

OCEANIC IRON ORE CORP.
Suite 3083 – 595 Burrard Street
Vancouver, BC, V7X 1L3
Tel: (604) 566-9080

INFORMATION CIRCULAR
*(containing information as at
November 1, 2022 unless indicated otherwise)*

**FOR THE ANNUAL GENERAL MEETING
TO BE HELD ON THURSDAY, DECEMBER 8, 2022**

Oceanic Iron Ore Corp. (the “**Company**”) is providing this management information circular (the “**Information Circular**”) and a form of proxy (a “**Proxy**”) in connection with management’s solicitation of Proxies for use at the annual general meeting (the “**Meeting**”) of the Company to be held on December 8, 2022 and at any postponement(s) or adjournment(s) thereof. Unless the context otherwise requires, when we refer in this Information Circular to the Company, any potential subsidiaries are also included.

The Company intends to hold the Meeting in person. However, due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person. The Company encourages shareholders to instead vote their shares in advance of the Meeting via mail, telephone or online. No management presentation will be made at the Meeting.

If any shareholder does wish to attend the Meeting in person, please contact (604) 566-9080 or info@oceanicironore.com in order for arrangements to be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person.

The Company may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the Management of OCEANIC IRON ORE CORP. (the "Company"), for use at the Annual General Meeting (the "Meeting"), of the Shareholders of the Company, to be held on Thursday, the 8th day of December, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. The enclosed Instrument of Proxy is solicited by Management of the Company. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of Proxy are Directors and/or Officers of the Company. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM ON HIS BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED INSTRUMENT OF PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER SHALL STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE INSTRUMENT OF PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER INSTRUMENT OF PROXY.**

A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH THE COMPANY'S REGISTRAR AND TRANSFER AGENT, COMPUTERSHARE INVESTOR SERVICES INC., 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ONTARIO, M5J 2Y1, OR BY TOLL FREE FAX AT 1-866-249-7775 NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF.

The Instrument of Proxy must be signed and dated by the Shareholder or by his attorney authorized in writing with proof of such authorization attached (where an attorney executed the proxy), or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited at the Company's Registrar and Transfer Agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed Instrument of Proxy will vote the common shares of the Company (the "**Common Shares**") in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxy holder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS INFORMATION CIRCULAR. The Instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Information Circular, the Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting, the Proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than one-half of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a Special Resolution, in which case a majority of not less than two thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, Common Shares held by Shareholders of the Company who have an interest in the motion and Common Shares held by their "associates", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders are non-registered shareholders who do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. 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 name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the Common Shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such Common Shares are voted.**

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder.

The Company has provided this Information Circular and Notice of Meeting to intermediaries for distribution to non-objecting beneficial owners (usually referred to as NOBOs for Non-Objecting Beneficial Owners). The Company will not pay for an intermediary to deliver proxy related materials and voting instruction forms to objecting Beneficial Shareholders (called OBOs for Objecting Beneficial Owners). OBOs have objected to their intermediary disclosing ownership information about themselves to the Company. Accordingly, OBOs will not receive the materials unless their intermediary assumes the costs of delivery.

The Company is not relying on the “notice-and-access” delivery procedures outlined in National Instrument 54-101 to distribute copies of the proxy related materials in connection with the Meeting.

EXECUTIVE AND DIRECTOR COMPENSATION

For the purpose of this Information Circular "NEO" or "named executive officer" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation Excluding Compensation Securities

Based on the foregoing definition, during the last completed financial year of the Company, there were two named executive officers, namely Mr. Bing Pan, Interim CEO and Mr. Chris Batalha, CFO and Corporate Secretary.

The following table provides a summary of all compensation, excluding compensation securities, paid to each NEO and director of the Company for the two most recently completed financial years ended on December 31, 2021 and 2020. Options and compensation securities are disclosed under the heading “Stock Options and other Compensation Securities” of this Form.

Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Steven Dean Executive Chairman and Director	2021	115,000 ⁽¹⁾	Nil	Nil	Nil	Nil	115,000
	2020	115,000 ⁽¹⁾	Nil	Nil	Nil	Nil	115,000
Bing Pan Interim CEO	2021	60,000 ⁽²⁾	Nil	Nil	Nil	Nil	60,000
	2020	60,000 ⁽²⁾	Nil	Nil	Nil	Nil	60,000

Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Chris Batalha CFO and Corporate Secretary	2021 2020	60,000 60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	60,000 60,000
Gordon Keep Director	2021 2020	Nil Nil	Nil Nil	10,000 12,000	Nil Nil	Nil Nil	10,000 12,000
John D. Reynolds Director	2021 2020	Nil Nil	Nil Nil	10,000 12,000	Nil Nil	Nil Nil	10,000 12,000
Cathy Chan Director	2021 2020	Nil Nil	Nil Nil	10,000 10,000	Nil Nil	Nil Nil	10,000 10,000
Thomas Lau Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

- (1) Consulting fees accrued or paid to Sirocco Advisory Services Ltd. a company controlled by Mr. Dean, for services in his role as an officer of the Company, pursuant to an agreement dated January 6, 2011, amended October 15, 2013, November 1, 2014 and January 1, 2016.
- (2) Consulting fees paid to Sinocan Consultant Hong Kong Ltd., a company controlled by Mr. Pan, for his role as interim CEO.

External Management Companies

As noted in the previous section, both Messrs. Steven Dean and Bing Pan provide services through external management companies and are not employees of the Company. Compensation paid directly to these individuals is limited to stock options and restricted share units (“RSUs”).

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued by the Company to each NEO and director of the Company during the financial year ended December 31, 2021 for services provided or to be provided, directly or indirectly, to the Company:

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class ⁽²⁾⁽³⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Steven Dean ⁽¹⁾ Executive Chairman and Director	Stock Options	250,000 / 250,000 / 0.26%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
Bing Pan Interim CEO	Stock Options	90,000 / 90,000 / 0.09%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
Chris Batalha CFO and Corporate Secretary	Stock Options	150,000 / 150,000 / 0.16%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
Gordon Keep Director	Stock Options	90,000 / 90,000 / 0.09%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
John D. Reynolds Director	Stock Options	90,000 / 90,000 / 0.09%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
Cathy Chan Director	Stock Options	90,000 / 90,000 / 0.09%	December 10, 2021	0.12	0.12	0.11	December 10, 2031
Thomas Lau Director	Stock Options	60,000 / 60,000 / 0.06%	December 10, 2021	0.12	0.12	0.11	December 10, 2031

(1) All options received by Mr. Dean related to his capacity as Executive Chairman of the Company.

(2) Percentage of class is based on 96,672,967 issued and outstanding Common Shares as at December 31, 2021.

(3) All options granted under the Stock Option Plan vest as follows: 1/3 on the grant date, 1/3 on the six-month anniversary of the grant date and 1/3 on the 12-month anniversary of the grant date.

(4) As at December 31, 2021, the NEOs and directors of the Company held the following compensation securities: Steven Dean: 2,798,000 options and 133,334 RSUs; Bing Pan: 850,000 options and 37,334 RSUs; Chris Batalha: 1,455,000 options and 37,334 RSUs; Gordon Keep: 950,000 options and 19,334 RSUs; John D. Reynolds: 877,500 options and 38,667 RSUs; Cathy Chan: 630,000 options and 58,000 RSUs; and Thomas Lau: 420,000 options and 36,157 RSUs.

No stock options were exercised by the named executive officers or the directors of the Company during the most recently completed financial year ended December 31, 2021.

Stock Option Plan

The Company has in effect a stock option plan (the "**Stock Option Plan**") in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the common shares of the Company (the "**Common Shares**") over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such executive officer's long-term contribution to the Company will be key to its long-term success. Previous grants of stock options are taken into account when considering new grants.

The Stock Option Plan was approved by Shareholders at the Company's last annual general meeting which was held on December 9, 2021.

