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INFORMATION CIRCULAR
as at September 5, 2023 (except as otherwise indicated)

This Information Circular (the “Circular” or the “Information Circular”) is furnished in connection with the solicitation of proxies by the management Indico Resources Ltd. (the “Company” or “Indico”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on Friday, October 13, 2023, at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

In this Circular, references to the “Company”, “Indico”, “we” and “our” refer to Indico Resources Ltd. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. “Registered Shareholder” means a shareholder who holds Common Shares in their, or its, own name and is registered on the share register of the Company as of the Record Date.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies (each, a “Proxy”) will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company has arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

In accordance with the requirements of NI 54-101, the Company distributes copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the “Meeting Materials”) to Intermediaries for onward distribution to Beneficial Shareholders. The Company does not send Meeting Materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

Appointment of Proxyholders

The individuals named in the Proxy are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

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

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;

- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Trust Company of Canada ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9;
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number and the holder's 15-digit control number; or
- (c) use the internet through the website of the Company's transfer agent at www.investoryvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's 15-digit control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "intermediary"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your

name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting or to have an alternate representative duly appointed to attend the Meeting and to vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it using one of the following methods:

- (a) execute a proxy bearing a later date or execute a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1055 West Georgia Street, Suite 1500, PO Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) attend the Meeting in person and vote the registered shareholder’s Common Shares.

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

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and the ratification and approval of adoption of the Company's new form 10% "rolling" share option plan, a share consolidation, a shares for debt transaction with issue of shares to Insiders of the Company, the creation of a control person, and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "Board") has fixed September 5, 2023, as the Record Date for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

The Company is listed on the NEX Board of the TSX Venture Exchange under stock symbol "IDI.H".

The Company is authorized to issue an unlimited number of Common Shares, each Common Share carrying the right to one vote. As of September 5, 2023 there were 147,003,489 Common Shares without par value issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, other than the below, there were no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at September 5, 2023 Record Date.

Shareholder Name⁽¹⁾	Number of Common Shares Held	Percentage of Issued Common Shares
CDS & Co. NCI Account	63,200,982 ⁽¹⁾	42.99%
ARUNTANI SAC	40,000,000 ⁽²⁾	27.21%
SHC GROUP PTE LTD	27,678,751 ⁽³⁾	18.83%

Notes:

⁽¹⁾ The above information has been furnished by Computershare Investor Services Inc.

⁽²⁾ CDS & Co. is a share depository, the beneficial ownership of which is unknown to the Company. The above information has been furnished to the Company by Computershare Investor Services Inc.

⁽³⁾ Common Shares issued by the Company pursuant to a settlement agreement between the Company and SHC Group Pte Ltd to settle certain liabilities upon the completion of the acquisition by the Company of Indico Peru by Aruntani SAC.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the years ended May 31, 2022 and May 31, 2021, the report of the Company's auditor thereon, and the Management's Discussion and Analysis related thereto, was filed under the Company's SEDAR+ corporate profile at www.sedarplus.ca on December 22, 2022, and will be placed before the Meeting.

ELECTION OF DIRECTORS

The Board presently consists of three directors and the Board has set the number of Directors to comprise the Board for the ensuing year at three. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCBCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Advance Notice Provisions

The Articles of the Company contains an Advance Notice Provision. Shareholders of the Company approved the Company's Articles that includes the Advance Notice Provision at the Company's annual general and special meeting held on November 24, 2015.

The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

The Advance Notice Provision requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision. A copy of the Articles containing the Advance Notice Provision was filed on March 24, 2016 under the Company's profile on SEDAR at www.sedarplus.ca.

The Company has not received notice of a nomination in compliance with its Articles and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCBCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected or appointed.

The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at September 5, 2023:

Name of Nominee; Current Position with the Company and Province or State and Country of Residence ⁽¹⁾	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽²⁾
Brian Kerzner ⁽⁴⁾⁽⁶⁾⁽⁷⁾ Interim President, Chief Executive Officer and Director British Columbia, Canada	See "Occupation, Business or Employment of Director Nominees" below.	Since October 18, 2012	175,000 ⁽³⁾
Robert Parsons ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ Director British Columbia, Canada	See "Occupation, Business or Employment of Director Nominees" below.	Since October 18, 2012	157,500
Timothy Moody ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ Director Bristol, UK	See "Occupation, Business or Employment of Director Nominees" below.	July 29, 2016	Nil

Notes:

- (1) For each nominee's principal occupation, business or employment, please see "Occupation, Business or Employment of Director Nominees" below. The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) The information as to Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (3) Mr. Kerzner holds these common shares through Immaculate Confection Ltd., a private company owned and controlled by Mr. Kerzner.

- (4) Member Audit Committee.
- (5) Member Compensation Committee.
- (6) Member Corporate Governance and Nominating Committee.
- (7) Member Sustainability and Community Relations Committee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**

Occupation, Business or Employment of Director Nominees

Brian Kerzner – Interim President, Chief Executive Officer and Director

Mr. Kerzner has over 27 years of experience as a successful entrepreneur in retailing and real estate. Mr. Kerzner is the Founder and President of Rocky Mountain Chocolate Factory Canada Inc., which operates retail chocolate stores from coast to coast in Canada. He has also founded several other private companies that have completed extensive residential and commercial development in Toronto, Phoenix, Whistler and Vancouver. Mr. Kerzner has been extensively involved in providing seed capital for many successful public and private companies in the resources, environmental and technology sectors. He is a member of the BC Children's Hospital Circle of Care and is actively involved in many other charitable organizations. Mr. Kerzner is also a director of Pan Global Resources Inc. and Prism Resources Inc. and was a Director of Norsemont Mining Inc.

Mr. Kerzner is an Honours graduate of the University of Toronto Bachelor of Commerce (B.Com) program.

Robert Parsons –Director

Mr. Parsons is a Chartered Accountant and retired PricewaterhouseCoopers partner after a career spanning 34 years. He currently serves on the Advisory Board of the Indonesian Mining Association and the International Affairs Committee of the Prospectors and Developers Association of Canada. He has served on the boards of the PDAC (1985-2003), the Indonesian Mining Association, the Canada Indonesia Chamber of Commerce, the World Mines Ministries Forum, the Canadian Minerals Industry Federation, the Advisory Council of the Centre for Resource Studies at Queen's University, and the Professional Advisory Board of the Government of Canada's Petroleum Monitoring Agency. Mr. Parsons is an active independent consultant in developing countries, where he has advised nineteen governments on mineral policy matters. Mr. Parsons is also a director of Kennady Diamonds Inc. and Prism Resources Inc.

Timothy Moody – Director

Mr. Moody has over 30 years of experience in the mining industry, including mineral exploration, resource assessment, business development, strategy and government relations. This includes 24 years with Rio Tinto from 1992 to 2015. During 2005-2010, he was exploration Director for the Project Generation Group and the Asia Region, and from 2010 to 2015, he was Vice President and Director for Business Development. Mr. Moody has an impressive track record in discovery of mineral resources and commercial transactions in Australia, Asia, Latin America, Africa, Europe and North America. This includes leading the teams in identification and exploration of several projects now in feasibility and/or production in Peru, including Mina Justa, Constancia, La Granja, Corani and Ollachea. As Director of Business Development at Rio Tinto, his responsibilities included corporate strategy, M&A and public market transactions. His work in the international arena has provided him an impressive network of business and government contacts.

Mr. Moody has a Bachelor of Science with Honours from the University of New England, a graduate of the Senior Leadership Program from the London Business School, a graduate of the Business Leadership Development Program from the Australian Graduate School of Management, and is a Fellow of the Society of Economic Geologists.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than set out below, no proposed director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;

- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

A Cease Trade Order was issued by the British Columbia Securities Commission on October 4, 2019 against the Company for failure to file its annual audited financial statements for the year ended May 31, 2019, its annual management's discussion and analysis for the year ended May 31, 2019 and its certification of annual filings for the year ended May 31, 2019. The Company filed its May 31, 2019 annual financial documents on July 15, 2021. This CTO was revoked by the British Columbia Securities Commission on March 31, 2022.

A Cease Trade Order was issued by the British Columbia Securities Commission on October 5, 2022 against the Company for failure to file its annual audited financial statements for the year ended May 31, 2022, its annual management's discussion and analysis for the year ended May 31, 2022 and its certification of annual filings for the year ended May 31, 2022. The Company filed its May 31, 2022 annual financial documents on December 22, 2022. This CTO was revoked by the British Columbia Securities Commission on July 13, 2023.

At the date of this Information Circular, the Company is up to date with its audited year end and interim financial statement filings.

The Company was transferred to the NEX Board effective on February 23, 2021. Under TSX Venture Exchange bulletin dated February 19, 2021, trading in the shares of the Company will remain suspended and members are prohibited from trading in the securities of the Company during the period of the suspension or until further notice.

APPOINTMENT OF AUDITOR

Smythe LLP, Chartered Professional Accountants, will be nominated at the Meeting for re appointment as auditor of the Company. Smythe LLP was first appointed auditors of the Company on June 24, 2010.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

The Audit Committee's Charter

The Audit Committee has a charter. A copy of the audit committee charter is attached as Schedule A to this Information Circular.

Composition of the Audit Committee

The current members of the Audit Committee are Brian Kerzner, Robert Parsons and Timothy Moody. NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current audit committee members, Robert Parsons and Timothy Moody are "independent" within the meaning of NI 52-110.

As defined under NI 52-110, a member of the audit committee is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Company's audit committee are financially literate as that term is defined in NI 52-110.

