, director, and Managing Director of Finance of Clear Blue Markets, a private company providing consulting and advisory services for the Northern American carbon markets from 2016 to 2021, Chief Financial Officer, Chief Executive Officer and a director of Woodbridge Ventures II Inc., a capital pool company listed on the TSXV, since April 12, 2021. Mr. Danon is the Chief Executive Officer of Universal Wellness Works Corp., a private company providing corporate wellness solutions, since 2022 and the Chief Executive Officer of Utilis Innovations Corp., a technology developer, since 2022.</p>	<p>October 15, 2018</p>	<p>492,900⁽⁴⁾</p>
<p>Brock Daem⁽²⁾ British Columbia, Canada</p> <p><i>Director</i></p>	<p>Mr. Daem has been a director of the Company since January 5, 2018. Mr. Daem has been a director of several publicly listed companies, including: Cavalry Capital Corp., a capital pool company listed on the TSXV, since May 4, 2022, Valencia Capital Inc., a capital pool company listed on the TSXV, since August 19, 2019 and Friday's Dog Holdings Inc., a company listed on the TSXV, from February 28, 2018 to February 13, 2020.</p>	<p>January 5, 2018</p>	<p>871,496⁽⁵⁾</p>

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Mark Klein ⁽²⁾ New York, USA <i>Director</i>	Mr. Klein has been a director of the Company since July 11, 2019. Mr. Klein has been the Chief Executive Officer of RadarZero, a strategic digital media agency since September 2019, director of Captor Corp., a company listed on the CSE, since November 21, 2019, the managing director of the Lockwood Group Special Situations Investment Team, a private investment company, since 2017 and the founder and Chief Executive Officer of Skins, Inc., footwear and apparel business, a company previously trading on the OTC Bulletin Board. Mr. Klein was the managing director for 360 Gruppe's Gruppe V, a division of the private, family-held Geneva-based investment management firm.	July 11, 2019	350,075 ⁽⁶⁾

(1) Information has been furnished by the respective nominees individually.

(2) Member of the Audit Committee.

(3) This number does not include an aggregate of 514,000 options held directly, 400,000 of which are exercisable into one Share at a price of \$0.23 per Share until May 30, 2024, and 114,000 of which are exercisable into one Share at a price of \$0.20 per share until December 3, 2026.

(4) This number does not include an aggregate of 514,000 options held directly, 400,000 of which are exercisable into one Share at a price of \$0.23 per Share until May 30, 2024, and 114,000 of which are exercisable into one Share at a price of \$0.20 per share until December 3, 2026.

(5) This number does not include an aggregate of 514,000 options held directly, 400,000 of which are exercisable into one Share at a price of \$0.23 per Share until May 30, 2024, and 114,000 of which are exercisable into one Share at a price of \$0.20 per share until December 3, 2026.

(6) This number does not include an aggregate of 214,000 options held directly, 100,000 of which are exercisable into one Share at a price of \$0.23 per Share until July 25, 2024, and 114,000 of which are exercisable into one Share at a price of \$0.20 per share until December 3, 2026.

It is the responsibility of the Insiders (as defined herein, including the directors and officers of the Company) to file in a timely fashion all of their transactions on www.sedi.ca, which the Company has relied on for the information contained in the Information Circular.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Management of the Company recommends the election of each of the nominees listed above as a director of the Company. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the election of each of the nominees listed above as a director of the Company.

Orders

Other than as disclosed below, to the best of management's knowledge, no other proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that

was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

On October 4, 2018, when Brock Daem and John MacPhail were directors of the Company, the British Columbia Securities Commission (the “BCSC”) issued a cease trade order against the Company for failure to file its interim financial statements and management discussion and analysis and certificates for the period ended July 31, 2018. The Company proceeded to file the continuous disclosure documents required and the BCSC issued a revocation on October 12, 2018, lifting the cease trade order.

Bankruptcies

To the best of management’s knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

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

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this statement of executive compensation (the “**Statement of Executive Compensation**”):

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“NEO” or “named executive officer” means:

- (a) each individual who served as chief executive officer (“CEO”) of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer (“CFO”) of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

“plan” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

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

Table of Compensation Excluding Compensation Securities							
Name and Position	Fiscal Year Ended January 31	Salary, Consulting Fee, Retainer, Commission or Director Fees (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
John MacPhail ⁽²⁾ <i>President, CEO and Director</i>	2023	30,000 ⁽³⁾	Nil	Nil	Nil	Nil	30,000
	2022	30,000 ⁽³⁾	Nil	Nil	Nil	17,166	47,166