The material terms of the Stock Option Plan are set forth below. "Consultant", "Director", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Management Company Employee", "Market Price", "Material Information", "Person" and "Securities Laws" as used below have the same definition as in the policies of the TSXV:

- (a) the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Common Shares of the Company equal to 10% of the issued Common Shares of the Company at the time of any stock option grant;
- (b) under TSXV policy, an optionee must either be an Eligible Charitable Organization or a director, officer, employee or consultant of the Company at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;
- (c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12-month period must not exceed 5% of the issued Common Shares of the Company calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (d) the aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company, calculated at the date an option is granted to the Consultant;
- (e) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Common Shares of the Company in any 12-month period, calculated at the date an option is granted to any such Person;
- (f) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3-month period;
- (g) the minimum exercise price per Common Share of a stock option must not be less than the Market Price of the Common Shares of the Company, subject to a minimum exercise price of \$0.05;
- (h) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (o) below);
- (i) stock options (other than options held by a Person involved in investor relations activities) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, Eligible Charitable Organization or Management Company Employee otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the board of directors of the Company (the "**Board**"). Stock options granted to persons involved in Investor Relations Activities will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board;
- (j) all options are non-assignable and non-transferable;
- (k) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of a stock option if the Optionee is an Insider of the Company at the time of the proposed amendment;

- (l) the Stock Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Common Shares;
- (m) upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of Shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Common Shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;
- (n) in connection with the exercise of an option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
- (o) an option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Company pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee's option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities.

Restricted Share Unit Plan

In addition to the Stock Option Plan, the Company also has a restricted share unit plan (the "**RSU Plan**"), which allows the Board to grant RSUs to certain employees and non-employee directors of the Company. The RSU Plan was approved by shareholders at the Company's annual general meeting held on November 28, 2013. The material terms of the RSU Plan include the following:

- (a) the maximum number of Common Shares to be issued in settlement of RSUs shall be limited to 19,661,823, provided that, notwithstanding the foregoing, the maximum number of Common Shares issuable pursuant to outstanding RSUs and all other security-based compensation arrangements, shall not exceed 20% of the Common Shares outstanding from time to time;
- (b) the maximum number of Common Shares issuable pursuant to outstanding RSUs and all other security-based compensation arrangements, within a 12-month period, to all participant retained to provide investor relations activities must not exceed 2% of the Common Shares outstanding from time to time.
- (c) the maximum number of Common Shares issuable pursuant to outstanding RSUs and all other security-based compensation arrangements, within a 12-month period, to any one participant shall not exceed 5% of the Common Shares outstanding from time to time.
- (d) The compensation committee of the Board (the "**Compensation Committee**") designates, upon recommendation from the CEO, from time to time and at its sole discretion, the directors, officers and key employees of the Company who are entitled to participate in the RSU Plan (the "**Participants**").
- (e) Unless otherwise indicated by the Compensation Committee upon grant, RSUs shall vest as to one-third (1/3) of the total number of RSUs granted on each of the first, second and third anniversaries of the grant date. However, the Participant may, upon written request to the Compensation Committee, require the acceleration of the terms of vesting and the Compensation Committee may, in its entire discretion, accelerate the terms of vesting of any RSUs in circumstances deemed appropriate by the Compensation Committee, being understood that the Compensation Committee will not unreasonably withhold the vesting of RSUs should the request be put forward by a Participant.

- (f) Following the vesting of RSUs, provided that the Participant, or his successor, still qualifies as a Participant on such date, the Company shall have the entire discretion of settling payment for the RSUs by any of the following methods or by a combination of such methods: payment in cash equal to the number of vested RSUs; or subject to applicable law, payment in Common Shares equal to the number of vested RSUs.

However, even if RSUs have vested, the Participant may elect to settle the RSUs at a future anniversary, which is no later than December 31st of the third calendar year following the year in which the services were rendered by the Participant.

- (g) A Participant shall not have any of the rights or privileges of a shareholder of the Company in respect of any Common Shares issuable pursuant to a RSU until such Participant becomes the holder of the underlying Common Shares. The rights and interests of a Participant in respect of the RSU Plan are not transferable or assignable other than by will or the laws of succession to the legal representative of the Participant. Neither participation in the RSU Plan nor any action taken under the RSU Plan shall give or be deemed to give any Participant a right to continued employment with the Company and shall not interfere with any right of the Company to dismiss any Participant.
- (h) The Board may from time to time amend, suspend or terminate the RSU Plan in whole or in part or amend the terms of RSUs credited in accordance with the RSU Plan. If any such amendment, suspension or termination will materially or adversely affect the rights of a Participant with respect to RSUs credited to such Participant, the written consent of such Participant to such amendment, suspension or termination shall be obtained. Notwithstanding the foregoing, obtaining of the written consent of any Participant to an amendment, suspension or termination which materially or adversely affects the rights of such Participant with respect to any credited RSUs shall not be required if such amendment, suspension or termination is required in order to comply with applicable laws, regulations, rules, orders of government or regulatory authorities or the requirements of any stock exchange on which shares of the Company are listed. If the Board terminates the RSU Plan, RSUs previously credited to Participants shall remain outstanding and in effect and be settled in due course in accordance with the terms of the RSU Plan (which shall continue to have effect, but only for such purposes) on the settlement date.

Both the Stock Option Plan and the RSU Plan are administered by the Board or the Compensation Committee established by the Board for the purpose of administering the Stock Option Plan and the RSU Plan. At the present time, option grants and RSU grants are approved by either the Board or the Compensation Committee. It is the responsibility of the granting party to determine:

- (a) persons entitled to receive the option or RSU grant;
- (b) the number of options and RSU's to be granted;
- (c) in the case of options, the exercise price, which shall not be less than market price for the Company's Common Shares at the date of grant;
- (d) in the case of options, an expiry date of no more than ten (10) years after the date of the grant; and
- (e) the manner, if any, in which the option or RSU shall vest.

Oversight and Description of Director and Named Executive Officer Compensation

The Board has established the Compensation Committee whose function is to monitor and make recommendations to the Board in respect of the total compensation paid by the Company to its named executive officers and directors. In determining the types of compensation and the amounts paid to the named executive officers, the Compensation Committee takes into account the experience and track record of the individual named executive officer, review of annual salary publications for similar sized mineral exploration and development companies as well as reliance on the experience and knowledge of the Compensation Committee members. In regard to director compensation, the Compensation Committee considers annual salary publications for similar sized mineral exploration and development companies and the experience and knowledge of the Compensation Committee members.

The Company is an exploration and development stage mining company and will not be generating revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability and earnings per share, are not considered by the directors to be relevant in the evaluation of NEO performance.

The Company has taken significant measures to optimize and preserve its cash position, part of which was evidenced through decreased management salaries paid to the Company's executive officers as well as deferral of cash payments to executives.

Chris Batalha's annual salary was reduced from \$100,000 to \$75,000 on November 1, 2014 and was further reduced to an annual salary of \$60,000 commencing January 1, 2016. Mr. Bing Pan is compensated \$5,000 per month for his services as Interim CEO. Mr. Steven Dean's annual consulting fees were reduced from \$330,000 to \$165,000 on November 1, 2014 and was further reduced to an annual fee of \$115,000 commencing January 1, 2016.

During the year ended December 31, 2021, compensation to Mr. Bing Pan consisted of consulting fees paid to Sinocan Consultant Hong Kong Ltd., a company controlled by Mr. Bing Pan, for services in his role as Interim CEO. Mr. Bing Pan also received stock-options. Compensation paid to Mr. Chris Batalha consisted of a salary, and the granting of stock-options for services in his role as CFO and Corporate Secretary. Compensation to Mr. Steven Dean consisted of consulting fees paid to Sirocco Advisory Services Ltd., a company controlled by Steven Dean, as well as the granting of stock options for services in his role as an officer of the Company.