Relevant Education and Experience

See disclosure for each Audit Committee member, which is set out above under heading “*Occupation, Business or Employment of Director Nominees*”.

All members of the Audit Committee have:

- an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- 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 issuer’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

See the Audit Committee Charter for specific policies and procedures for the engagement of non-audit services. A copy of the audit committee charter is attached as Schedule A to this Information Circular.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Smythe LLP, Chartered Professional Accountants, to the Company to ensure auditor independence. Fees incurred with Smythe LLP, Chartered Professional Accountants, for audit and non-audit services in the last two fiscal years ended May 31, 2022 and May 31, 2021 are outlined in the following table:

Nature of Services	Year Ended May 31, 2022	Year Ended May 31, 2021
Audit Fees ⁽¹⁾	\$15,183	\$12,000
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$15,183	\$12,000

Notes:

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

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by holding regular meetings at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

The Board is currently composed of three directors: Brian Kerzner, Robert Parsons and Timothy Moody, of whom only Brian Kerzner is non-independent as he is the Interim President and CEO of the Company.

Directorships

Directors who are currently serving on boards of other reporting companies (or equivalent) are set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Brian Kerzner	Pan Global Resources Inc. Prism Resources Inc. Xiana Mining Inc.	TSXV TSXV TSXV
Robert Parsons	Pan Global Resources Inc. Prism Resources Inc.	TSXV TSXV
Timothy Moody	Mirasol Resources Ltd. Pan Global Resources Inc. Prism Resources Inc. Xiana Mining Inc.	TSXV TSXV TSXV TSXV

Orientation and Continuing Education

New directors are briefed on the Company’s current property holdings, ongoing exploration programs, overall strategic plans, short, medium and long term corporate objectives, financials status, general business risks and mitigation strategies, and existing company policies. There is no formal orientation for new members of the Board. This is considered to be appropriate, given the Company’s size and current level of operations, the ongoing interaction amongst the directors and the low director turn-over. However, if the growth of the Company’s operations warrants it, it is possible that a formal orientation process would be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly in the natural resource sector and involving non-Canadian mineral properties. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with

management's assistance. The directors are advised that, if a director believes that it would be appropriate to attend any continuing education event for corporate directors, the Company will pay for the cost thereof. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

Ethical Business Conduct

On September 24, 2015, the Board adopted the Code for its directors, officers and employees. The Board also established a new Share Trading Policy, which prescribes rules with respect to trading in securities of the Company where there is any undisclosed material information or a pending material development. Strict compliance with the provisions of this policy will be required, with a view to enhancing investor confidence in the Company's securities and contributing to ethical business conduct by the Company's personnel. The full text of these standards are available free of charge to any person upon request to the Company at mailing address: 3552 West 41st Avenue, P.O. Box 71030, Vancouver, British Columbia V6N 4J9, Tel. 604-803-4883.

In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the BCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Company's management is continually in contact with individuals involved in the mineral exploration industry and public sector resource issuers. From these sources the Company has made numerous contacts and in the event that the Company were in a position to nominate any new directors, such individuals would be brought to the attention of the Board. The Company conducts the due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve.

The Board has a Corporate Governance and Nominating Committee. The current members of the Corporate Governance and Nominating Committee are Brian Kerzner (Chair), Robert Parsons and Timothy Moody. The Charter of the Corporate Governance and Nominating Committee can be obtained by Shareholders upon request from the Company. The Corporate Governance and Nominating Committee shall: 1) establish criteria for selecting new directors which shall reflect, among other facts, a candidate's integrity and business ethics, strength of character, judgment, experience, and independence, as well as factors relating to the composition of the Board, including its size and structure, the relative strengths and experience of current board members and principles of diversity; 2) consider and recruit candidates to fill new positions on the Board; 3) review any candidate recommended by the shareholders of the Company; 4) be responsible for conducting appropriate inquiries to establish a candidate's compliance with the independent and other qualification requirements established by this Committee; 5) assess the contributions of current directors in connection with the annual recommendation of a slate of nominees and at that time review the criteria for Board candidates in the context of the evaluation process and other perceived needs of the Board; and 6) recommend the director nominees for election by the shareholders.

Sustainability and Community Relations Committee

The Board has a Sustainability and Community Relations Committee. The members of the Sustainability and Community Relations Committee are Brian Kerzner (Chair), Robert Parsons and Timothy Moody. The main purpose of the Sustainability and Community Relations Committee are: i) to provide the Board with a mechanism to review mineral exploration properties; ii) to assist the Board in carrying out its responsibilities by having responsible persons to ensure that the Company's activities are conducted in an environmentally and socially responsible manner and in a manner that respects the communities in which we work; and iii) to ensure the Company maintains the integrity of its health, safety, security, environment and community relations policies.

Other Board Committees

The current Board committees are the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Sustainability and Community Relations Committee.

Assessments

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section “Named Executive Officer” (an “NEO”) means the Chief Executive Officer (the “CEO”), the Chief Financial Officer (the “CFO”) and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

The current NEOs of the Company are Brian Kerzner, Interim President, CEO and a director of the Company, and Scott M. Ross, Chief Financial Officer and Corporate Secretary of the Company. The directors who are not NEOs are Robert Parsons and Timothy Moody.

Director and NEO Compensation

Table of Compensation, Excluding Compensation Securities

The following table of compensation, excluding options and compensation securities, of compensation provide a summary of the compensation paid by the Company to NEOs and directors of the Company for the four financial years ended May 31, 2022 and May 31, 2021. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” in this Information Circular.

Table of compensation excluding compensation securities

Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brian Kerzner, Interim President, CEO and a director	2022 2021	30,000 10,000	Nil Nil	Nil 6,667	Nil Nil	Nil Nil	30,000 16,667
Robert Baxter, ⁽¹⁾ former CEO, President and director	2022 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Scott M. Ross ⁽²⁾ CFO and Corporate Secretary	2022 2021	36,000 36,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	36,000 36,000
Timothy Moody, director	2022 2021	Nil Nil	Nil Nil	10,000 10,000	Nil Nil	Nil Nil	10,000 10,000
Robert Parsons, director	2022 2021	Nil Nil	Nil Nil	10,000 10,000	Nil Nil	Nil Nil	10,000 10,000

Notes:

⁽¹⁾ Robert Baxter served as CEO and President of the Company from July 10, 2019 to February 11, 2021. Mr. Baxter served as a director of the Company from August 14, 2021 to February 11, 2021.

⁽²⁾ Scott Ross provides management services through Skibo Capital Corp., a company 100% owned by Scott Ross.

Compensation Discussion and Analysis

The Company is a junior resource company listed on the Exchange and its prime business is the acquisition and exploration of mineral properties.

The Board has established a Compensation Committee, and has adopted a written charter for the Compensation Committee, effective September 22, 2012. The current members of the Compensation Committee are Robert Parsons (Chair) and Timothy Moody. Both members of the Compensation Committee are independent directors.

There is no written position description for the Chair of the Compensation Committee. However, as a general statement, the Chair is responsible for setting the tone for the work of the Compensation Committee, ensuring that members have the information needed to do their jobs, overseeing the logistics of the Compensation Committee's operations, reporting to the Board on the committee's decisions and recommendations and setting the agenda for the meetings of the Compensation Committee.

The Compensation Committee is responsible for assisting the Board in monitoring, reviewing and approving compensation policies and practices of the Company and its subsidiaries and administering the Share Option Plan. With regard to the CEO, the Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives and making recommendations to the Board with respect to the CEO's compensation level based on this evaluation. In consultation with the CEO, the Compensation Committee makes recommendations to the Board on the framework of executive remuneration and its cost and on specific remuneration packages for each of the directors and officers other than the CEO, including recommendations regarding awards under equity compensation plans.

The Compensation Committee has the authority to engage and compensate, at the expense of the Company, any outside advisor that it determines to be necessary to permit it to carry out its duties (including compensation consultants and advisers). Other than as set out in this Information Circular, the Company has not retained any outside consultants or advisors.

General Compensation Strategy

The Compensation Committee has not formally considered the implications of the risks associated with the Company's compensation policies and practices. The executive officers of the Company are compensated in a manner consistent with their respective contributions to the overall benefit of the Company, and in line with the criteria set out below.

Executive compensation is based on a combination of factors, including a comparative review of information provided to the Compensation Committee by compensation consultants, recruitment agencies and auditors (if any) as well as historical precedent. The Compensation Committee has not felt it necessary to retain any compensation consultants or other compensation advisers in respect of any prior fiscal years. In the case of a mineral exploration company such as the Company, the ability to determine and carry out generative programs based on new geological theories or concepts in previously unexplored areas, the ability to source and secure promising mineral properties, the ability to raise the necessary capital to explore such properties and maintain the Company's ongoing activities, the ability to focus the Company's resources and to appropriately allocate such resources to the benefit of the Company as a whole, the ability to ensure compliance by the Company with applicable regulatory requirements and the ability to carry on business in a sustainable manner are considered by the Compensation Committee to be of primary importance in assessing the performance of its executive officers.

The Compensation Committee has not established a formal set of benchmarks or performance criteria to be met by Named Executive Officers, rather, the members of the Compensation Committee use their own assessments of the success (or otherwise) of the Company, both absolutely or in relation to companies they consider to be its peers, to determine, collectively, whether or not the executive officers are successfully achieving the Company business plan and strategy and whether they have over, or under, performed in that regard. The Compensation Committee has not established any set or formal formula for determining executive officer compensation, either as to the amount thereof or the specific mix of compensation elements.