Table of Compensation Excluding Compensation Securities							
Name and Position	Fiscal Year Ended January 31	Salary, Consulting Fee, Retainer, Commission or Director Fees (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Alexander McAuley ⁽⁴⁾ <i>CFO and Corporate Secretary</i>	2023 2022	17,329 ⁽⁵⁾ 7,898 ⁽⁵⁾	N/A N/A	N/A N/A	N/A N/A	N/A N/A	17,329 7,898
Raphael Danon ⁽⁶⁾ <i>Director</i>	2023 2022	30,000 ⁽³⁾ 30,000 ⁽³⁾	Nil Nil	Nil Nil	Nil Nil	Nil 17,166	30,000 47,166
Brock Daem ⁽⁷⁾ <i>Director</i>	2023 2022	30,000 ⁽³⁾ 30,000 ⁽³⁾	Nil Nil	Nil Nil	Nil Nil	Nil 17,166	30,000 47,166
Mark Klein ⁽⁸⁾ <i>Director</i>	2023 2022	30,000 ⁽³⁾ 30,000 ⁽³⁾	Nil Nil	Nil Nil	Nil Nil	Nil 17,167	30,000 47,167
Ed Duda ⁽⁹⁾ <i>Former CFO and Corporate Secretary</i>	2023 2022	Nil 28,663 ⁽¹⁰⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 28,663

⁽¹⁾ "Perquisites" include perquisites provided to a NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

⁽²⁾ John MacPhail has been the President, CEO, and a director of the Company since January 5, 2018.

⁽³⁾ Consists of director fees of \$2,500 per month per director from the date of appointment.

⁽⁴⁾ Alexander McAuley has been the CFO and Corporate Secretary since August 23, 2021.

⁽⁵⁾ Professional fees paid to Treewalk Consulting Inc. (formerly, ACM Management Inc.), a consulting company owned by Alex McAulay.

⁽⁶⁾ Raphael Danon has been a director of the Company since October 15, 2018.

⁽⁷⁾ Brock Daem has been a director of the Company since January 5, 2018.

⁽⁸⁾ Mark Klein has been a director of the Company since July 11, 2019.

⁽⁹⁾ Ed Duda was the CFO and Corporate Secretary from December 24, 2018 to August 23, 2021.

⁽¹⁰⁾ Consulting fees paid to Delmac Pacific Management Inc., a company controlled by Ed Duda.

External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly.

Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities to any director or NEO during the financial year ended January 31, 2023.

As at January 31, 2023:

- (a) John McPhail, the President, CEO and a director of the Company, owned an aggregate of 514,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Share of the Company. Of these, 400,000 are exercisable at a price of \$0.23 per Share until May 30, 2024 and 114,000 are exercisable at a price of \$0.20 per Share until December 23, 2026;
- (b) Alexander McAulay, the CFO and Corporate Secretary, did not own any compensation securities.
- (c) Raphael Danon, a director of the Company, owned an aggregate of 514,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Share. Of these, 400,000 are exercisable at a price of \$0.23 per Share until May 30, 2024 and 114,000 are exercisable at a price of \$0.20 per Share until December 23, 2026;
- (d) Brock Daem, a director of the Company, owned an aggregate of 514,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Share. Of these, 400,000 are exercisable at a price of \$0.23 per Share until May 30, 2024 and 114,000 are exercisable at a price of \$0.20 per Share until December 23, 2026;
- (e) Mark Klein, a director of the Company, owned an aggregate of 214,000 compensation securities directly, comprised solely of stock options, each of which is exercisable into one Share. Of these, 100,000 are exercisable at a price of \$0.23 per Share until May 30, 2024 and 114,000 are exercisable at a price of \$0.20 per Share until December 23, 2026; and
- (f) Ed Duda, the former CFO and Corporate Secretary, did not own any compensation securities;

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised stock options during the year ended January 31, 2023.

Vesting and Conditions of Compensation Securities

The compensation securities are subject to the conditions and restrictions contained in the 2022 Plan (as defined below), as outlined below. The compensation securities currently held by Raphael Danon, John MacPhail, Brock Daem and Mark Klein vested on the date of grant.

The Company is authorized to withhold any payment due to an NEO or director of the Company under any Option (as defined below) or under the 2022 Plan until the NEO or director of the Company has paid or made arrangements for the payment of the amount of any withholding taxes due in respect of an Option, its exercise, or any payment under such Option or under the 2022 Plan.

Stock Option Plans and Other Incentive Plans

On November 10, 2022, the Board adopted a new Equity Incentive Plan (the “**2022 Plan**”). The purpose of the 2022 Plan is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company.

The 2022 Plan provides flexibility to the Company to grant equity-based incentive awards in the form of stock options (“**Options**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and deferred share units (“**DSUs**” and, collectively with the RSUs and PSUs, the “**Performance-Based Awards**”) to eligible persons.