When applicable, the Compensation Committee reviews and approves pre-determined performance objectives for the year which are used to assess bonus levels for services provided by Mr. Pan, Mr. Batalha and Mr. Dean. Performance objectives may include a discretionary bonus tied to overall performance of the Company, the successful completion of financing to fund continued day to day operations for the Company, and successful arrangement of a strategic partner financing in preparation for the completion of a feasibility study.

Compensation provided to Mr. Bing Pan, Mr. Batalha and Mr. Dean in their roles as executive officers includes long-term ownership through the granting of stock options and restricted share units. This structure ensures that a significant portion of executive compensation (stock options and restricted share units) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value.

The Board also has the ability to set out vesting periods in each stock option agreement. As the benefits of such compensation, if any, are not realized by officers and directors until a period of time has passed, the ability of such persons to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to his short-term compensation when his long-term compensation might be put at risk from such actions.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

Employment, Consulting and Management Agreements

Under an employment agreement (the "**Batalha Agreement**") dated November 14, 2014, Mr. Chris Batalha agreed to an initial salary of \$75,000 per annum for his services in the capacity of CFO and Corporate Secretary, with provision for an annual bonus and an allocation of stock options, as part of Mr. Batalha's performance bonus. The bonus is based upon the Company meeting key criteria each year, as mutually agreed between Mr. Batalha, the Executive Chairman, the President and CEO, and the Compensation Committee. The salary was reduced to \$60,000 per annum effective January 1, 2016. The Company may terminate the agreement on giving three months' written notice. After notice, the Company may, at its option discontinue all or any portion of Mr. Batalha's duties, but must continue to pay the relevant salary, benefits and performance bonus (if applicable) during the notice period. Had the agreement been terminated by the Company on December 31, 2021, Mr. Batalha would have been entitled to be paid approximately \$15,000.

The Batalha Agreement also contains a change of control provision. For the purposes of the Batalha Agreement, a "change of control" is evidenced by the election or appointment of a majority of new directors of the Company or the acquisition by any person or by any person and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of Common Shares of the Company which, when added to all other Common Shares of the Company at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding Common Shares of the Company. In the event of a change of control of the Company, Mr. Batalha has the right, at any time within 60 days following the change of control, to terminate the agreement, in which case he is entitled to an amount equal to 12 months' salary. Had the agreement been terminated on December 31, 2021 as a result of a change of control, Mr. Batalha would have been entitled to be paid \$60,000.

Pursuant to an agreement dated January 6, 2011, as amended October 15, 2013 and November 1st, 2014, with Sirocco Advisory Services Ltd. ("**Sirocco**"), a private company controlled by Mr. Steven Dean, Sirocco provides the services of Mr. Steven Dean, for various corporate consulting services to the Company, for an indefinite term in consideration for a monthly fee of \$13,750 plus GST (the "**Fee**"). Prior to November 1, 2014, the Fee was at an increased annual rate of \$330,000 per year plus GST. The November 1, 2014 amending contract was a result of the Company's cash preservation efforts, by reducing consulting fees paid to Sirocco. The agreement also provides for a performance bonus of up to 100% of the annual equivalent Fee in each year to be determined based on objectives and weighting to be agreed annually with the Company's Compensation Committee. The Fee was further reduced to \$9,583 per month effective January 1, 2016 as part of the Company's cash preservation efforts. Sirocco may terminate the agreement on giving four-month written notice. The Company may terminate the agreement on giving twelve-month written notice. After notice, the Company may, at its option discontinue all or any portion of Sirocco's duties, but must continue to pay the higher of the Fee then in effect, and \$27,500 during the notice period. Had the agreement been terminated by the Company on December 31, 2021, Sirocco would have been entitled to be paid \$115,000 plus GST.

In the event of a change of control of the Company, Sirocco has the right, at any time within 60 days following the change of control, to terminate the agreement, in which case it is entitled to be paid the greater of i) an amount equal to twenty-four times the Fee in effect at that time, together with the average performance bonus paid over the prior two years, but in any event not less than 50% of the annual equivalent Fee, and ii) \$825,000. Had the agreement been terminated on December 31, 2021 as a result of a change of control, Sirocco would have been entitled to be paid \$825,000 plus GST.

There are no other agreements or arrangements under which compensation was provided during the most recently completed financial year in respect of services provided to the Company that were performed by a director or named executive officer, or any other party but are services typically provided by a director or a named executive officer.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2021.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, and RSUs	Weighted-average exercise price of outstanding options, and RSUs	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 ⁽¹⁾ approved by securityholders	8,775,660	\$0.14 ⁽²⁾	1,454,297
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
TOTAL	8,775,660	\$0.14 ⁽²⁾	1,454,297

⁽¹⁾ Represents the Stock Option Plan and RSU Plan of the Company. As at December 31, 2021, the Stock Option Plan reserved shares equal to a maximum of 10% of the issued and outstanding Common Shares of the Company for issue pursuant to the Stock Option Plan. As at December 31, 2021, the RSU Plan reserved a maximum of 3,491,057 Common Shares, 50,000 of which were available for future use.

⁽²⁾ Represents the weighted-average exercise price of options. The Common Shares issuable upon exercise of vested RSUs are issuable at no additional consideration.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Other than "routine indebtedness" as defined under National Instrument 51-102 "Continuous Disclosure Obligations", since the beginning of the last fiscal year of the Company, none of the executive officers, directors or employees or any former executive officers, directors or employees of the Company or any proposed nominee for election as a director of the Company or any of their respective associates is or has been indebted to the Company or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Company at any time since the beginning of the last financial year of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of this Information Circular, "**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 a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below or in the Notes to the Company's financial statements for the year ended December 31, 2021, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company's authorized capital consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares ("**Preferred Shares**") without par value. As at November 1, 2022 (the "**Record Date**"), the Company had 97,606,354 Common Shares issued and outstanding, each share carrying the right to one vote. There are no Preferred Shares outstanding.

Any Shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's shares voted at the Meeting or adjournment thereof.

To the best of the knowledge of the directors and senior officers of the Company, no person beneficially owns, or controls or directs, directly or indirectly, 10% or more of the issued and outstanding Common Shares of the Company other than as follows:

Name of Shareholder	Number of Shares	Percentage of Issued and Outstanding
Sino-Canada Natural Resources Fund I	24,747,606	25.4%
Frank Giustra	18,175,484 ⁽¹⁾	18.6%

⁽¹⁾ These Common Shares are held both directly and indirectly through Sestini & Co. Pension Trustees Ltd., Fiore Farms Inc., Fiore Financial Corporation, Radcliffe Foundation and The

Radcliffe Corporation, for which Mr. Frank Giustra has control, direction and beneficial ownership.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2021 (the "**Financial Statements**"), together with the Auditor's Report thereon, will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor's Report thereon together with Management Discussion and Analysis for the year ended December 31, 2021 are available on SEDAR at www.sedar.com. The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy will be available from the Company's Registrar and Transfer Agent, Computershare Investor Services Inc., 510 Burrard Street, 3rd floor, Vancouver, British Columbia, V6C 3B9, or from the Company's head office located at Suite 3083 – 595 Burrard Street Vancouver, BC V7X 1L3.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 "Continuous Disclosure Obligations" sets out the procedures for a Shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered Shareholders must also provide written instructions in order to receive the financial statements.

FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS

The persons named in the enclosed Instrument of Proxy intend to vote in favour of fixing the number of directors at five (5). Each director of the Company is elected annually and holds office until the next Annual General Meeting of Shareholders unless his successor is duly elected or until his resignation as a director. In the absence of instructions to the contrary, the Common Shares represented by Proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

ADVANCE NOTICE PROVISIONS

At the Company's 2013 annual general meeting, the Company's Shareholders voted to adopt amendments to the Company's Articles to include advance notice provisions (the "**Advance Notice Provisions**"). The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Company in circumstances where nomination of persons for election to the Board are made by Shareholders of the Company. The Advance Notice Provisions set a deadline by which Shareholders must submit nominations (a "**Notice**") for the election of directors to the Company prior to any annual or special meeting of Shareholders. The Advance Notice Provisions also set forth the information that a Shareholder must include in the Notice to the Company and establish the form in which the Shareholder must submit the Notice for that notice to be in proper written form.