Except as prohibited by law, the Named Executive Officers and directors are not currently prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or

indirectly, by a Named Executive Officer or director. To the Company's knowledge, no executive officer or director of the Company has entered into or purchased such a financial instrument.

Executive Compensation Program

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. In determining the overall executive compensation, the Compensation Committee and the Board aims to establish a balance between annual compensation consisting of salary and bonus and long-term incentives in the form of stock options.

Compensation for fiscal year 2022 has been based upon an executive's performance and level of expertise and responsibilities. Stock options are issued as an incentive for performance.

Elements of Executive Compensation

The Company's executive officer total compensation is composed of three major components: base salary, a short-term incentive bonus and long-term incentives.

Base Salary or Fees

Executives are engaged either directly or through executive services companies and are paid a monthly consulting fee for their services. Base fees of the Company's executive officers are determined through the annual assessment of each individual's performance and experience and other factors the Board and Compensation Committee consider to be relevant, including prevailing industry demand for personnel having comparable skills and performing similar duties, the compensation the individual could reasonably expect to receive from a competitor and the Company's ability to pay.

Compensation Review Process & Risks Associated with the Company's Compensation Practices

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

Short-Term Incentive Bonus

Annual bonuses may be awarded at the sole discretion of the Board, based on recommendations of the Compensation Committee, for individual achievements, contributions or efforts that the Compensation Committee has determined can reasonably be expected to have a positive impact on the value of the Company to shareholders.

The Company did not pay any bonuses to its Named Executive Officers in the financial year ended May 31, 2022.

Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Stock Options and Other Compensation Securities

Long-Term Incentives – Stock Options

The Compensation Committee or the Board may grant stock options on an annual basis to directors, executive officers and senior managers under the Company's Share Option Plan.

The Share Option Plan is an important part of the Company's long-term incentive strategy for its officers and directors, permitting them to participate in appreciation of the market value of the common shares over a stated period of time. The Share Option Plan is intended to help attract and retain employees by providing them with an opportunity to participate in the future success of the Company and to reinforce commitment to long-term growth in profitability and shareholder value. The Share Option Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and employees. The Board believes that the Share Option Plan aligns the interests of the executive officers and the Board with shareholders by linking a component of executive compensation to the longer term performance of the common shares.

In determining the number of stock options to be granted to the executive officers and directors, the Board or the Compensation Committee, as the case may be, takes into account the number of stock options, if any, previously granted to each executive officer and director and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange.

The number of stock options granted to officers and directors is also dependent on each officer's and director's level of responsibility, authority and importance to the Company and to the degree to which such officer's or director's long term contribution to the Company will be key to its long term success.

In monitoring or adjusting the option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance (where possible), its assessment of individual contribution to shareholder value and previous option grants. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Share Option Plan.

Share Option Plan (Option-Based Awards)

The Company has a 10% rolling share option plan dated for reference November 5, 2021 (the "2021 Share Option Plan") which was approved for adoption by the shareholders of the Company at the Company's annual general meeting held on December 15, 2021.

The 2021 Share Option Plan is a 10% maximum rolling plan. Options granted under the 2021 Share Option Plan are not exercisable for a period longer than 10 years and the exercise price must be paid in full upon exercise of the option.

The 2021 Share Option Plan is subject to the following restrictions:

- (a) the Company must not grant an option to any one individual director, officer, employee, management company employee, consultant or company consultant (the "Service Provider") in any 12 month period that exceeds 5% of the outstanding shares, unless the Company has obtained approval to do so by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders' meeting, excluding votes attaching to shares beneficially owned by insiders and their associates ("Disinterested Shareholder Approval");
- (b) the aggregate number of options granted to a Service Provider conducting investor relations activities in any 12 month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, without the prior consent of the TSXV;
- (c) the Company must not grant an option to any one individual consultant in any 12 month period that exceeds 2% of the outstanding shares calculated at the date of the grant of the option, without the prior consent of the TSXV;
- (d) the aggregate number of Common Shares reserved for issuance under options granted to insiders must not exceed 10% of the outstanding Common Shares (in the event that the 2021 Share Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (e) the aggregate number of Common Shares issued for option to insiders in any 12 month period must not exceed 10% of the outstanding Common Shares (in the event that the 2021 Share Option Plan is amended to reserve for issuance more than 10% of the outstanding Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (f) the issuance to any one Optionee within a 12 month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Company has obtained Disinterested Shareholder Approval to do so;
- (g) any one Person engaged in Investor Relations Activities for the Company must vest in stages over a 12 month period with no more than 1/4 of the Options vesting in any three month period; and
- (h) the exercise price of an option previously granted to an insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so.

Material Terms to the 2021 Share Option Plan

The following is a summary of the material terms of the 2021 Share Option Plan:

- (a) persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the 2021 Share Option Plan;
- (b) options granted under the 2021 Share Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;

- (c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) if there is a takeover bid for all or any of the issued and outstanding Common Shares, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall become exercisable in full to enable the Optioned Shares to be issued and tendered to such bid, subject to prior written approval of the TSXV;
- (e) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (f) if an Optionee dies, any vested option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (g) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (h) the exercise price of each option will be set by the Board at the time such Option is allocated under the 2021 Share Option Plan, and cannot be less than the Discounted Market Price (as defined in the 2021 Share Option Plan);
- (i) vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or any of its affiliates during the vesting period;
- (j) the 2021 Share Option Plan contains a black-out provision restricting all or any of the Company's Service Providers to refrain from trading in the Company's securities until the restriction has been lifted by the Company;
- (k) no vesting requirements will apply to options granted under the 2021 Share Option Plan other than as required by TSXV policies; however, a four month hold period will apply to all Common Shares from the date of grant for all Options granted to:
 - (i) insiders of the Company; or
 - (ii) where Options are granted to any Service Provider, including Insiders, where the exercise price is at a discount to the Market Price; and
- (l) the Board reserves the right in its absolute discretion to amend, modify or terminate the 2021 Share Option Plan with respect to all common shares in respect of options which have not yet been granted under the 2021 Share Option Plan. Any amendment to any provision of the 2021 Share Option Plan will be subject to any necessary Regulatory approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the 2021 Share Option Plan to Service Providers.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the 2021 Share Option Plan may be made by the Board without further shareholder approval.

The 2021 Share Option Plan also provides that the Board may, without shareholder approval:

- (i) amend the 2021 Share Option Plan to correct typographical, grammatical or clerical errors;
- (ii) change the vesting provisions of an option granted under the 2021 Share Option Plan, subject to prior written approval of the TSXV, if applicable;
- (iii) change the termination provision of an Option granted under the 2021 Share Option Plan if it does not entail an extension beyond the original expiry date of such Option;

- (iv) make such amendments to the 2021 Share Option Plan as are necessary or desirable to reflect changes in securities laws applicable to the Company;
- (v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (vi) amend the 2021 Share Option Plan to reduce, and not to increase, the benefits of the 2021 Share Option Plan to Service Providers.

Pursuant to the Board's authority to govern the implementation and administration of the 2021 Share Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the 2021 Share Option Plan.

Adoption of New Form Share Option Plan

On January 6, 2023, the Company adopted a new form 10% “rolling” share option plan In order to comply with the TSX Venture Exchange New Policy 4.4, governing security based compensation.

Refer below to “**PARTICULARS OF MATTERS TO BE ACTED UPON – Ratification of New Option Plan**”.

Incentive Plan Awards

Outstanding Option-based Awards

There were no outstanding stock options of any of the Directors or Named Officers of the Company during financial year ended May 31, 2022.

Exercise of Compensation Securities by NEOs and Directors

No compensation securities were exercised by any Director or Named Executive Officer of the Company during financial year ended May 31, 2022.

Employment, Consulting and Management Agreements

Brian Kerzner and Scott Ross provide consulting services to the Company. Mr. Kerzner is paid \$2,500 per month. The commencement date of Mr. Kerzner providing services to the Company was effective the date Mr. Kerzner was appointed to the position as CEO of the Company.

Scott Ross is paid \$3,000 per month. The fees for Mr. Ross commenced on January 1, 2019. Mr. Ross provides services through Skibo Capital Corp., a company 100% owned by Mr. Ross.

Director Compensation

Each director is entitled to participate in any security-based compensation arrangement or other plan adopted by the Company from time to time with the approval of the Board. The directors are reimbursed for expenses incurred on the Company’s behalf. In addition, during the fiscal year ended May 31, 2022,

Named Executive Officers who also act as directors of the Company do not receive any additional compensation for services rendered in such capacity, other than as paid by the Company to such Named Executive Officers in their capacity as executive officers.

The Company recognizes the contribution that its directors make to the Company and seeks to compensate them accordingly. The Compensation Committee is responsible for making recommendations as to director compensation for the Board’s consideration and ultimate approval.

An annual retainer of \$500 per committee meeting was paid to those independent directors who provided additional services to the Company as committee members.

Each director is entitled to participate in any security-based compensation arrangement or other plan adopted by the Company from time to time with the approval of the Board. The directors are reimbursed for expenses incurred on the Company’s behalf. In addition, the Company compensates its non-executive directors by paying them \$2,500 per quarter for their services as directors, in recognition of the fact that service as a director in an active resource exploration company such as the Company requires a significant commitment of time and effort, as well as the assumption of increasing liability.

NEOs who also act as a director of the Company do not receive any additional compensation for services rendered in such capacity, other than as paid by the Company to such NEO in their capacity as an executive officer.