The 2022 Plan is a rolling plan for Options and a fixed plan for Performance-Based Awards such that the aggregate number of Shares that: (i) may be issued upon the exercise or settlement of Options granted under the 2022 Plan (and all of the Company’s other Security-Based Compensation Arrangements), shall not exceed 10% of the Company’s issued and outstanding Shares from time to time, and (ii) may be issued in respect of Performance-Based Awards granted under the 2022 Plan (and all of the Company’s other Security-Based Compensation Arrangements) shall not exceed 1,862,871. The 2022 Plan is considered an “evergreen” plan, since Options which have been exercised, cancelled, terminated, surrendered, forfeited or expired without being exercised shall be available for subsequent grants under the 2022 Plan and the number of awards available to grant increases as the number of issued and outstanding Shares increases.

The 2022 Plan is subject to the re-approval of the Shareholders and the Exchange. At the Meeting, Shareholders will be asked to re-approve the 2022 Plan. See “*Particulars of Matters to be Acted Upon – Re-Approval of the 2022 Plan*” below for a summary of the 2022 Plan.

Employment, Consulting and Management Agreements

Except as disclosed below, the Company or any subsidiary thereof has not entered into any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were (a) performed by a director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

On August 1, 2018, the Company and Delmac Pacific Management Inc. (“**Delmac**”) entered into a consulting agreement, which was amended on September 1, 2019, for the services of Ed Duda to act as CFO and Corporate Secretary effective December 24, 2018. The Delmac consulting agreement provides for an hourly fee of \$125 and includes a termination provision of three months advance written notice in the event the Company terminates the engagement. The Delmac consulting agreement terminated on August 23, 2021.

On July 2, 2021, the Company and ACM Management Inc (“**ACM**”) entered into a consulting agreement whereby ACM will provide book-keeping and accounting services commencing on even date and for Alexander McAuley to act as CFO and Corporate Secretary effective August 23, 2021. The ACM consulting agreement provides for an hourly rate structure up to a maximum of \$4,500 per quarter and includes a termination provision of 10 days advance written notice.

Oversight and Description of Director and NEO Compensation

The Board has not created or appointed a compensation committee given the Company’s current size and stage of development. All tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended, and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short-term compensation component, which includes the payment of management fees to certain NEOs, and a long-term compensation component, which includes the grant of Options under the 2022 Plan. Management fees primarily reward recent performance and Options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

The management fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is Options. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of Options, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium-term compensation component.

The Company relies on Board discussion, without formal objectives, criteria, and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution, or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the 2022 Plan, being the Company's only equity compensation plan, as of January 31, 2023. The 2022 Plan was most recently approved by the Shareholders at its last annual general and special meeting on December 20, 2022.

Plan Category	Number of Shares to be issued upon exercise of outstanding Options, warrants and rights ⁽¹⁾ (a)	Weighted-average exercise price of outstanding Options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Shareholders	Options: 1,756,000	\$0.22	106,871
	Performance-based Awards: Nil	Performance-based Awards: N/A	Performance-based Awards: Nil
Equity compensation plans not approved by Shareholders	Nil	N/A	N/A
Total	Options: 1,826,871	\$0.22	106,871
	Performance-based Awards: Nil	Performance-based Awards: N/A	Performance-based Awards: Nil

⁽¹⁾ The Company does not have any warrants or rights outstanding under any equity compensation plans.

Effective as of November 10, 2022, the Board adopted the 2022 Plan. The 2022 Plan is subject to the re-approval of the Shareholders and the Exchange. At the Meeting, Shareholders will be asked to re-approve the 2022 Plan. See “*Particulars of Matters to be Acted Upon – Re-Approval of the 2022 Plan*” below for a summary of the 2022 Plan.

APPOINTMENT OF AUDITORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Saturna Group Chartered Professional Accountants LLP as auditors of the Company for the financial year ending January 31, 2024, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the financial year ending January 31, 2024. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management of the Company recommends that Shareholders vote for the appointment of Saturna Group Chartered Professional Accountants LLP as the Company’s auditors for the Company’s financial year ending January 31, 2024 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors for the financial year ending January 31, 2024.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees (“NI 52-110”)*, a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditors. The Company provides the following disclosure with respect to its audit committee (the “**Audit Committee**”).

The Audit Committee Charter

The full text of the Company’s Audit Committee charter (the “**Charter**”) is as follows and is available at www.sedarplus.ca under the Company’s SEDAR profile, and is incorporated by reference herein. Upon request, the Company will promptly provide a copy of the Charter free of charge to a Shareholder. A

Shareholder may contact the Company at its registered and records office at c/o 900 - 885 West Georgia Street, Vancouver, British Columbia V6C 3H1, to request a copy.

1. Purpose of the Committee

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

2. Members of the Audit Committee

2.1 At least one member of the Audit Committee must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, 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.

2.2 The Audit Committee shall consist of no less than three directors.

2.3 At least one member of the Audit Committee must be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.

3. Relationship with External Auditors

3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4 The Audit Committee will have direct communications access, at all times, with the external auditors.