In the case of an annual meeting of Shareholders, a Notice must be provided to the Company not less than 30 days and not more than 65 days prior to the date of the annual meeting. As of the date of this Circular, the Company has not received notice of a nomination in compliance with the Advance Notice Provisions.

INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT

The following table sets out the names of the persons proposed to be nominated by Management for election as a director, the province or state and country in which each of them is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each of them has been a director of the Company, the respective principal occupations or employment during the past five years, and the number of Common Shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular. All of the five nominees are currently directors of the Company. The nominees for the office of director and information concerning them as furnished by the individual nominees are as follows:

Name, Province and Country of Ordinary Residence and Positions Held with the Company	Principal Occupation	Date First Became a Director⁽¹⁾	No. of Shares Beneficially Owned, Directly or Indirectly⁽²⁾
STEVEN DEAN Chairman & Director Vancouver, BC Canada	Businessman; President, Sirocco Advisory Services Ltd.; CEO & Director, Artemis Gold Inc.	Sept. 27, 2010	4,390,744

Name, Province and Country of Ordinary Residence and Positions Held with the Company	Principal Occupation	Date First Became a Director ⁽¹⁾	No. of Shares Beneficially Owned, Directly or Indirectly ⁽²⁾
GORDON KEEP Director Vancouver, BC Canada	CEO of Fiore Management and Advisory Corp., a private financial advisory firm	Sept. 27, 2010	2,518,441
HON. JOHN D. REYNOLDS, P.C. Director Toronto, ON Canada	Senior Strategic Advisor of McMillan LLP; President of Gainey Consultants Inc.	Sept. 27, 2010	225,171
TAO LIU Director Guangdong Province, China	Partner, Valuestone Advisors Limited; Managing Partner, Suzhou Industrial Park Sino-Canada Natural Resources Equity Investment Partnership	Oct. 26, 2018	Nil
CATHY CHAN Director Vancouver, British Columbia, Canada	Director of the Company; Investment Director at Capital Asia investment Holdings Group Limited	Sept. 26, 2017	Nil

(1) All Directors were elected at the last Annual General Meeting.

(2) Based on information provided by the directors themselves.

(3) Mr. Dean's holdings include 16,900 Common Shares owned or controlled by joint actors (as defined in MI 61-101) of Mr. Dean, which he does not own or control.

As at the Record Date, Cathy Chan, Gordon Keep and Hon. John D. Reynolds, P.C. are the members of the Company's Audit Committee. Gordon Keep and John D. Reynolds, P.C. are the members of the Compensation Committee, and Nominating and Corporate Governance Committee. The Company does not currently have an Executive Committee of its Board of Directors.

CEASE TRADE ORDERS, CORPORATE AND PERSONAL BANKRUPTCIES, PENALTIES AND SANCTIONS

Other than as disclosed below, no proposed director (including any personal holding company of a proposed director):

- (1) 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:
 - (a) was the subject of a cease trade order (including a management cease trade order which applies to directors or executive officers), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (collectively an "order"), that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer;
 - (b) was subject to an order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (2) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (3) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (4) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000 or before December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Hon. John D. Reynolds P.C. was a director of Kinetex Resources Corporation ("**Kinetex**"). Kinetex was subject to a cease trade order issued by the British Columbia Securities Commission (the "**BCSC**") on July 22, 2010 and the Alberta Securities Commission on November 3, 2010 for failure to file required financial disclosure within the prescribed time period. On December 20, 2010, Kinetex was the subject of a Receivership Order from the Court of Queen's Bench of Alberta. A Receiver and manager of the property assets of Kinetex and its subsidiary, Kinetex Multi-Component Services Inc., was appointed pursuant to an order of the Court of Queens Bench of Alberta dated on December 20, 2010. On January 20, 2014, the Court of Queen's Bench Alberta pronounced the Order of Discharge of the Receiver of Kinetex Multi-Component Services Inc. and Kinetex Resources Corporation. Effective March 1, 2011, the share listing for Kinetex was moved to the NEX board and on July 29, 2013 was dissolved by the BC Registrar of Companies. Effective July 29, 2013, Hon. John Reynolds resigned from the board of directors of Kinetex.

Gordon Keep is a director of Rusoro Mining Ltd. ("**Rusoro**") and Hon. John D. Reynolds P.C. was a director of Rusoro but resigned from that position effective September 4, 2013. On May 21, 2013, the BCSC issued a cease trade order against Rusoro for failure to file its audited financial statements for the year ended December 31, 2012 and related MD&A. On June 5, 2013 and June 7, 2013 respectively, similar cease trade orders were issued against Rusoro by the Ontario Securities Commission (the "**OSC**") and the Autorité des marchés financiers (the "**AMF**"). On August 19, 2013 Rusoro filed its December 31, 2012 financial statements and related MD&A, and on August 21, 2013 the BCSC fully revoked the cease trade order it issued. On August 28, 2013, the AMF fully revoked the cease trade order and on September 24, 2013 the OSC fully revoked the cease trade order. Rusoro was unable to file its December 31, 2012 financial statements and MD&A by the required filing deadline because it experienced significant delays in preparing them due to the nationalization by the Venezuelan government of Rusoro's gold mining assets in Venezuela.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

AUDIT COMMITTEE DISCLOSURE

The Audit Committee Charter and the disclosure required by Form 52-110F2 are attached hereto as Schedule "A". The Audit Committee monitors the integrity of internal controls and monitors the business conduct of the Company. The committee reviews matters on a quarterly basis, relating to the financial position of the Company in order to provide reasonable assurances that the Company is in compliance with applicable laws and regulations, is conducting its affairs ethically and that effective internal controls and information systems are maintained.

CORPORATE GOVERNANCE

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this Information Circular as Schedule "B".

APPOINTMENT AND REMUNERATION OF AUDITORS

Management recommends the appointment of Saturna Group Chartered Professional Accountants LLP ("**Saturna**"), of Vancouver, British Columbia, as auditors for the Company, to hold office until the next Annual General Meeting of the Shareholders at a remuneration to be fixed by the Board, and the persons named in the enclosed Proxy intend to vote in favour of such appointment. Saturna were appointed as auditors of the Company on July 22, 2022 in the place of PricewaterhouseCoopers LLP. A change of auditor reporting package can be found at Schedule "C".

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Re-Approval of Amended and Restated Stock Option Plan

At last year's annual general meeting, the Company proposed, and the Shareholders re-approved, the Company's Amended and Restated Stock Option Plan (the "**Plan**"), which is a 10% "rolling" stock option plan. Under the policies of the TSX Venture Exchange, a rolling stock option plan must be re-approved on a yearly basis by Shareholders.

On November 24, 2021, the TSX Venture Exchange adopted amendments to its policy 4.4 governing security based compensation ("**Policy 4.4**"). The changes to Policy 4.4 relate to, among other things, the expansion of Policy 4.4 to cover a number of types of

security based compensation in addition to stock options. Subject to ratification by Shareholders at the Meeting, a number of amendments have been made to the Plan in accordance with Policy 4.4. These changes include amendments allowing stock option holders to exercise stock options on a "cashless exercise" or "net exercise" basis, as now expressly permitted by Policy 4.4. "Cashless exercise" is a method of exercising stock options in which a securities dealer loans funds to the stock option holder or sells the same shares as those underlying the stock option, prior to or in conjunction with the exercise of stock options, to allow the stock option holder to fund the exercise of some or all of their stock options. "Net exercise" is a method of stock option exercise under which the stock option holder does not make any payment to the Company for the exercise of their stock options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the stock option valued at the current market price. Under Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to the stock option exercise. "Net exercise" may not be utilized by persons performing investor relations services.