Pension Plan Benefits

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Share Option Plan is the only equity compensation plan under which securities are authorized for issuance.

The following table sets forth information with respect to the Share Option Plan as at the year ended May 31, 2022:

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - the Share Option Plan	Nil	N/A	N/A
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	Nil		N/A

Note: Based on the total number of shares authorized for issuance under the Company's Share Option Plan, less the number of stock options outstanding as at May 31, 2022.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out in this Information Circular, to the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any interest, director or indirect, in any transaction since the commencement of the Company's financial year ended May 31, 2022 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

"Informed Person" means:

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

MANAGEMENT CONTRACTS

Other than set out in this Information Circular, there are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Ratification of New Option Plan

The 2021 Option Plan described above in this information circular “*Statement of Executive Compensation – Stock Options and Other Compensation Securities*” is the currently existing share option plan of the Company. The 2021 Option Plan is a “rolling” share option plan under which up to 10% of the outstanding shares from time to time may be subject to option grants, and does not specify a fixed and specific number of Common Shares that may be reserved for issuance thereunder. The policies of the TSXV require that a “rolling” share option plan receive yearly shareholder ratification at a company’s annual general meeting.

On November 24, 2021, the TSXV adopted a new policy 4.4 governing security based compensation (“**New Policy 4.4**”). The changes to the policy generally relate to the expansion of the policy to cover a number of types of security based compensation in addition to stock options. In order to comply with the New Policy 4.4, the Company has determined to adopt a new form of Share Option Plan (the “**New Option Plan**”). The New Option Plan is also a “rolling” share option plan under which up to 10% of the outstanding shares from time to time may be subject to option grants, and does not specify a fixed and specific number of Common Shares that may be reserved for issuance thereunder. The New Option Plan will govern option grants made after the date of the adoption of the New Option Plan. Grants made under the 2021 Option Plan will be deemed to have been made under the New Option Plan and will be governed by the New Option Plan after the date the New Option Plan is ratified by the Shareholders at the Meeting.

The New Option Plan is also a rolling share option plan pursuant to which up to 10% of the outstanding shares may be reserved for issue from time to time, less the number of shares reserved for issue under any other share compensation arrangement (which includes the 2021 Option Plan). As the Company is currently on the NEX Board of the TSX Venture Exchange, under the terms of the NEX provisions under the New Option Plan, in accordance with the NEX policy, so long as the Company remains a NEX Issuer, the Company is not permitted to grant or issue any Security Based Compensation other than Options. The TSX Venture Exchange has conditionally approved the Company’s New Share Option Plan, subject to shareholder approval at the Meeting. A copy of the New Share Option Plan is attached as Schedule B to this Information Circular.

Material Terms of New Option Plan

Capitalized terms used but not otherwise defined below shall have the meanings ascribed to such terms in the New Option Plan.

1. **Service Provider** – Service Providers are eligible for awards of Options under the New Option Plan. “**Service Provider**” means a person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers.
2. **Maximum Shares** – The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan, together with all other Security Based Compensation Plans at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, the NEX Policies).

3. **Limitations on Issue** –

The New Option Plan provides for the following limits on grants unless otherwise permitted pursuant to the policies of the TSX Venture (or NEX, as the case may be):

- (a) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture (or NEX, as the case may be), any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
- (b) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based

Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

- (c) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company may not exceed 10% of the Outstanding Shares at any point in time;
 - (d) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and
 - (e) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not receive any Security Based Compensation other than Options, without the prior consent of the TSX Venture (or NEX, as the case may be).
4. Exercise Price – The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the New Option Plan, and cannot be less than the Discounted Market Price (as defined in TSXV Exchange Policy 1.1).
5. Vesting of Options - Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the New Option Plan, in the absence of a vesting schedule being specified at the time of grant, Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:
- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
 - (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.
6. Vesting of Options Granted to Investor Relations Service Providers - Options granted to Investor Relations Service Providers will vest such that:
- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
 - (b) no more than 25% of Options vest no sooner than six months after the Options were granted;
 - (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
 - (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.
7. Term of Option – The term of an Option will be set by the Board at the time such Option is allocated under the New Option Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.
8. Optionee Ceasing to be a Director, Employee or Service Provider – Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:
- (a) in the case of the death of an Optionee, any vested Option held by him/her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
 - (b) an Option granted to any Participant will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Termination Date, and only to the extent that such Option was vested at the Termination Date; and

- (c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.
- 9. Non-Assignability of Options – Except in the case of death of an Optionee, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.
- 10. Amendment of the New Option Plan by the Board of Directors - Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion amend, or modify the New Option Plan or any Option granted as follows:
 - (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
 - (b) amendments of a housekeeping nature;
 - (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture (or NEX, as the case may be); and
 - (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.
 - (e) it may change the vesting provisions of an Option granted pursuant to the New Option Plan, subject to prior written approval of the TSXV, if applicable;
 - (f) it may change the termination provision of an Option granted pursuant to the New Option Plan which does not entail an extension beyond the original Expiry Date of such Option or 12 months from termination;
- 11. Amendments Requiring Disinterested Shareholder Approval - The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
 - (a) the New Option Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Shares at any time;
 - (ii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or
 - (iii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or
 - (b) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.
- 12. Take Over Bid - If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding other applicable vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies (or by the NEX Policies, as the case may be).
- 13. Extension of Options During Black-out Period - The New Option Plan also contains provision for a "Black-out Period". Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for an Option will not apply where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.
- 14. Cashless Exercise – The New Option Plan also contains a "cashless exercise" or "net exercise" basis. "Cashless exercise" is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. "Net exercise" is a method of option

exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. The current market price must be the 5-day volume weighted average trading price prior to option exercise. “Net exercise” may not be utilized by persons performing investor relations services.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider, and if thought fit, ratify, confirm and approve by way of an ordinary resolution to adopt the New Option Plan, the full text of which is set out below.

“RESOLVED as an ordinary resolution that:

1. the New Option Plan dated for reference September 6, 2023, be ratified, confirmed and approved until the next annual general meeting of the Company;
2. the number of Common Shares of the Company reserved for issuance under the New Option Plan shall not exceed 10% of the Company’s issued and outstanding share capital as set out in the New Option Plan;
3. to the extent permitted by law, the Company be authorized to abandon all or any part of the New Option Plan if the Board deems it appropriate and in the best interests of the Company to do so; and
4. any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution is a resolution passed by the Shareholders of the Company at a general meeting by simple majority of the votes cast in person or by proxy.

In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution. A copy of the New Option Plan is attached hereto as Schedule B to this Information Circular and will be available for inspection at the Meeting.

The Board recommends that shareholders vote in favour of the New Share Option Plan.

B. Consolidation

In order to facilitate future financings, the Board wishes to effect a consolidation of the Company’s issued share capital on the basis of forty (40) pre-consolidation Common Shares for one (1) post-consolidated Common Share, (the “Consolidation”), subject to approval of the NEX Board of the TSX Venture Exchange. Under subsection 7.1 of TSX Venture Exchange Policy 5.8 – *Issuer Names, Issuer name Changes, Share Consolidations and Splits*, all security consolidations are subject to TSX Venture Exchange acceptance. In addition, the Exchange will require Shareholder approval for any security consolidation which, when combined with any other security consolidation conducted by an Issuer within the previous 24 months that was not approved by its Shareholders, would result in a cumulative consolidation ratio of greater than 10 to 1 over such 24 month period.

As of the September 5, 2023 record date, a total of 147,003,489 Common Shares in the capital of the Company were issued and outstanding. There is currently no maximum number of authorized Common Shares and on effecting the consolidation there will continue to be no maximum number of authorized Common Shares.

The Company’s Common Shares (defined herein as Common Shares) are the class of shares subject to the Consolidation.

As set out in Section 83 of the BCBCA, if any fractional Common Shares are to be converted into whole Common Shares, each fractional Common Share remaining after conversion that is less than one-half of a Common Share will be cancelled and each fractional Common Share that is at least one-half of a Common Share will be changed to one whole Common Share.

The Consolidation will affect all Common Share shareholders uniformly and will not change a shareholder’s proportionate interest in the Company except to the extent that the Consolidation would otherwise result in any shareholder owning a fractional share. In the event that a shareholder would otherwise be entitled to receive a fractional share after the consolidation, such fractional shares remaining after conversion that is less than one-half of a Common Share will be cancelled and each fractional Common Share that is at least one-half of a Common Share will be changed to one whole Common Share.

The Board (along with Management of the Company) does not anticipate that the Company's name will be changed. If Shareholder and Exchange approval to the Consolidation is obtained, the Consolidation will take place following the Meeting at such time as the Board may determine. The Board may, in its discretion, determine whether or not to proceed with the Consolidation ratio set out in the table below without further approval, ratification or confirmation by the Shareholders.

Shareholders of the Company will be asked to approve the consolidation of its current issued and outstanding Common Shares on a basis of forty (40) pre-consolidation Common Shares for one (1) post-consolidated Common Share, with the final consolidation remaining after conversion that is less than one-half of a Common Share will be cancelled and each fractional Common Share that is at least one-half of a Common Share will be changed to one whole Common Share.

Consolidation Ratio	Post-Consolidation - Number of Outstanding Common Shares
40:1	3,675,087

Shareholders of the Company will be asked to approve the Consolidation. Pursuant to the BCA a share consolidation requires approval by ordinary resolution of the shareholders. An ordinary resolution is passed by a simple majority of the votes cast by shareholders at the Meeting. The Consolidation is also subject to applicable regulatory approval, including the approval of the NEX Board of the TSX Venture Exchange.