4. Non-Audit Services

4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2 Notwithstanding section 4.1, the external auditors are prohibited, at all times, from carrying out any of the following services, while they are appointed the external auditors of the Company:

- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and

- (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5. Appointment of Auditors

5.1 The external auditors will be appointed each year by the Shareholders of the Company at the annual general meeting of the Shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board.

6. Evaluation of Auditors

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7. Remuneration of the Auditors

7.1 The remuneration of the external auditors will be determined by the Board, upon the annual authorization of the Shareholders at each general meeting of the Shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8. Termination of the Auditors

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board, acting reasonably.

9. Funding of Auditing and Consulting Services

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10. Role and Responsibilities of the Internal Auditors

10.1 At this time, due to the Company's size and limited financial resources, the Company's chief executive officer and chief financial officer are responsible for implementing internal controls and performing the role as the internal auditors to ensure that such controls are adequate.

11. Oversight of Internal Controls

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12. Continuous Disclosure Requirements

12.1 At this time, due to the Company's size and limited financial resources, the Company's chief executive officer and chief financial officer are responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13. Other Auditing Matters

13.1 The Audit Committee may meet with the auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14. Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15. Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Audit Committee.

Composition of the Audit Committee

The Company's Audit Committee is comprised of four directors consisting of John MacPhail, Raphael Danon, Brock Daem and Mark Klein. As defined in NI 52-110, Messrs. Danon, Daem and Klein are independent. Mr. MacPhail, the Company's President and Chief Executive Officer, is not "independent" as he is an executive officer of the Company. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of their responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals

engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Mr. MacPhail has been the President, CEO and a director of the Company since January 5, 2018. He has been a director of Valencia Capital Inc., a capital pool company listed on the TSXV since June 19, 2019. He has been a director of Cavalry Capital Corp., a capital pool company listed on the TSXV, since May 5, 2022. He has also been a director of MiMedia Holdings Inc., a technology company listed on the TSXV, since March 15, 2022. He was a director of Jack Nathan Medical Corp., a company listed on the TSXV and Over-the-counter markets, from February 1, 2018 to September 30, 2020. Mr. MacPhail was the CEO and a director of Woodbridge Ventures Inc., a capital pool company listed on the TSXV, from February 1, 2018 to September 3, 2020. Mr. MacPhail was a director of Agrios Global Holdings Ltd., a CSE listed agricultural technology and property management company providing services to licensed cannabis producers in the State of Washington, from October 29, 2018 to December 19, 2019 and was the CEO of I-5 Holdings Ltd., a Canadian private company with assets in the US cannabis industry. He was a director of Eastwest Bioscience Inc., a TSXV listed biotechnology and pharmaceutical company from July 16, 2018 to October 3, 2018. Previously, he was the CEO of an independent Canadian investment dealer and has served on numerous industry advisory boards.

Mr. Danon has been a member of the Chartered Professional Accountants of Canada since 2003. Mr. Danon has been a director of the Company since October 15, 2018. Mr. Danon has been the CFO, CEO and a director of Woodbridge Ventures II Inc., a capital pool company listed on the TSXV on November 16, 2021, since April 12, 2021. Mr. Danon is the CEO of Universal Wellness Works Corp., a private company providing corporate wellness solutions, since 2022. He is also the CEO of Utilis Innovations Corp., a technology developer, since 2022. He was a director of Zeb Nickel Corp., (formerly Blue Rhino Capital Corp), a capital pool company listed on the TSXV on November 16, 2021 from October 15, 2020 to July 30, 2021. He was the CFO and a director of Woodbridge Ventures Inc., a capital pool company listed on the TSXV, from March 27, 2019 to September 30, 2020. Mr. Danon was a co-founder, director, and managing director of finance of Clear Blue Markets, a private company providing consulting and advisory services for the Northern American carbon markets from 2016 to 2021.

Mr. Daem has over 16 years of experience in investment banking, merchant banking, and institutional sales in Canada. He has been a director of the Company since January 5, 2018. He has been a director of Valencia Capital Inc., a capital pool company listed on the TSXV, since August 19, 2019. He has also been a director of Cavalry Capital Corp., a capital pool company listed on the TSXV, since May 4, 2022. He was a director of Friday's Dog Holdings Inc., a company listed on the TSXV, from February 28, 2018 to February 13, 2020.

Mr. Klein has been a director of the Company since July 11, 2019. Mr. Klein has been the CEO of RadarZero, a strategic digital media agency since September 2019. He has been a director of Captor Corp., a company listed on the CSE, since November 21, 2019. Mr. Klein has been the managing director of the Lockwood Group Special Situations Investment Team, a private investment company, since 2017. He previously was the managing director for 360 Gruppe's Gruppe V, a division of the private, family-held Geneva-based investment management firm. He is the founder and CEO of Skins, Inc., footwear and apparel business, a company previously trading on the OTC Bulletin Board.

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 auditors.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditors in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable.