Further amendments were also made to the Plan to reflect the amendments provided under Policy 4.4.

A copy of the Plan attached to this Information Circular as Schedule "D" and filed together with the Meeting proxy materials under the Company's profile on SEDAR at www.sedar.com. A copy of the Plan may be inspected at the Company's registered and records office at Suite 3083 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3 during normal business hours.

The information below is a summary of the Plan and should be read in conjunction with the full text of the Plan attached as Schedule "D" to this Information Circular. Any definitions or capitalized terms used or referenced below have the same meaning attributed to them in the Plan.

Since Securities Based Compensation could result in the aggregate number of Common Shares of the Company issuable pursuant to all Security Based Compensation granted or issued to Insiders (as a group) exceeding 10% of the Common Shares of the Company at any point in time, disinterested shareholders will be asked to pass an ordinary resolution re-approving the Plan, the details of which are set forth below.

"Associate", "Consultant", "Director", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Management Company Employee", "Market Price", "Material Information", "Person", "Security Based Compensation" and "Securities Laws" as used below have the same definition as in the policies of the TSX Venture Exchange.

- (a) the Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Common Shares of the Company equal to 10% of the issued Common Shares of the Company at the time of any stock option grant;
- (b) under TSX Venture Exchange policy, an optionee must either be an Eligible Charitable Organization or a director, officer, employee or consultant of the Company at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;
- (c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12-month period must not exceed 5% of the issued Common Shares of the Company calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (d) the aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company, calculated at the date an option is granted to the Consultant;
- (e) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Common Shares of the Company in any 12-month period, calculated at the date an option is granted to any such Person;
- (f) the aggregate number of options granted to Insiders of the Company (as a group) in a 12-month period must not exceed 10% of the issued Common Shares of the Company, calculated on the date an option is granted to any Insider of the Company;
- (g) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3-month period;
- (h) the minimum exercise price per Common Share of a stock option must not be less than the Market Price of the Common Shares of the Company, subject to a minimum exercise price of \$0.05;
- (i) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (o) below);
- (j) stock options (other than options held by a Person involved in investor relations activities) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, Eligible Charitable Organization or Management Company Employee otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board. Stock options granted to persons involved in Investor Relations Activities will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board.
- (k) all options are non-assignable and non-transferable;
- (l) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price or the extension of the term of a stock option if the Optionee is an Insider of the Company at the time of the proposed amendment;

- (m) Disinterested Shareholder Approval shall be obtained for the aggregate number of Common Shares of the Company that are issuable pursuant to all Security Based Compensation granted or issued to Insiders of the Company (as a group) exceeding 10% of the issued Common Shares of the Company at any point in time;
- (n) the Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Common Shares;
- (o) upon the occurrence of an Accelerated Vesting Event (as defined in the Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of Shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Common Shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Plan be final, conclusive and binding;
- (p) in connection with the exercise of an option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
- (q) an option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Company pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee's option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities.

Shareholder Approval at the Meeting

Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of the approval of the Plan.

The text of the resolution to be passed is as follows. In order to be passed, a majority of the votes cast at the Meeting by Shareholders in person or represented by proxy (excluding votes attached to Common Shares of the Company beneficially owned by Insiders of the Company to whom Options may be granted under the Plan and their Associates) must be voted in favour of the resolution.

"BE IT RESOLVED THAT:

1. the amended and restated Plan be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable;
2. the Plan may be amended by the directors of the Corporation as set out under Schedule "D" in order to satisfy the requests of any regulatory authorities or the TSX Venture Exchange without further approval of the Shareholders of the Company, unless approval of the Shareholders of the Company is required by the regulatory authorities or the TSX Venture Exchange; and

OTHER MATTERS

Approval of Potential Creation of a New Control Person

There are currently 97,606,354 Common Shares of the Company issued and outstanding. As of the date of this Information Circular, in addition to the Debentures, Mr. Dean, directly and indirectly, now owns and/or controls, in aggregate the following securities (i) 4,265,403 Common Shares, representing 4.4% of the current issued and outstanding number of Common Shares of the Company, (ii) a \$33,000 Series A Debenture of the Company, convertible into 471,428 Common Shares and 471,428 warrants, (iii) a \$375,250 Series C convertible debenture of the Company, convertible into 1,975,000 Common Shares and 1,975,000 warrants, (iv) 133,334 restricted share units, (v) 2,798,000 options, and (vi) 2,300,000 warrants. Should Mr. Dean convert the convertible debentures,

exercise the underlying and existing warrants and options and convert the restricted share units, Mr. Dean would own and/or control, directly and indirectly, 22,846,735 Common Shares, representing 19.8% of the issued and outstanding Common Shares of the Company on a partially diluted basis.

Under the policies of the TSX Venture Exchange, a “**Control Person**” is defined as any person that holds or is one of a combination of persons that holds a sufficient number of securities of a company so as to affect materially the control of the company or that holds more than 20% of the outstanding voting shares of a company.

Considering Mr. Dean may also be interested in providing financing to the Company in the future by the acquisition of Common Shares and/or securities convertible into Common Shares by way of private placement or public offering, any such acquisition of Common Shares or exercise or exchange of convertible securities for Common Shares would likely result in Mr. Dean becoming a Control Person, which would require prior approval of Shareholders.

Convening a meeting of Shareholders to approve the creation of Mr. Dean as a Control Person would entail additional time and expense. Shareholders are therefore being asked to approve the creation of Mr. Dean as a Control Person, pursuant to the conversion of the convertible debentures, the exercise of the underlying and existing warrants and options and the conversion of the restricted share units, or pursuant to future acquisitions of Common Shares and/or securities convertible into Common Shares by way of private placement or public offering, and will be asked to approve the following ordinary resolutions at the Meeting:

"BE IT RESOLVED THAT:

1. The creation of Mr. Steven Dean as a new Control Person, as such term is defined in the policies of the TSX Venture Exchange, of the Company, on such terms as are more particularly described in the Information Circular of the Company dated November 1, 2022 be and is hereby authorized and approved;
2. Any one director or officer of the Company, alone, be and is hereby authorized and directed to execute or cause to be executed, whether under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, all such documents, agreements or instruments and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or the doing of any such act or thing.

Since the policies of the TSX Venture Exchange require that disinterested shareholder approval be obtained, the foregoing resolutions must be passed by a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting, excluding the votes attached to 4,373,844 Common Shares held by Mr. Steven Dean and his associates and affiliates, as well as 16,900 Common Shares owned or controlled by joint actors (as defined in MI 61-101) of Steven Dean, which he does not own or control on the resolutions approving the creation of Mr. Steven Dean as a Control Person.

Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of the resolutions creating Mr. Steven Dean as a Control Person.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the Company, at Suite 3083 – 595 Burrard Street, Vancouver, BC V7X 1L3, Tel: (604) 566-9080 and such documents will be sent by mail or electronically by email as may be specified at the time of the request.

SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING

In accordance with the Business Corporations Act (British Columbia), a Shareholder may be entitled to submit to the Company notice of any matter that the Shareholder proposes to raise at the next annual meeting of Shareholders and the Company shall set out such proposal and the accompanying supporting statements, if any, in the information circular for the next annual meeting of Shareholders, provided such notice is given to the Company at least 3 months before the anniversary of the previous year's annual reference date, being by September 8, 2023.

DIRECTOR APPROVAL

The contents of this Information Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

DATED at Vancouver, British Columbia, this 1st day of November, 2022.