In order to effect the Consolidation, Shareholders will be requested to consider and, if thought fit, to pass the resolution in substantially the form of the below ordinary resolution (the "Consolidation Resolution").

"RESOLVED as an ordinary resolution, with or without variation, that:

- (a) the authorized share structure of the Company be altered by consolidating all of the issued and outstanding Common Shares without par value on the basis of forty (40) pre-consolidation Common Share for one (1) post-consolidated Common Share, with the final consolidation ratio to be determined by the Board;
- (b) any fractional Common Shares resulting from the consolidation of the Common Shares shall be converted to whole Common Shares pursuant to the provisions of Section 83 of the BCBCA;
- (c) notwithstanding that the foregoing resolutions have been duly passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, without further approval or authorization of the shareholders of the Company, to revoke any or all of these resolutions at any time prior to their being acted upon;
- (d) any director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and deliver, or cause to be delivered, any necessary documents, and to do all such other acts or things as in the opinion of such director or officer of the Company as may be necessary or desirable in order to carry out the intent of the foregoing resolutions; and
- (e) upon the date determined by the board of directors, the resolutions described herein shall be deposited at the Company's records office."

The Board recommends you vote in favour of the Consolidation Resolution.

Proxies received in favour of management will be voted in favour of the Consolidation Resolution, unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.

C. Shares for Debt

The Company proposes to settle a debt (the "**Debt**") in the total amount of CDN\$3,292,908.06 in exchange by the issuance of 25,627,806 post-consolidated Common Shares of the Company at a deemed price of CDN\$0.15 per post-consolidated Common Share. In circumstances where the Company elects to proceed with the share consolidation referenced above in a timely manner, the shares issued to settle the Debt would be issued on a post-consolidated basis determined in accordance with the policies of the NEX Board of the TSX Venture Exchange (the "**Transaction**"), including shares issued to the below Insiders of the Company. The Debt was incurred/accrued through a combination of accrued management fees and outstanding loans. The Company is proposing to issue the debt settlement Shares to preserve cash to fund future operations. The Company's board of directors believes that the Transaction is necessary to provide the Company with a clean balance sheet to attract new capital and to acquire new interests.

Debt to Insiders of the Company

Brian Kerzner, CEO and Director

Accrued Management Fees: \$199,928.00

Loan Payable: \$2,007,007.19

TOTAL: \$2,206,935.19

Currently, Brian Kerzner through Immaculate Confection Ltd., a private company owned and controlled by Brian Kerzner, indirectly owns 175,000 pre consolidation Common Shares, representing 0.12% of the current outstanding common shares. On completion of the Transaction when done on a post-consolidation basis, Brian Kerzner through Immaculate Confection Ltd. will increase his shareholdings to 14,717,276 Common Shares, representing 57.42% of the then outstanding Common shares.

Scott Ross, CFO

Accrued Management Fees through Skibo Capital Corp., a private company owned and controlled by Scott Ross: \$177,000.00

Loan Payable: \$30,782.50

TOTAL: \$207,782.50

Currently, Skibo Capital Corp. owns nil pre-consolidation Common Shares, and Scott Ross directly owns 150,000 pre consolidation Common Shares, representing 10% of the current outstanding Common Shares. On completion of the Transaction when done on a post-consolidation basis, Scott Ross will increase his indirect holdings through Skibo Capital Corp. to 1,180,000 shares and his direct shareholdings to 208,967 shares, for total combined shareholdings of 1,388,967 Common Shares, representing 5.4% of the then outstanding Common Shares.

Robert Parsons, Director

Accrued Management Fees: \$138,565.00

Loan Payable: \$13,000.00

TOTAL: \$151,565.00

Currently, Robert Parsons directly owns 157,500 pre consolidation Common Shares, representing 0.11% of the current outstanding common shares. On completion of the Transaction when done on a post-consolidated basis, Robert Parsons will increase his direct shareholdings to 1,014,371 Common Shares, representing 3.96% of the then outstanding Common Shares.

Tim Moody, Director

Accrued Management Fees: \$70,923.91

Loan Payable: \$3,000.00

TOTAL: \$73,923.91

Currently, Tim Moody directly owns Nil pre consolidation Common Shares. On completion of the Transaction if done on a pre-consolidation basis, Tim Moody will hold directly 492,826 Common Shares, representing 1.92% of the then outstanding Common Shares.

Peggy Wu, former Chief Financial Officer

Accrued Management Fees through Blue Pegasus Consulting Ltd., a private company owned and controlled by Peggy Wu: \$253,078.75

Loan Payable: \$20,000.00 through Blue Pegasus Consulting Ltd.

TOTAL: \$273,078.75

Currently, Peggy Wu owns 220,000 pre-consolidation Common Shares directly. On completion of the Transaction when done on a post-consolidated basis, Blue Pegasus Consulting Ltd. will hold 1,959,358 Common Shares, representing 7.65% of the then outstanding Common Shares.

Erin Walmsley, former Corporate Secretary

Management fees: \$141,750.00 through Bayswater Consulting Ltd., a private company owned and controlled by Erin Walmsley

Currently, Bayswater Consulting Ltd. owns 35,000 pre-consolidation Common Shares and Erin Walmsley owns 85,000 pre-consolidation Common Shares directly. On completion of the Transaction when done on a post-consolidated basis

Blue Pegasus Consulting Inc. will hold 948,000 Common Shares, representing 3.70% of the then outstanding Common Shares.

The above named Insiders are each a related party of the Company, pursuant to TSX Venture Exchange Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*; and MI 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), and the settlement of the Debt for Common Shares of the Company, constitutes a “related party transaction”. As the Company is listed on the NEX Board of the TSX Venture Exchange, the Transaction is exempt from the formal valuation requirements of MI 61-101 by virtue of Section 5.5(b) – *Issuer Not Listed on Specified Markets*. However, the Transaction is subject to the minority shareholder approval requirements of MI 61-101. Therefore, at the Meeting, shareholders will be asked, to vote on the resolution (the “**Shares for Debt Resolution**”) to approve the issuance of 1) 14,712,901 post-consolidated Common Shares to Brian Kerzner, 2) the issuance of 1,385,217 post-consolidated Common Shares to Scott Ross; 3) the issuance of 1,010,433 post-consolidated Common Shares to Robert Parsons; 4) the issuance of 492,826 post-consolidated Common Shares to Tim Moody; 5) the issuance of 1,953,858 post-consolidated Common Shares to Blue Pegasus Consulting Inc., and 5) the issuance of 945,000 post-consolidated Common Shares to Bayswater Consulting Ltd., all share issuances in settlement of the Debt. The independent Directors of the Company have reviewed the proposed Transaction. The independent Directors concluded that the Company does not have the financial resources to settle the outstanding indebtedness; the Transaction would improve the financial position of the Company, and is in the best interests of the Company. There is no prior valuation in respect of the Company as contemplated by MI 61-101.

MI 61-101 requires that the information circular used in connection with seeking minority approval to a related party transaction shall include the disclosure required by Form 62-104F2 (Issuer Bid Circular) as applicable. In this regard, in addition to information otherwise set out herein the, Company discloses that:

- (a) the Common Shares of the Company trade on the NEX Board of the TSX Venture Exchange;
- (b) the Market Price (as defined in National Instrument 62-104) of the Common Shares of the Company as at the date hereof is \$0.005;
- (c) in the 12 months preceding the date hereof the Company did not purchase or sell Common Shares of the Company;
- (d) there are no plans or proposals for material changes in the affairs of the Company; and
- (e) the most recent interim financial statements of the Company will be sent out without charge to any security holder requesting same.

Shares for Debt Resolution

Accordingly, the shareholders will be asked at the Meeting to consider, and if thought fit, to pass, with or without variation, a resolution of disinterested shareholders, authorizing and approving the Transaction, substantially in the form below:

“BE IT RESOLVED as an ordinary resolution of disinterested shareholders that:

- (a) In settlement of a total of CDN\$3,292,908.06 of debt owing, the Company be and is hereby authorized to issue, either:
 - i. a total of 25,627,806 post-consolidated common shares at a deemed price of CDN\$0.15 per common share; or
 - ii. post-consolidated common shares having a deemed price which complies with the policies of the NEX Board of the TSX Venture Exchange;
- (b) any director and/or officer of the Company be and is hereby authorized and directed in the name of and on behalf of the Company to take all such actions, do all such things, enter into, execute and deliver or cause to be delivered all such documents, agreements and writings, as such director/officer may in his/her sole discretion deem necessary or advisable in connection with any of the matters referred to in the preceding resolution, or in respect thereof, or in connection with any actions to be taken by the Company in the performance and fulfillment of its obligations as contemplated by the matters referred to in the preceding resolution, and the execution by an officer or director of the Company shall be conclusive evidence of their authority to act on behalf of the Company; and

- (c) notwithstanding that this resolution has been duly passed by the shareholders, the board of directors is hereby authorized and empowered, if it decides not to proceed with this resolution, to revoke this resolution in whole or in part at any time prior to it being given effect without further notice to, or approval of, the shareholders.”

Approval of the Shares for Debt Resolution will require “minority approval” as that term is defined in MI 61-101. For such purposes 175,000 Indirect Common Shares owned or controlled by Brian Kerzner, 150,000 Common Shares owned or controlled by Scott Ross, 157,500 Common Shares owned or controlled by Robert Parsons, 220,000 Common Shares owned or controlled by Peggy Wu, and 120,000 Common Shares owned or controlled by Erin Walmsley, will be excluded from voting.