External Auditors Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditors for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditors for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditors in the last two fiscal years, by category, are as follows:

Year Ended January 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2023	\$8,653	Nil	\$900	Nil
2022	\$9,500	Nil	\$1,800	Nil

Exemption

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (each, an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a *pro rata* basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Each of Raphael Danon, Brock Daem and Mark Klein are "independent" in that each are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from being shareholders of the Company. John MacPhail is not "independent" in that he is the CEO and President of the Company.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director	Names of Reporting Issuers	Trading Market
John MacPhail	Valencia Capital Inc.	TSXV
	Cavalry Capital Corp.	TSXV
	MiMedia Holdings Inc.	TSXV
Raphael Danon	Woodbridge Ventures II Inc.	TSXV
Brock Daem	Valencia Capital Inc.	TSXV
	Cavalry Capital Corp.	TSXV
Mark Klein	Captor Corp.	CSE

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education as the Board's practice is to recruit for the Board only persons with extensive experience in identifying and targeting junior businesses for transactions and in public company matters.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

The Board is also responsible for applying governance principles and practices, tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company. Certain of the directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under the *Business Corporations Act* (British Columbia).

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

Compensation

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The

compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

Other Board Committees

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

Assessments

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the Options which may be granted to such persons upon the re-approval of the 2022 Plan, as further discussed below.

Directors, executive officers, proposed nominees for election as director of the Company may be interested in the re-approval of the 2022 Plan, pursuant to which they may be granted Options. See "*Particulars of Matters to be Acted Upon – Re- Approval of 2022 Equity Incentive Plan*" below, for more information.

PARTICULARS OF MATTERS TO BE ACTED UPON

Re-Approval of 2022 Equity Incentive Plan

The 2022 Plan is a rolling plan for Options and a fixed plan for Performance-Based Awards such that the aggregate number of Shares that: (i) may be issued upon the exercise or settlement of Options granted under the 2022 Plan (and all of the Company's other Security-Based Compensation Arrangements), shall not exceed 10% of the Company's issued and outstanding Shares from time to time, such number being 18,992,043 as at November 9, 2023 and (ii) may be issued in respect of Performance-Based Awards granted under the 2022 Plan (and all of the Company's other Security-Based Compensation Arrangements) shall not exceed 1,862,871. While the Company is listed on the NEX Board of the Exchange, the Company (i) is not permitted to grant or issue any Security Based Compensation (as that term is defined in Exchange policies) other than Options, and (ii) may not grant Options to any person providing Investor Relations Activities (as that term is defined in Exchange policies), promotional or market-making services. See "*Statement of Executive Compensation –Stock Option Plans and Other Incentive Plans*" above for further details of the 2022 Plan.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution re- approving and confirming the 2022 Plan. The form of the 2022 Plan is attached as Schedule "A" to the information circular dated November 10, 2022 and filed under the Company's profile on SEDAR+ at www.sedarplus.ca.

The following information is intended as a brief description of the 2022 Plan and is qualified in its entirety by the full text of the 2022 Plan.

Purpose

The purpose of the 2022 Plan is to promote the long-term success of the Company and the creation of shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company.

The 2022 Plan provides flexibility to the Company to grant equity-based incentive awards in the form of Options, RSUs, PSUs and DSUs to eligible persons.

Shares Subject to the 2022 Plan

The 2022 Plan is a rolling plan for Options and a fixed plan for Performance-Based Awards such that the aggregate number of Shares that: (i) may be issued upon the exercise or settlement of Options granted under the 2022 Plan (and all of the Company's other Security-Based Compensation Arrangements), shall not exceed 10% of the Company's issued and outstanding Shares from time to time, such number being 18,992,043 as at November 9, 2023 and (ii) may be issued in respect of Performance-Based Awards granted under the 2022 Plan (and all of the Company's other Security-Based Compensation Arrangements) shall not exceed 1,862,871. The 2022 Plan is considered an "evergreen" plan, since Options which have been exercised, cancelled, terminated, surrendered, forfeited or expired without being exercised shall be available for subsequent grants under the 2022 Plan and the number of awards available to grant increases as the number of issued and outstanding Shares increases.

Participation Limits

The 2022 Plan provides that:

- (a) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to insiders under the 2022 Plan, within any 12 month period, together with Shares reserved for issuance to insiders under all of the Company's other Security-Based Compensation Arrangements (as defined in the 2022 Plan), shall not exceed 10% of the issued and outstanding Shares (calculated as at the date of any grant and in accordance with the policies of the TSXV;
- (b) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to insiders under the 2022 Plan, at any point in time, together with Shares reserved for issuance to insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Shares;
- (c) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Shares issuable to any participant (as defined in the 2022 Plan) under the 2022 Plan, within any 12 month period, together with Shares reserved for issuance to such participant (and to Companies wholly-owned by that participant) under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 5% of the issued and outstanding Shares (calculated as at the date of any grant);
- (d) the maximum aggregate number of Shares issuable to any one consultant (as defined in the 2022 Plan) under the 2022 Plan, within any 12 month period, together with Shares issuable to such consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 2% of the issued and outstanding Shares (calculated as at the date of any grant); and

- (e) the maximum aggregate number of Shares issuable pursuant to grants of Options to all investor relation service providers performing investor relations activities under the 2022 Plan, within any 12 month period, shall not in aggregate exceed 2% of the issued and outstanding Shares (calculated as at the date of any grant). For the avoidance of doubt, persons performing investor relations activities are only eligible to receive Options under the 2022 Plan; they are not eligible to receive any Performance-Based Award or other type of securities based compensation under the 2022 Plan.