OCEANIC IRON ORE CORP.

s/ "Steven Dean"

STEVEN DEAN

Executive Chairman and Director

SCHEDULE "A"
FORM 52-110F2
AUDIT COMMITTEE DISCLOSURE

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

Purpose

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

Composition, Procedures and Organization

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

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

Roles and Responsibilities

9. The overall duties and responsibilities of the Committee shall be as follows:
- 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 financial statements and related financial disclosure;
 - to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - to report regularly to the Board on the fulfilment of its duties and responsibilities.
10. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - review the audit plan of the external auditors prior to the commencement of the audit;
 - to review with the external auditors, upon completion of their audit:
 - contents of their report;
 - scope and quality of the audit work performed;
 - adequacy of the Company's financial and auditing personnel;
 - co-operation received from the Company's personnel during the audit;
 - internal resources used;
 - significant transactions outside of the normal business of the Company;
 - significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - the non-audit services provided by the external auditors;
 - to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

- to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

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

- review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
- review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

12. The Committee is also charged with the responsibility to:

- 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;
- review and approve the financial sections of:

the annual report to Shareholders;

the annual information form, if required;

annual and interim MD&A;

prospectuses;

news releases discussing financial results of the Company; and

other public reports of a financial nature requiring approval by the Board,

and report to the Board with respect thereto;

- review regulatory filings and decisions as they relate to the Company's financial statements;
- review the appropriateness of the policies and procedures used in the preparation of the Company's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- review and report on the integrity of the Company's financial statements;
- review the minutes of any audit committee meeting of subsidiary companies, if any;
- 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 Company's financial statements;

- review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of Shareholders.

13. The Committee shall have the authority:

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

ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE

The members of the Committee are Cathy Chan, Gordon Keep and Hon. John D. Reynolds, P.C. Mr. Reynolds and Cathy Chan are independent. Mr. Keep is not independent. All of the members are financially literate. "Independent" and "financially literate" have the meaning used in Multilateral Instrument 52-110 (the "**Instrument**") of the Canadian Securities Administrators. The Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements for Composition of the Audit Committee.

ITEM 3: RELEVANT EDUCATION AND EXPERIENCE

The Instrument provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All of the members of the Company's audit committee are financially literate as that term is defined in the Instrument. All members have an understanding of the accounting principles used by the Issuer to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

Cathy Chan has a wealth of experience in investment in the global resources industry. Ms. Chan has participated in a number of private equity investments in public mining companies listed on the Toronto Stock Exchange and the Hong Kong Stock Exchange in the past few years. Her career has included the International Business Unit of Bank of China, Hong Kong New World Development Group and the Sino-Canada Natural Resources Fund. She obtained her Bachelors degree in international finance from Chinese Central University of Finance and Economics and her Master's of Business Administration from Carlson School of Management at the University of Minnesota.

Mr. Keep has extensive business experience in investment banking and creating public natural resource companies. Mr. Keep currently is CEO of Fiore Management and Advisory Corp., a private financial advisory firm. He also serves as an officer and/or director for several natural resource companies, including NG Energy International Corp. and Total Helium Corp. He obtained his B.Sc. in Geological Science from Queen's University in 1979 and his Master's of Business Administration from the University of British Columbia in 1983 and is a Professional Geologist in the province of British Columbia.

The Honourable John Reynolds, P.C.'s career includes substantial experience in venture capital development, consumer-product marketing, resource sector development and elected political office, both federal and provincial. He began his career in the sales and marketing field but has spent the last 35 years in the political arena. The Hon. John D. Reynolds served as a Member of Parliament of Canada, 1972 - 1977 and 1997 - 2006 and also as leader of Her Majesty's official opposition. Mr. Reynolds was also appointed as a Senior Strategic Advisor to the law firm McMillan LLP. His career in the private sector has included directorships on the boards of numerous public companies, including Calibre Mining Corp. (TSXV:CXB), Oriol Resources Plc (formerly TSX listed), Rusoro Mining Ltd. (TSXV:RML), and Terrane Metals Corp. (TSXV:TRX).

ITEM 4: AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, Saturna Group Chartered Professional Accountants LLP) not adopted by the Board.

ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the financial year ended December 31, 2021, the Company has not relied on the exemptions contained in sections 2.4 or 8 of the Instrument. Section 2.4 of the Instrument provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of all the non-audit services not pre-approved is reasonably expected to be no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee. Section 8 of the Instrument permits a company to apply to a securities regulatory authority for an exemption from the requirements of the Instrument, in whole or in part.

ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of the Instrument, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Audit Committee, on a case-by-case basis.

ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees charged to the Company by the external auditor in each of the last two fiscal years are as follows:

	<u>FYE 2021</u>	<u>FYE 2020</u>
Audit fees for the year ended	\$37,120	\$28,000
Audit related fees	Nil	Nil
Tax fees	Nil	Nil
All other fees (non-tax)	Nil	Nil
Total Fees:	\$37,120	\$28,000

ITEM 8: EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

SCHEDULE "B"
OCEANIC IRON ORE CORP.
CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices the Company is required to and hereby discloses its corporate governance practices as follows.

ITEM 1. BOARD OF DIRECTORS

The board of directors of the Company (the "**Board**") facilitates its exercise of independent supervision over the Company's Management through frequent meetings of the Board.

Steven Dean resigned as the Company's Chief Executive Officer on November 14, 2014; however, due to his continuing role as Executive Chairman, he remains not independent.

Gordon Keep, the Hon. John D. Reynolds, P.C., Cathy Chan and Tao Liu are all independent in that they are free from any 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 member's independent judgment.

ITEM 2. DIRECTORSHIPS

The directors of the Company are currently directors of the following other reporting issuers:

Name	Name of Reporting Issuer
Steven Dean	Artemis Gold Inc.
Gordon Keep	Klondike Gold Corp. Northern Dynasty Minerals Ltd. Rusoro Mining Ltd. Vanadian Energy Corp. NG Energy International Corp. Total Helium Corp.
Cathy Chan	Pacific Silk Road Resources Group Inc.
Tao Liu	Pacific Silk Road Resources Group Inc.

ITEM 3. ORIENTATION AND CONTINUING EDUCATION

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

ITEM 4. ETHICAL BUSINESS CONDUCT

The Board has adopted a Code of Conduct which states the basic principles that should guide the affairs of the Company.

ITEM 5. NOMINATION OF DIRECTORS

The Board has established a Nominating and Governance Committee which is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

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, shown support for the Company's mission and strategic objectives, and a willingness to serve.

ITEM 6. COMPENSATION

The Board has established a Compensation Committee whose primary function is to monitor and make recommendations to the Board in respect of the total compensation paid by the Company to its senior executives and directors. To make its recommendation on compensation for senior executives and directors, the Compensation Committee takes into account the experience and track record of individual senior executive and directors and relies on the experience and knowledge of members of the Compensation Committee.

ITEM 7. OTHER BOARD COMMITTEES

The Board has no committees other than the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. The members of the Audit Committee are Cathy Chan, Gordon Keep and the Hon. John D. Reynolds, P.C. The members of the Compensation Committee are Gordon Keep and the Hon. John D. Reynolds, P.C. The members of the Nominating and Corporate Governance Committee are Gordon Keep and the Hon. John D. Reynolds P.C.

ITEM 8. ASSESSMENTS

The Nominating and Corporate Governance Committee, on a periodic basis, assesses the effectiveness of the Board as a whole, specific Board committees (including the Nominating and Governance Committee) individual Board members and the Board Chair, and reports such assessments to the Board. The members of the Nominating and Corporate Governance Committee are Gordon Keep and the Hon. John D. Reynolds P.C.