Implementation of the Shares for Debt Resolution remains subject to the acceptance of the NEX Board of the TSX Venture Exchange.

Subject to shareholder approval of the Shares for Debt Resolution and the NEX Board of the TSX Venture Exchange approval of the foregoing debt settlement and presuming no further shares are acquired or disposed of, 1) Brian Kerzner, shall own 14,717,276 post-consolidated Common Shares which will be equal to 57.42% of the post-consolidated issued and outstanding voting shares of the Company, 2) Scott Ross shall own 208,967 post-consolidated Common Shares which will be equal to 5.4% of the post-consolidated issued and outstanding voting shares of the Company; 3) Robert Parsons shall own 1,014,371 post-consolidated Common Shares which will be equal to 3.96% of the post-consolidated issued and outstanding voting shares of the Company; 4) Tim Moody shall own 492,826 post-consolidated Common Shares which will be equal to 1.92% of the post-consolidated issued and outstanding voting shares of the Company, 5) Blue Pegasus Consulting Inc. shall own 1,959,358 post-consolidated Common Shares which will be equal to 7.65% of the post-consolidated issued and outstanding voting shares of the Company, and 6) Bayswater Consulting Ltd. shall own 948,000 post-consolidated Common Shares which will be equal to 3.70% of the post-consolidated issued and outstanding voting shares of the Company.

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE THE PROXIES IN FAVOUR OF THE ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS TO APPROVE THE SHARES FOR DEBT RESOLUTION.

D. Creation of Control Person

Under the policies of the TSXV, a “Control Person” is defined as any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or that holds more than 20% of the outstanding voting shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer. Pursuant to the policies of the TSXV, if a transaction will result in the creation of a new Control Person, the TSXV will require the Company to obtain Shareholder approval of the transaction on a disinterested basis excluding any shares held by the proposed new Control Person and its associates and affiliates.

As a result of the issuance of Common Shares to Brian Kerzner under the shares for debt referenced above, as of the date of this Circular, Immaculate Confection Ltd., a private company owned and controlled by Brian Kerzner, holds 175,000 Common Shares, or 0.12% of the Company’s issued and outstanding Common Shares.

Of the 14,717,276 post-consolidated Common Shares held by Brian Kerzner, 14,712,901 post-consolidated Common Shares will be acquired in connection with the Shares for Debt transaction. Following the Shares for Debt, it is expected that Brian Kerzner will hold 14,717,276 Common Shares, which will be equal to 57.42% of the post-consolidated issued and outstanding voting shares of the Company. As a result, upon the completion of the Shares for Debt, Brian Kerzner will become a Control Person of the Company.

Shareholders will be asked at the Meeting to consider and, if thought fit, to approve the following resolution (the “Control Person Resolution”), which must be approved by at least a simple majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting.

In order for the Control Person Resolution to be effective, it must be approved by a resolution passed by a majority of the votes cast by disinterested Shareholders present in person or represented by proxy at the Meeting. **For such purposes 175,000 Common Shares of Immaculate Confection Ltd., a private company owned or controlled by Brian Kerzner, will be excluded from voting.**

"BE IT RESOLVED as an ordinary resolution of disinterested shareholders that:

1. the creation of a new Control Person (as such term is defined in the policies of the TSX Venture Exchange) of Indico Resources Ltd. (the "Company"), being Brian Kerzner, resulting from the issuance of 14,712,901 post-consolidated Common Shares in the share capital of the Company to be issued as part of a Shares for Debt, is hereby authorized and approved; and
2. any one director or officer of the Company is hereby authorized and directed on behalf of the Company to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions."

MANAGEMENT OF THE COMPANY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE CONTROL PERSON ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS AT THE MEETING. THE PERSONS NAMED IN THE FORM OF PROXY ACCOMPANYING THIS CIRCULAR INTEND TO VOTE IN FAVOUR OF THE CONTROL PERSON RESOLUTION IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company concerning the Company and its operations is available on SEDAR+ at www.sedarplus.ca. Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year. Copies of this information are available either on SEDAR+ or by contacting the Company at mailing address: 3552 West 41st Avenue, P.O. Box 71030, Vancouver, British Columbia Canada V6N 4J9 Telephone: 604 803-4883, to request copies of the Company's consolidated financial statements and MD&A. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

The contents of this Information Circular and its distribution to shareholders has been approved by the Board.

DATED at Vancouver, British Columbia, September 15, 2023.

BY ORDER OF THE BOARD

/s/ "Brian Kerzner"

Brian Kerzner
Chief Executive Officer

SCHEDULE A
AUDIT COMMITTEE CHARTER

AUDIT COMMITTEE CHARTER

1. Purpose

The overall purpose of the Audit Committee (the “Committee”) is to:

- (a) ensure that the management of Indico Resources Ltd. (the “Company”) has designed and implemented an effective system of internal financial controls for reviewing and reporting on the Company’s financial statements;
- (b) oversee, review and report on the integrity of the Company’s financial disclosure and reporting;
- (c) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts; and
- (d) be directly responsible for:
 - (i) the selection of a firm of external auditors to be proposed for election as the external auditors of the Company,
 - (ii) the oversight of the work of the Company’s external auditors, and
 - (iii) subject to the grant by the shareholders of the authority to do so, if required, fixing the compensation of the external auditors of the Company.

2. Composition, Procedures and Organization

- 2.1 The Committee will consist of at least three members of the Board of Directors (the “Board”), the majority of whom will be “independent”¹ and “unrelated directors”² of the Company within the meaning of all applicable legal and regulatory requirements (except in the circumstances, and only to the extent, permitted by all applicable legal and regulatory requirements).
- 2.2 All of the members of the Committee will be “financially literate”³, at least one member of the Committee will have accounting or related financial expertise (i.e. able to analyze and interpret a full set of financial statements, including the notes thereto, in accordance with generally accepted accounting principles) and at least one member of the Committee will be a “financial expert” within the meaning of the rules and forms adopted by the Securities and Exchange Commission (except in the circumstances, and only to the extent, permitted by all applicable legal and regulatory requirements).
- 2.3 The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, will appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

¹ Whether a director is “independent” will be determined in accordance with all applicable laws and regulations, including the applicable securities laws of Canada and the United States and the regulations and policies of any stock exchange or quotation system on which the Company’s securities are listed or quoted.

² “unrelated director” means a director who is: (a) not a member of management and is free from any interest and any business, family or other relationship which could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the issuer, other than interests and relationships arising solely from holdings in the issuer, (b) not currently, or has not been within the last three years, an officer, employee of or material service provider to the issuer or any of its subsidiaries or affiliates; and (c) not a director (or similarly situated individual) officer, employee or significant shareholder of an entity that has a material business relationship with the issuer. A chair or vice chair of the board of directors who is not a member of management is not, for that reason alone, a related director.

³ An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally compatible to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

- 2.4 Unless the Board has appointed a chair of the Committee, the members of the Committee will elect a chair from among their number.
- 2.5 The Committee will select an individual to act as secretary for the Committee, who will be either:
- (a) a member of the Committee other than the chair, or
 - (b) another individual who is not a member of the management of the Company.
- 2.6 The quorum for meetings will be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. Decisions by the Committee will be by the affirmative vote of a majority of the members of the Committee, or by consent resolutions in writing signed by each member of the Committee.
- 2.7 The Committee will have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- 2.8 Meetings of the Committee will be conducted as follows:
- (a) the Committee will meet:
 - (i) at least quarterly, and
 - (ii) may meet as many additional times:
 - A. as deemed necessary or appropriate by the Committee,
 - B. upon request by any member of the Committee, the Chief Executive Officer, the Chief Financial Officer or the external auditors,
- in each case at such times and at such locations as may be determined by the Committee or the chair of the Committee. Except in respect of a regularly scheduled meeting of the Committee, notice of such meeting, together with a proposed agenda, will be delivered to each member of the Committee not less than forty-eight (48) hours prior to the proposed meeting time (which notice may be waived by all of the members of the Committee); and
- (b) the external auditors and management representatives will be invited to attend as necessary in the discretion of the Committee.
- 2.9 The internal accounting staff, any external accounting consultant(s) and the external auditors will have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in, or consultant of, the Company as it deems necessary, and any employee of, or consultant to, the Company may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.
- 2.10 The Committee may, in its sole discretion, retain, at the expense of the Company, such legal, financial or other advisors or consultants as it may deem necessary or advisable in order to properly and fully perform its duties and responsibilities hereunder.
- 3. Duties and Responsibilities**
- 3.1 The overall duties and responsibilities of the Committee will be as follows:
- (a) be directly responsible for:
 - (i) the selection of a firm of external auditors to be proposed for election as the external auditors of the Company,
 - (ii) the oversight of the work of the Company's external auditors, and
 - (iii) subject to the grant by the shareholders of the authority to do so, if required, fixing the compensation of the external auditors of the Company;

- (b) to review with the management of the Company (and, in the case of the annual audited statements, with the external auditors) the annual audited consolidated and unaudited consolidated quarterly financial statements, including the notes thereto, to ensure that such statements present fairly the financial position of the Company and the results of its operations and, if appropriate, to recommend to the Board as to the approval of any such financial statements;
- (c) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements;
- (d) to establish and maintain a direct line of communication with the Company's internal accounting staff and any external accounting consultant(s) and assess their performance;
- (e) to ensure that the management of the Company has designed, implemented and is maintaining an effective and appropriate system of internal financial controls; and
- (f) to report regularly to the Board on the fulfilment of its duties and responsibilities.