Administration of the 2022 Plan

The 2022 Plan shall be administered by the Board and the Board has full authority to administer the 2022 Plan, including the authority to interpret and construe any provision of the 2022 Plan and to adopt, amend and rescind such rules and regulations for administering the 2022 Plan as the Board may deem necessary in order to comply with the requirements of the 2022 Plan.

Eligible Persons under the 2022 Plan

When used in connection with the grant of Options, all officers, directors, employees, management company employees and consultants of the Company are eligible to participate in the 2022 Plan. When used in connection with the grant of Performance-Based Awards, all officers, directors, employees, management company employees and consultants of the Company that do not perform investor relations activities are eligible to participate in the 2022 Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant to the 2022 Plan will be determined in the sole and absolute discretion of the Board. Each person who receives a grant under the 2022 Plan is referred to as a "Participant".

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the 2022 Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the 2022 Plan, and will generally be evidenced by an award agreement.

Options

An Option entitles a holder thereof to purchase a prescribed number of Shares at an exercise price determined by the Board at the time of the grant of the Option, provided that the exercise price of an Option granted under the 2022 Plan shall not be less than the Discounted Market Price (as defined in the Exchange Policies), provided that if an Option is proposed to be granted by the Company after the Company has just been recalled for trading following a suspension or halt, the Company must wait at least ten trading days since the day on which trading in the Company's securities resumes before setting the exercise price for and granting the Option. Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed ten (10) years from the date of grant of the Option. The Board may, in its absolute discretion, upon granting Options under the 2022 Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Shares and may designate different exercise prices and numbers of Shares in respect of which each Participant may exercise Options during each respective time period. Subject to the discretion of the Board, the Options granted to a Participant under the 2022 Plan shall vest as determined by the Board on the date of grant of such Options. If the Board does not specify a vesting schedule at the date of grant, then Options granted to persons, other than those conducting investor relations activities, shall vest fully on the date of grant, and in any event in accordance with the policies of

the Exchange. Options issued to persons conducting investor relations activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that:

- (a) no more than 1/4 of the Options vest no sooner than three months after the date of grant (the “**Grant Date**”);
- (b) no more than another 1/4 of the Options vest no sooner than six months after the Grant Date;
- (c) no more than another 1/4 of the Options vest no sooner than nine months after the Grant Date; and
- (d) the remainder of the Options vest no sooner than 12 months after the Grant Date.

If the award agreement for the grant of Options so provides, in the event of a change of control (as defined in the 2022 Plan), all Options granted to a Participant that ceases to be an Eligible Person shall become fully vested and shall become exercisable by the Participant in accordance with the terms of such award agreement and the 2022 Plan. No acceleration of the vesting of any Options shall be permitted without prior Exchange review and acceptance for Options issued to persons conducting investor relations activities.

Other than as may be set forth in the award agreement for the grant of Options, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant’s death, have not vested, will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect; and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Options granted to such Participant which, prior to the Participant’s death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant’s estate in accordance with 2022 Plan and may be exercised by the Participant’s estate within one year of the death of the Participant.

Where a Participant’s relationship with the Company is terminated by the Company or a subsidiary for cause, all Options granted to the Participant under the 2022 Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant’s relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, such that the Participant no longer qualifies as an eligible person, all Options granted to the Participant under the 2022 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the Participant’s termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Plan and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an eligible person, or such longer period as may be provided for in the award agreement or as may be determined by the Board provided such period does not exceed 12 months after the termination date.

Where a Participant becomes afflicted by a disability, all Options granted to the Participant under the 2022 Plan will continue to vest in accordance with the terms of such Options; provided, however, that no Options may be redeemed during a leave of absence. Where a Participant’s relationship is terminated due to disability such that the Participant ceases to be an eligible person, all Options granted to the Participant

under this 2022 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the termination of the Participant's relationship with the Company due to disability, had vested pursuant to terms of the applicable award agreement, will accrue to the Participant in accordance with the 2022 Plan and shall be exercisable by such Participant for a period of 90 days following the date the termination date, or such longer period as may be provided for in the award agreement or as may be determined by the Board.