SCHEDULE "C"
OCEANIC IRON ORE CORP.
CHANGE IN AUDITOR

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* the Company is required to and hereby discloses its change in auditor notice, letter from former auditor and letter from successor auditor, all of which were filed on Sedar on July 29,2022



July 22, 2022

TO: Alberta Securities Commission
Autorité des marchés financiers (Québec)
British Columbia Securities Commission

TO: PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place
250 Howe Street, Suite 1400
Vancouver, British Columbia V6C 3S7

AND TO: Saturna Group Chartered Professional Accountants LLP
1166 Alberni Street, Suite 1605
Vancouver, British Columbia V6E 3Z3

RE: Notice of Change of Auditor pursuant to Section 4.11 of National Instrument 51 -102-
Continuous Disclosure Obligations (“NI 51-102”)

Pursuant to Section 4.11 of NI 51-102, Oceanic Iron Ore Corp (the “**Corporation**”) hereby gives notice of the change of its auditors. In accordance with NI 51-102, the Corporation hereby states that:

- a.) PricewaterhouseCoopers LLP, the former auditors of the Corporation (the “**Predecessor Auditor**”) tendered their resignation on their own initiative, effective as of July 19, 2022.
- b.) On July 22, 2022, the Corporation appointed Saturna Group Chartered Professional Accountants LLP (the “**Successor Auditor**”) to replace the Predecessor Auditor as auditors of the Corporation.
- c.) The resignation of the Predecessor Auditor and the appointment of the Successor Auditor were considered and recommended by the Audit Committee and approved by the Board of Directors of the Corporation.
- d.) There have been no reservations contained in the Predecessor Auditor’s report on any of the financial statements of the Corporation up until the period ended December 31, 2021.
- e.) There are no reportable events (as defined in NI 51-102).

On behalf of the Board of Directors

“Chris Batalha”

Chris Batalha,
Chief Financial Officer



July 25, 2022

Mr. Gordon Keep
Chair of the Audit Committee
Oceanic Iron Ore Corp.
Three Bentall Centre
Suite 3083 - 595 Burrard Street
Vancouver BC V7X 1L3

Enclosed is our response to the change of auditor notice dated July 22, 2022 in accordance with National Instrument 51-102. We understand that this letter will be reviewed and approved by the Board of Directors, filed with the British Columbia Securities Commission, Alberta Securities Commission, and Autorité des marchés financiers (Québec) prior to August 2, 2022, and included in the information circular accompanying the notice of any meeting of shareholders at which action is to be taken concerning a change in auditor.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Encl.

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



July 25 2022

To:
British Columbia Securities Commission
Alberta Securities Commission
Autorité des marchés financiers (Québec)

We have read the statements made by Oceanic Iron Ore Corp. in the attached copy of change of auditor notice dated July 22, 2022, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated July 22, 2022.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

July 27, 2022

British Columbia Securities Commission
Alberta Securities Commission
Autorité des marchés financiers (Québec)

Dear Sirs/Mesdames:

Re: Oceanic Iron Ore Corp. (the “Company”)

We have read the statements made by the Company in the Change of Auditor Notice (the “Notice”) dated July 22, 2022. We agree with the statements in the Notice with the exception of the statement of no reportable events as defined in National Instrument 51-102, for which we have no basis to agree or disagree.

Yours truly,

SATURNA GROUP CHARTERED PROFESSIONAL ACCOUNTANTS LLP



SCHEDULE "D"
AMENDED AND RESTATED STOCK OPTION PLAN

OCEANIC IRON ORE CORP.

INCENTIVE STOCK OPTION PLAN

Amended and Restated on November 4, 2022

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) "**Accelerated Vesting Event**" means the occurrence of any one of the following events:
 - (i) a take-over bid (as defined under applicable securities Laws) is made for Common Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Company that may be cast to elect Directors;
 - (ii) the acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable securities Laws), directly or indirectly, of Common Shares or of Convertible Securities, which, when added to all other securities of the Company at the time held by such Person or Persons, Persons associated with such person or persons, or persons affiliated with such Person or Persons (as determined under applicable securities Laws) (collectively, the "**Acquirors**"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Company that may be cast to elect Directors;
 - (iii) an amalgamation, merger, arrangement or other business combination (a "**Business Combination**") involving the Company receives the approval of, or is accepted by, the securityholders of the Company (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Company and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Company, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;
- (b) "**Affiliate**" shall have the meaning ascribed thereto by the TSX Venture Exchange in Policy 1.1 – Interpretation;
- (c) "**Associate**" shall have the meaning ascribed thereto by the TSX Venture Exchange in Policy 1.1 – Interpretation;
- (d) "**Board**" means the board of directors of the Company or, as applicable, a committee consisting of not less than 3 directors of the Company duly appointed to administer this Plan;

- (e) "**Charitable Option**" means a stock option or equivalent security granted by the Company to an Eligible Charitable Organization;
- (f) "**Charitable Organization**" means "charitable organization" as defined in the *Income Tax Act* (Canada) from time to time;
- (g) "**Common Shares**" means the common shares in the capital of the Company;
- (h) "**Company**" means OCEANIC IRON ORE CORP. and its successor entities;
- (i) "**Consultant**" means, in relation to the Company, an individual (other than an Employee or a Director of the Company) 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 an Affiliate of the Company, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the company, as the case may be;
 - (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 an Affiliate of the Company; and
 - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (j) "**Consultant Company**" means a Consultant that is a company;
- (k) "**Convertible Securities**" means any security of the Company which is convertible into Common Shares;
- (l) "**Director**" means a director, senior officer or Management Company Employee of the Company, or a director, senior officer or Management Company Employee of the Company's subsidiaries;
- (m) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by all shareholders entitled to vote at a meeting of shareholders of the Company excluding votes attached to shares beneficially owned by Insiders to whom options may be granted under this Plan and their Associates;
- (n) "**Distribution**" has the meaning ascribed thereto by the Exchange;
- (o) "**Eligible Charitable Organization**" means:
 - (i) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation; or
 - (ii) a Registered National Arts Service Organization;

- (p) **"Eligible Person"** means
- (i) a Director, Officer, Employee or Consultant of the Company or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; or
 - (ii) an Eligible Charitable Organization at the time the Option is granted;
- (q) **"Employee"** means:
- (i) an individual who is considered an employee of the Company or 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 over the details and methods of work as an employee of the Company, 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 over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source.
- (r) **"Exchange"** means the TSX Venture Exchange or the NEX board of the TSX Venture Exchange, as the context requires, and any successor entity or the Toronto Stock Exchange if the Company is listed thereon;
- (s) **"Expiry Date"** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (t) **"Governmental Authorities"** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
- (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (u) **"Insider"** means a director or senior officer of the Company, a Person that beneficially owns or controls directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company, a director or senior officer of a company that is an insider or a subsidiary of the Company, and the Company itself if it holds any of its own securities;

- (v) "**Investor Relations Activities**" has the meaning ascribed thereto in the TSX Venture Exchange's Corporate Finance Manual;
- (w) "**Laws**" means currently existing applicable statutes, by-laws, rules, regulations, orders, ordinances or judgments, in each case of any Governmental Authority having the force of the law;
- (x) "**Management Company Employee**" means an individual who is employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (y) "**Material Information**" has the meaning ascribed thereto in the TSX Venture Exchange's Corporate Finance Manual;
- (z) "**NEX**" means a separate board of the TSX Venture Exchange for companies previously listed on the TSX Venture Exchange or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (aa) "**NEX Policies**" means the rules and policies of NEX as amended from time to time;
- (bb) "**Officer**" means an officer of the Company or its subsidiaries, if any;
- (cc) "**Option**" means a non-transferable and non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;
- (dd) "**Optionee**" means an Eligible Person of an Option granted by the Company;
- (ee) "**Person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (ff) "**Plan**" means this incentive stock option plan;
- (gg) "**Private Foundation**" means "private foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (hh) "**Public Foundation**" means "public foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (ii) "**Registered Charity**" means "registered charity" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (jj) "**Registered National Arts Service Organization**" means "registered national arts service organization" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (kk) "**Security Based Compensation**" includes:
 - any Deferred Share Unit, Performance Share Unit, Restricted Share Unit, Securities for Services, Stock Appreciation Right, Stock Option, Stock Purchase Plan, any security purchase from treasury by an Optionee which is financially assisted by the Company by

any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Company from treasury to an Optionee, including securities issued under Part 6 of Policy 4.4 - Security Based Compensation, and for greater certainty, does not include: (a) arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the Company, (b) arrangements under which Security Based Compensation is settled solely in cash and/or securities purchased on the secondary market; and (c) Shares for Services and Shares for Debt arrangements under Policy 4.3 – Shares for Debt that have been conditionally accepted by the Exchange prior to November 24, 2021;

- (ll) "**Termination Date**" means the date on which an Optionee ceases to be an Eligible Person;
- (mm) "**TSX Venture Exchange**" means the TSX Venture Exchange and any successor thereto;
- (nn) "**TSX Venture Policies**" means the rules and policies of the TSX Venture Exchange as amended from time to time; and
- (oo) "**VWAP**" means the volume weighted average trading price of the Company's Common Shares on the TSX Venture Exchange calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Option.