3.2 The duties and responsibilities of the Committee as they relate to the external auditors will be as follows:

- (a) to select a firm of external auditors to be proposed by management of the Company to the shareholders for election by the shareholders as the external auditors for the Company, and to verify the independence of such proposed external auditors;
- (b) to review and approve the fee, scope and timing of the annual and any other audit performed by the external auditors;
- (c) to review and evaluate the qualifications, performance and independence of the lead partner of the external auditors of the Company;
- (d) to discuss with management of the Company the timing and process for implementing the rotation of the lead audit partner and the reviewing partners of the external auditors of the Company;
- (e) to obtain confirmation from the external auditors of the Company that they will report directly to the Committee;
- (f) to obtain confirmation from the external auditors of the company that they will report in a timely matter to the Committee all critical accounting policies and practices to be used, all alternative accounting policies and practices, the ramifications of each of such accounting policies and practices and the accounting policy and practice preferred by the external auditors of the Company, for the financial information of the Company within applicable generally accepted accounting principles ("GAAP") which have been discussed with management of the Company and will provide a copy of all material written communications between the external auditors of the Company and management of the Company including, without limitation, any management letter or schedule of unadjusted differences;
- (g) obtain confirmation from the external auditors of the Company that they will ensure that all reports filed under the United States *Securities Exchange Act of 1934*, as amended, which contain financial statements required to be prepared in accordance with Canadian GAAP and/or are reconciled to, United States GAAP, reflect all material correcting adjustments identified by the external auditors of the Company;
- (h) to review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditors of the Company;
- (i) to review and pre-approve all non-audit services to be provided to the Company (or any of its subsidiaries) by the external auditors, provided that such pre-approval authority may be delegated by the Committee to any member of the Committee who is "independent" and "unrelated" on the condition that any such pre-approval must be presented to the Committee at its first schedule meeting following any such approval;
- (j) review the audit plan of the external auditors prior to the commencement of the audit;

- (k) to review with the external auditors, upon completion of their annual audit:
 - (i) the contents of their report,
 - (ii) the scope and quality of the audit work performed,
 - (iii) the adequacy of the Company's financial and accounting personnel,
 - (iv) the co-operation received from the Company's personnel and any external consultants during the audit,
 - (v) the scope and nature of the internal resources used,
 - (vi) any significant transactions outside of the normal business of the Company,
 - (vii) any significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems, and
 - (viii) the non-audit services provided by the external auditors during the year under audit;
- (l) to discuss with the external auditors not just the acceptability, but also the quality, of the Company's accounting principles; and
- (m) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

3.3 The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal accounting, the use of and services provided by any external accounting consultant(s), insurance, information services and systems and financial controls, management reporting and risk management, and to ensure that the Company maintains:
 - (i) the necessary books, records and accounts in reasonable detail to accurately and fairly reflect the Company's financial transactions,
 - (ii) effective internal control systems, and
 - (iii) adequate processes for assessing the risk of material misstatement of the financial statements and for detecting control weaknesses or fraud;
- (b) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and
 - (ii) the confidential, anonymous submission by employees or any external consultants of the Company of concerns regarding questionable accounting or auditing matters;
- (c) to periodically review this policy and recommend to the Board any changes which the Committee may deem appropriate;
- (d) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company;
- (e) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal accounting staff, by any external accounting consultant(s) or by the external auditors have been implemented;
- (f) assist in the preparation of any internal control report by management, which provides that management of the Company is responsible for establishing and maintaining an adequate control structure and procedures for financial reporting by the Company, assessing the effectiveness of such

control structure and procedures, and ensuring that the external auditors of the Company attest to, and report on, the assessment of such control structure and procedures by management of the Company;

- (g) assist the Chief Executive Officer and the Chief Financial Officer of the Company in their assessment of the effectiveness of the Company's internal control over financial reporting and in determining whether there has been any material change in the Company's internal control over financial reporting which has materially affected or could materially affect such internal control subsequent to the date of the evaluation; and
- (h) assist the Chief Executive Officer and the Chief Financial Officer of the Company in identifying and addressing any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial information and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

3.4 The Committee is also charged with the responsibility to:

- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
- (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form (if any);
 - (iii) any quarterly or annual management discussion and analysis;
 - (iv) prospectuses; and
 - (v) other public reports requiring approval by the Board,
- and report to the Board with respect thereto including, without limitation, as to the approval (or otherwise) thereof by the Board;
- (c) review regulatory filings and decisions as they relate to the Company's consolidated annual and interim financial statements, including any press releases with respect thereto;
- (d) ensure that the Company discloses in the periodic reports of the Company, as appropriate, whether at least one member of the Committee is a "financial expert" within the meaning of the rules and forms adopted by the Securities and Exchange Commission;
- (e) ensure that all non-audit services approved by or on behalf of the Committee are disclosed in the periodic reports of the Company;
- (f) ensure that each annual report and, to the extent required by any applicable legal or regulatory requirement, any quarterly report of the Company includes disclosure with respect to all material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities which may have a current or future effect on the Company in accordance with all applicable legal and regulatory requirements;
- (g) ensure that all financial statements and other financial information, including pro forma financial information, included in any report filed by the Company with any regulatory authority or contained in any public disclosure or press release of the Company is presented in a manner which does not contain a material misstatement or omission and reconciles the pro forma information contained therein to Canadian GAAP, and if appropriate, reconciles such pro forma information contained therein to United States GAAP, and which otherwise complies with all applicable legal and regulatory requirements;
- (h) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (i) review and report on the integrity of the Company's consolidated financial statements;

- (j) review the minutes of any audit committee meeting of any subsidiaries of the Company;
- (k) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (l) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts; and
- (m) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board within a reasonable time following each annual general meeting of shareholders.

3.5 The Committee shall have the authority to determine:

- (a) subject to the grant by the shareholders of the authority to do so, if required, the compensation to be received by the external auditors of the Company in connection with all audit services, and non-audit services, to be performed by the auditors;
- (b) the compensation to be received by any legal, financial or other advisors or consultants engaged by the Committee to assist it in performing its duties and responsibilities hereunder; and
- (c) the appropriate funding for the ordinary administrative expenses of the Committee.

4. General

4.1 The Committee will:

- (a) prepare any report or other disclosure, including any recommendation of the Committee, required by any applicable legal or regulatory requirement to be included in the annual proxy or information circular of the Company;
- (b) review this Charter at least annually and recommend any changes herein to the Board;
- (c) report the activities of the Committee to the Board on a regular basis and make such recommendations thereto as the Committee may deem necessary or appropriate; and
- (d) prepare and review with the Board an annual performance evaluation of the Committee, which performance evaluation must compare the performance of the Committee with the requirements of this Charter and be conducted in such manner as the Committee deems appropriate. Such report to the Board may be in such form as the Committee determines, which may include being in the form of an oral report by the chair of the Committee or by another member of the Committee designated by the Committee to make such report.

4.2 No member of the Committee will receive any compensation from the Company, other than fees for being a director of the Company, or a member of a committee of the Board.

4.3 In addition to the foregoing, the Committee will perform such other duties as may be assigned to it by the Board from time to time or as may be required by any applicable stock exchanges, regulatory authorities or legislation.

SCHEDULE B
NEW FORM SHARE OPTION PLAN

INDICO RESOURCES LTD.
(the “Company”)

SHARE OPTION PLAN

Dated for Reference October 13, 2023

ARTICLE 1
PURPOSE AND INTERPRETATION

Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Black-out Period** means a period during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any Black-out Period must expire following the general disclosure of the undisclosed material information;
- (c) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (d) **Cause** means “Just Cause” as defined in the Participant’s employment agreement or agreement for services with the Company or one of its subsidiaries, or if such term is not defined or if the Participant has not entered into an employment agreement or agreement for services with the Company or one of its subsidiaries, then any circumstance that would permit the Company or one of its subsidiaries to terminate a Participant’s employment or agreement for services without notice of termination, or payment in lieu of notice of termination, severance pay or benefits continuation under the applicable law;
- (e) **Change of Control** means the occurrence of any of:
 - (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Company or any of its Affiliates) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to

exercise control or direction over, securities of the Company representing 50% or more of the then issued and outstanding voting securities of the Company in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Company with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;

(ii) the sale, assignment or other transfer of all or substantially all of the assets of the Company to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Company);

(iii) the occurrence of a transaction requiring approval of the Company's security holders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Company);

(iv) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or

(v) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or NEX, as the case may be);

(g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its successors according to law;

(h) **Consultant** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or any of its subsidiaries) or Company that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Company, as the case may be; and

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;

(i) **Date of Termination** means, for a Participant, the last day that the Participant actively provides services to the Company or a subsidiary of the Company without regard to any notice of termination or pay in lieu of notice thereof, deemed or notional notice period, or period during which the Participant receives pay in lieu of notice, termination pay, severance payments, or salary continuance, whether pursuant to statute, agreement, common law or otherwise;

(j) **Director** means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;

- (k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (l) **Disinterested Shareholder Approval** has the meaning assigned by Policy 4.4 § 5.3(b) and (c) of the TSX Venture Policies;
- (m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (n) **Effective Date** for an Option means the date of grant thereof by the Board;
- (o) **Employee** means:
- (i) an individual who is considered an employee of the Company or of its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
 - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Service Provider** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (u) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