Restricted Share Units

A RSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, and subject to the terms and conditions of the 2022 Plan and the applicable award agreement, and which may be paid in cash and/or Shares. The number of RSUs to be credited to each participant shall be determined by the Board in its sole discretion in accordance with the 2022 Plan. All RSUs will vest and become payable by the issuance of Shares at the end of the restriction period if all applicable restrictions have lapsed, as such restrictions may be specified in the award agreement.

RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable award agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time a RSU is granted. The Board shall determine any vesting terms applicable to the grant of RSUs, however, no RSUs may vest before the date that is one (1) year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2022 Plan) and the Participant ceases to be an Eligible Person, all restrictions upon any RSUs held by such Participant shall lapse immediately and all such RSUs shall become fully vested in such Participant in accordance with the 2022 Plan.

Other than as may be set forth in the applicable award agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant's estate in accordance with the 2022 Plan.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all RSUs granted to the Participant under this 2022 Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all RSUs granted to the Participant under the 2022 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had

vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Plan.

Where a Participant becomes afflicted by a disability, all RSUs granted to the Participant under the 2022 Plan will continue to vest in accordance with the terms of such RSUs; provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all RSUs granted to the Participant under the 2022 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to disability, had vested pursuant to terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Plan.

As soon as practicable after each vesting date of a RSU, the Company shall, at the sole discretion of the Board, either: (a) issue to the Participant from treasury the number of Shares equal to the number of RSUs that have vested; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2022 Plan) on the next trading day after the vesting date of the RSUs, net of applicable withholdings.

Performance Share Units

A PSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the 2022 Plan and the applicable award agreement, and which may be paid in cash and/or Shares. No PSUs may vest before the date that is one year following the date of the Award.

Subject to the provisions of the 2022 Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of PSUs to eligible persons that do not perform investor relations activities. The number of PSUs to be awarded to any Participant shall be determined by the Board, in its sole discretion, in accordance with the 2022 Plan. Each PSU shall, contingent upon the attainment of the performance criteria within the performance cycle, represent one Share.

The Board will select, settle and determine the performance criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An award agreement may provide the Board with the right to revise the performance criteria and the award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the performance criteria unfair unless a revision is made.

All PSUs will vest and become payable to the extent that the performance criteria set forth in the award agreement are satisfied in the performance cycle, the determination of which satisfaction shall be made by the Board on the determination date. No PSU may vest before the date that is one year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2022 Plan) and the Participant ceases to be an Eligible Person, all PSUs granted to such Participant shall become fully vested in such Participant (without regard to the attainment of any performance criteria) and shall become payable to the Participant in accordance with the 2022 Plan.

Other than as may be set forth in the applicable award agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all PSUs granted to the Participant under the 2022 Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all PSUs granted to the Participant which have not vested will, unless the award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant becomes afflicted by a disability, all PSUs granted to the Participant under the 2022 Plan will continue to vest in accordance with the terms of such PSUs; provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all PSUs granted to the Participant under the 2022 Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Payment to Participants in respect of vested PSUs shall be made after the determination date for the applicable award and in any case within ninety-five (95) days after the last day of the performance cycle to which such award relates. The Company shall, at the sole discretion of the Board, either: (a) issue to the Participant the number of Shares equal to the number of PSUs that have vested on the Determination Date; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2022 Plan) on the next trading day after the determination date of the PSUs that have vested, net of applicable withholdings.

Deferred Share Units

A DSU is a right granted to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the 2022 Plan and the applicable award agreement, and which may be paid in cash and/or Shares. DSUs may not be granted to any Participant performing investor relation activities.

Subject to the provisions of the 2022 Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of DSUs to directors in lieu of fees (including annual Board retainers, chair fees, meeting attendance fees or any other fees payable to a director) or to

other eligible persons as compensation for employment or consulting services. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the 2022 Plan. The number of DSUs shall be specified in the applicable award agreement. Each director may elect to receive any or all of his or her fees in DSUs under this 2022 Plan.

The number of DSUs shall be calculated by dividing the amount of Fees selected by a director by the Market Unit Price (as defined in the 2022 Plan) on the grant date (or such other price as required under the Exchange Policies) which shall be the 10th business day following each financial quarter end. Any fractional DSU shall be rounded down and no payment or other adjustment will be made with respect to the fractional DSU.

No Deferred Share Units may vest before the date that is one year following the date of the award of the DSU.

Each participant shall be entitled to receive, after the effective date that the Participant ceases to be an eligible person for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date after the participant ceases to be an eligible person as the participant and the Company may agree, which date shall be no later than one year after the date upon which the participant ceases to be an eligible person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an eligible person, at the sole discretion of the Board, either: (a) that number of Shares equal to the number of vested DSUs credited to the participant's account, such Shares to be issued from treasury of the Company; or (b) a cash payment in an amount equal to the Market Unit Price on the next trading day after the Participant ceases to be an eligible person of the vested DSUs, net of applicable withholdings.

In the event that the value of a DSU would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the DSUs will be made to the Participant with reference to the five (5) trading days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).

Upon death of a Participant holding DSUs that have vested, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with the 2022 Plan to the Participant upon such Participant ceasing to be an eligible person.

General Provisions of the 2022 Plan

Non-Transferability

No Option or Performance-Based Award and no right under any such Option or Performance-Based Award shall be assignable, alienable, saleable, or transferable by a participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the Exchange Policies. No Option or Performance-Based Award and no right under any such Option or Performance-Based Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Black-out Periods

In the event that the date provided for expiration, redemption or settlement of an award falls within a blackout period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed material information, the expiry date, redemption date or settlement date, as applicable, of the award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the blackout period which shall occur promptly following general disclosure of the undisclosed material information. Notwithstanding the foregoing, there will be no extension of any award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law.

Deductions

Whenever cash is to be paid in respect of DSUs, RSUs or PSUs, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. The Company is authorized to withhold any payment due under any Award or under the 2022 Plan until the Participant has paid or made arrangements for the payment of the amount of any withholding taxes due in respect of an Award, its exercise, or any payment under such Award or under this 2022 Plan. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by, all in accordance with the Exchange Policies by delivering an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

Amendments to the 2022 Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of Shareholders, amend, suspend, terminate or discontinue the 2022 Plan and may amend the terms and conditions of any Options or Performance-Based Awards granted hereunder, subject to:

- (a) any required disinterested shareholder approval to (A) reduce the exercise price of an Award issued to an insider or (B) extend the term of an Option granted to an insider, in either event in accordance with the policies of the TSXV;
- (b) any required approval of any applicable regulatory authority or the TSXV; and
- (c) any approval of Shareholders as required by the TSXV Policies or applicable law, provided that Shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to (except that the TSXV may require approval of the Shareholders for amendments pursuant to Sections iii to vii below):
 - i. amendments of a "housekeeping nature";
 - ii. amendments for the purpose of curing any ambiguity, error or omission in the 2022 Plan or to correct or supplement any provision of the 2022 Plan that is inconsistent with any other provision of the 2022 Plan;
 - iii. amendments which are necessary to comply with applicable law or the requirements of the TSXV;

- iv. amendments respecting administration and eligibility for participation under the 2022 Plan;
- v. amendments to the terms and conditions on which Option or Performance-Based Awards may be or have been granted pursuant to 2022 Plan including amendments to the vesting provisions and terms of any Options or Performance-Based Awards;
- vi. with the exception of Options granted to persons performing investor relations activities, amendments which alter, extend or accelerate the terms of vesting applicable to any Options or Performance-Based Awards; and
- vii. changes to the termination provisions of an Option, Performance-Based Award or the 2022 Plan which do not entail an extension beyond the original fixed term.

Term

The 2022 Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in the 2022 Plan.

Obtaining a copy of the 2022 Plan

Upon request, the Company will promptly provide a copy of the 2022 Plan free of charge to a Shareholder. A Shareholder may contact the Company at its registered and records office at c/o 900 - 885 West Georgia Street, Vancouver, British Columbia V6C 3H1, to request a copy.

Re-Approval of the 2022 Plan

At the Meeting, Shareholders will be asked to re-approve the following ordinary resolution (the “**2022 Plan Resolution**”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the 2022 Plan Resolution:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the Company’s current 2022 equity incentive plan, including approval of a 10% rolling plan for stock options and a fixed plan of 1,862,871 common shares for performance-based awards of restricted share units, performance share units and deferred share units, adopted by the board of directors of the Company effective as of November 10, 2022 (the “**2022 Plan**”), in the form attached as Schedule “A” to the management information circular of the Company dated November 10, 2022, be and is hereby ratified, confirmed and approved, and the Company has the ability to grant awards under the 2022 Plan;
2. the board of directors (the “**Board**”) of the Company is hereby authorized to make such amendments to the 2022 Plan from time to time, as may be required by the applicable regulatory authorities, or as may be considered appropriate by the Board, in its sole discretion, provided always that such amendments be subject to the approval of the regulatory authorities, if applicable, and in certain cases, in accordance with the terms of the 2022 Plan, the approval of the Shareholders; and
3. any one director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such

other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as, in the opinion of such director or officer of the Company, may be necessary or desirable to carry out the terms of the foregoing resolutions.

Management recommends that Shareholders vote for the approval of the 2022 Plan. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the 2022 Plan Resolution.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at Suite 410 - 885 Dunsmuir Street Vancouver, British Columbia V6C 1N5, to request copies of the Company's financial statements and related MD&A. Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available at www.sedar.com.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

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

Dated at Vancouver, British Columbia this 17th day of November 2023.

ON BEHALF OF THE BOARD OF DIRECTORS OF

PACIFIC ARC RESOURCES LTD.

"John MacPhail"

John MacPhail

President, Chief Executive Officer and Director