- (v) **Management Company Employee** means an individual employed by a company providing management services to the Company which services are required for the ongoing successful operation of the business enterprise of the Company;
- (w) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (x) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (y) **NEX Issuer** means a company listed on NEX;
- (z) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (aa) **Officer** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (bb) **Option** means the right to purchase Common Shares granted hereunder to a Participant under this Security Based Compensation Plan;
- (cc) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Participant and substantially in the form of Schedule A attached hereto;
- (dd) **Optioned Shares** means Common Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (ee) **Optionee** means the recipient of an Option hereunder;
- (ff) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (gg) **Participant** means a Service Provider that is the recipient of Security Based Compensation granted or issued by the Company;
- (hh) **Person** includes a company, any unincorporated entity, or an individual;
- (ii) **Plan** means this security based share option plan, the terms of which are set out herein or as may be amended;
- (jj) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under this Plan as provided in §2.2;
- (kk) **Promoter** has the meaning given to such term in TSX Venture Policies;
- (ll) **Regulatory Approval** means the approval of the TSX Venture (or NEX, as the case may be) and any other securities regulatory authority that has lawful jurisdiction over this Plan and any Options issued hereunder;
- (mm) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;

- (nn) **Security Based Compensation** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (oo) **Security Based Compensation Plan** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (pp) **Service Provider** means a Person who is a Director, Officer, Employee, Management Company Employee, or Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (qq) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (rr) **Take Over Bid** means a take over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (ss) **TSX Venture** means the TSX Venture Exchange and any successor thereto;
- (tt) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time; and
- (uu) **VWAP** means the volume-weighted average trading price of the Common Shares on the TSX Venture calculated by dividing the total value by the total volume of the Common Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSX Venture may exclude internal crosses and certain other special terms trades from the calculation.

Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in this Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, the NEX Policies).

Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 SHARE OPTION PLAN

Establishment of Share Option Plan

2.1 This Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

Maximum Plan Shares

2.2 The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan, together with all other Security Based Compensation Plans, at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, the NEX Policies).

Eligibility

2.3 Options to purchase Common Shares may be granted hereunder to Participants from time to time by the Board. Participants that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture (or NEX, as the case may be) and the Company is obtained.

Options Granted Under this Plan

2.4 All Options granted under this Plan will be evidenced by an Option Commitment substantially in the form attached as Schedule A (or in such other form as determined by the Company) showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

2.6 In accordance with the NEX policy, so long as the Company remains a NEX Issuer, the Company is not permitted to grant or issue any Security Based Compensation other than Options.

Limitations on Participation

2.7 This Plan provides for the following limits on grants unless otherwise permitted pursuant to the policies of the TSX Venture (or NEX, as the case may be):

- (i) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture (or NEX, as the case may be), any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;
- (ii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

(iii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company may not exceed 10% of the Outstanding Shares at any point in time;

(iv) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and

(v) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not received any Security Based Compensation other than Options, without the prior consent of the TSX Venture (or NEX, as the case may be).

Exercised and Unexercised Options

2.8 In the event an Option granted under this Plan is exercised, expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to this Plan and will be eligible for re-issuance.

Administration of this Plan

2.9 The Board will be responsible for the general administration of this Plan and the proper execution of its provisions, the interpretation of this Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue this Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of this Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under this Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of this Plan so delegated to the same extent as the Board is hereby authorized so to do.

Amendment of this Plan by the Board of Directors

2.10 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify this Plan or any Option granted as follows:

- (a) amendments which are of a typographical, grammatical, clerical nature only;
- (b) amendments of a housekeeping nature;
- (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture (or NEX, as the case may be); and
- (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.

Amendments Requiring Disinterested Shareholder Approval

2.11 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) this Plan, together with any other Security Based Compensation Plans, or any particular grant or issue of Security Based Compensation, could result in:
 - (i) the aggregate number of Common Shares issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Shares at any time;
 - (ii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or
 - (iii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or
- (b) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

Options Granted Under the Company's Previous Share Option Plans

2.12 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under this Plan, and cannot be less than the Discounted Market Price.

Term of Option

3.2 The term of an Option will be set by the Board at the time such Option is allocated under this Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

Option Amendment

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 In respect of any proposed amendment to the terms of an Option, and except as otherwise provided under TSX Venture Policies:

- (a) any amendment must be approved by the TSX Venture, and be subject to shareholder approval, where applicable, prior to the exercise of such Option; and
- (b) the Company must issue a news release outlining the terms of the amendment.

Vesting of Options

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under this Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Participant remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Participant remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Investor Relations Service Providers

3.7 Notwithstanding §3.6, Options granted to Investor Relations Service Providers will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than another 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

Effect of Take-Over Bid

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies (or by the NEX Policies, as the case may be).

Acceleration of Vesting on Change of Control

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities. Notwithstanding the foregoing, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV (or NEX, as the case may be).

Extension of Options Expiring During Black-out Period

3.10 Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan, provided that such automatic extension of the Expiry Date for an Option will not apply where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

Optionee Ceasing to be Director, Employee or Service Provider

3.11 Options may be exercised after the Participant has left his/her employ/office or has been advised by the Company or its subsidiary, if applicable, that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Participant will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Termination Date, and only to the extent that such Option was vested at the Termination Date; and
- (c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same.

Non Assignable

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Adjustment of the Number of Optioned Shares

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and
- (h) any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under this Plan is subject to the prior acceptance of the TSX Venture, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES

Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to this Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.5.

Cashless Exercise

4.3 Subject to the provisions of this Plan (including, without limitation §4.5 and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

- (a) excluding Options held by any Investor Relations Service Provider, a “net exercise” procedure in which the Company issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or
- (b) a broker assisted “cashless exercise” in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations a determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this §4.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with §4.5 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

4.4 In the event of a net exercise pursuant to §4.3(a) or a cashless exercise pursuant to §4.3(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in §2.2, §2.6 and §2.10 of this Plan.

Tax Withholding and Procedures

4.5 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for

which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.5 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

Delivery of Optioned Shares and Hold Periods

4.6 As soon as practicable after receipt of the notice of exercise described in §4.2 or §4.3, as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. Wherever required under TSX Venture Policies (or the NEX Policies as the case may be), an Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Directors, Officers, Promoters or Consultants of the Company;
- (b) Persons holding securities carrying more than 10% of the voting rights attached to the Company's securities both immediately before and after the transaction in which the securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company; or
- (c) where Options are granted to any Participants, including those noted in (a) and (b) above, where the Exercise Price is less than the applicable Market Price.

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the Effective Date of the grant of the Options.

ARTICLE 5 GENERAL

Employment and Services

5.1 Nothing contained in this Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company or a subsidiary of the Company, or interfere in any way with the right of the Company or a subsidiary of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in this Plan by an Optionee is voluntary.

No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of this Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Participant. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

Interpretation

5.3 This Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

Continuation of Plan

5.4 This Plan will become effective from and after October 13, 2023, and will remain effective provided that this Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to such effective date.

Amendment of this Plan

The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate this Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of this Plan will be subject to any necessary Regulatory Approvals and Shareholder Approval.

SCHEDULE A
SHARE OPTION PLAN
OPTION COMMITMENT

Notice is hereby given that, effective this _____ day of _____, 20_____, pursuant to the provisions of the Share Option Plan (the “Plan”) of **INDICO RESOURCES LTD.** (the “Company”), the Company has granted to _____ (the “Optionee”), an Option to acquire _____ Common Shares (“Optioned Shares”) up to 5:00 p.m. (Vancouver Time) on the _____ day of _____, 20____ (the “Expiry Date”), or such earlier date as determined in accordance with the terms of this Plan, at an Exercise Price of Cdn\$_____ per share.

[Optioned Shares are to vest immediately.]

OR

[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in this Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of this Plan and the records of the Company shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a “net exercise” basis or “cashless exercise” basis in accordance §4.3(a) or §4.3(b) of the Plan and the Company’s Board of Directors approves the exercise on a “net exercise” basis or “cashless exercise” basis, deliver a written notice and comply with such other conditions as established by the Company for a “net exercise” or “cashless exercise”. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

[Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [insert date 4 months from the date of grant of the Options].”

The Company and the Optionee represent that the Optionee, under the terms and conditions of the Plan, is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under the TSX Venture Policies (or under the NEX Policies, as the case may be).

The Optionee also acknowledges and consents to the collection and use of Personal Information Form (as defined in the TSX Venture Policies) by both the Company and the TSX Venture Exchange (or NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information form in use by the TSX Venture Exchange (or NEX, as the case may be) on the date of this Option Commitment.

INDICO RESOURCES LTD.

Per:

Authorized Signatory

[insert name and title of authorized signatory]

The Optionee acknowledges receipt of a copy of the Plan and represents to the Company that the Optionee is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

OPTIONEE:

Signature

Date signed:

Print Name

Address

SCHEDULE B
SHARE OPTION PLAN
NOTICE TO EXERCISE OPTIONS

INDICO RESOURCES LTD.
3552 West 41st Avenue
P.O. Box 71030
Vancouver, BC V6N 4J9
Attention: Share Option Plan Administrator

Re: Employee Share Option Exercise

Attn: Share Option Plan of INDICO RESOURCES LTD. (the "Company")

This letter is to inform the Administrator of the Company's Share Option Plan that I, _____, wish to exercise _____ options, at _____ per share, on this ___ day of _____, 20 ____.

Payment issued in favour of *[insert the name of the Company]* for the amount of \$_____ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: _____

Address: _____

Please send share certificate to:

Name: _____

Address: _____

Sincerely,

Signature of Optionee

Date

SIN Number (for T4)