1.2 **Interpretation**

- (a) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.
- (b) If the Company is listed on the Toronto Stock Exchange, the provisions of this Plan as they relate to companies listed on Tier 1 of the TSX Venture Exchange shall apply.
- (c) Words and phrases used in this Plan but which are not defined in the 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, NEX Policies).

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 **Purpose**

The purpose of this Plan is to advance the interests of the Company, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Company, its Affiliates and its subsidiaries, if any;
- (b) encouraging Eligible Persons to remain with the Company, its Affiliates or its subsidiaries, if any; and
- (c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the issued and outstanding Common Shares at the time of the granting of an Option, and the aggregate number of Common Shares then reserved for issuance pursuant to Options and any other Security Based Compensation shall not exceed 20% of the issued and outstanding Common Shares at the time of granting of an option. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan. If the Company is listed on the NEX board of the TSX Venture Exchange, the maximum number of Options that may be reserved for issuance or issued in any 12-month period shall not exceed 10% of the issued and outstanding Common Shares of the Company.
- (b) If there is a change in the issued and outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
 - (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable and, if it relates to Investor Relations vesting provisions, then subject to the approval of the Exchange,

and if the Company undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable. For clarity purposes, any adjustment, other than in connection with a share consolidation or share split, to Options granted or issued under the Plan is subject to the prior acceptance of the TSX Venture Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (d) The Company shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board or any committee established by the Board for the purpose of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:
 - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Optionee's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 and 3.4 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Company, Eligible Persons, Optionees and all other Persons.
- (c) For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any provision herein. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Optionee. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Laws

- (a) This Plan, the grant and exercise of Options hereunder and the Company's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to

all applicable federal, provincial and foreign Laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any Governmental Authority as may, in the opinion of counsel to the Company, be required. The Company shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such Laws, policies, rules and regulations or any condition or requirement of such approvals.

- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the applicable securities Laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Company shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.
- (c) Common Shares sold, issued and delivered to Optionees pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities Laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

3.4 Tax Withholdings

- (a) Notwithstanding any other provision contained herein, in connection with the exercise of an Option by an Optionee from time to time, as a condition to such exercise the Company shall require such Optionee to pay to the Company or the relevant Affiliate an amount as necessary so as to ensure that the Company or such Affiliate, as applicable, is in compliance with the applicable provisions of any federal, provincial or local Laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. In addition, the Company or the relevant Affiliate, as applicable shall be entitled to withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Company or the relevant Affiliate is in compliance with the applicable provisions of any federal, provincial, local or foreign Laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. The Company may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Company may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy such withholding obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such withholding obligations or (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

ARTICLE 4 OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Company and the Optionee (an “**Option Agreement**”). In the event of any discrepancy between this Plan and an Option Agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To any one Person.** The aggregate number of Options granted to any one Person (and companies wholly owned by that Person) pursuant to this Plan and any other Security Based Compensation in a 12-month period must not exceed 5% of the issued shares of the Company, calculated on the date an Option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval).
- (b) **To Insiders.** The aggregate number of Options granted to Insiders (as a group) pursuant to this Plan in a 12-month period must not exceed 10% of the issued shares of the Company, calculated on the date an Option is granted to any Insider.
- (c) **To Consultants.** The aggregate number of Options granted to any one Consultant in a 12-month period pursuant to this Plan and any other Security Based Compensation must not exceed 2% of the issued shares of the Company, calculated at the date an Option is granted to the Consultant.
- (d) **To Persons conducting Investor Relations Activities.** The aggregate number of Options granted to all Persons retained to provide Investor Relations Activities pursuant to this Plan and any other Security Based Compensation must not exceed 2% of the issued shares of the Company in any 12-month period, calculated at the date an Option is granted to any such Person. If the Company is listed on the NEX board of the TSX Venture Exchange, no Options are permitted to be granted to Persons who provide Investor Relations Activities.
- (e) **To Eligible Charitable Organizations.** The aggregate number of Options granted and outstanding to Eligible Charitable Organizations pursuant to this Plan and any other Security Based Compensation must not at any time exceed 1% of the issued shares of the Company, as calculated immediately subsequent to the grant of any Options to Eligible Charitable Organizations.

ARTICLE 5 OPTION TERMS

5.1 Exercise Price

- (a) Subject to a minimum exercise price of \$0.05 per Common Share, the exercise price per Common Share for an Option shall be determined by the Directors or their delegates if

any, but will in no event be less than the Market Price for the Common Shares (as defined by the policies of the Exchange) at the date of grant.

- (b) If Options are granted within ninety days of a Distribution by the Company by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection 5.1(a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such Distribution. Such ninety day period shall begin:
 - (i) on the date the final receipt is issued for the final prospectus in respect of such Distribution; or
 - (ii) in the case of an initial public offering, on the date of listing.

5.2 Expiry Date

Every Option granted shall, unless sooner terminated, have a term not exceeding and shall therefore expire no later than 10 years after the date of grant (subject to extension where the expiry date falls within a “blackout period”, as discussed in subsection 5.7) hereof.

5.3 Vesting

- (a) Subject to subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Accelerated Vesting Event

Subject to subsection 5.3(b) and in compliance with the policies of the Exchange, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Option, except pertaining to options granted to Consultants performing Investor Relations activities which will be subject to prior written Exchange approval, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with the holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

5.5 Non-Assignability

Options may not be assigned or transferred.

5.6 Ceasing to be Eligible Person

- (a) If an Optionee who is a Director, Officer, Employee or Consultant is terminated for cause, each Option held by such Optionee shall terminate and therefore cease to be exercisable upon such termination for cause.
- (b) If an Optionee dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Optionee shall be exercisable by the heirs or administrators of such Optionee and shall terminate and therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months from the date of the Optionee's death.
- (c) Unless an Option Agreement specifies otherwise, if an Optionee ceases to be an Eligible Person for any reason other than death or termination for cause, each Option held by the Optionee other than an Optionee who is involved in investor relations activities will cease to be exercisable 90 days after the Termination Date or for a "reasonable period" after the Optionee ceases to serve in such capacity, as determined by the Board. For Optionees involved in investor relations activities, Options shall cease to be exercisable 30 days after the Termination Date or for a "reasonable period" after the Optionee ceases to serve in such capacity, as determined by the Board.
- (d) If any portion of an Option is not vested at the time an Optionee ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Optionee or its legal representative, as the case may be, provided that the Board may, in its discretion, thereafter permit the Optionee or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates.
- (e) A Charitable Option must expire after the earlier of a date that is not more than 10 years from the grant date of the Charitable Option and the 90th day following the date that the holder of the Charitable Option ceases to be an Eligible Charitable Organization.

5.7 Blackout Periods

An Option will be automatically extended past the expiry date of an Option governed by the Plan if such expiry date falls within a period (a "**blackout period**") during which the Company prohibits Optionees from exercising their Options provided that the following requirements are satisfied:

- (a) The blackout period must be formally imposed by the Company pursuant to its internal trading policies. For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances.
- (b) The blackout period must expire upon the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten (10) business days after the expiry of the blackout period.
- (c) The automatic extension of an Optionee's Options will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under securities Laws) in respect of the Company's securities.

ARTICLE 6 EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Optionee only upon the Optionee's delivery to the Company at its head office of:

- (a) a written notice of exercise addressed to the Corporate Secretary of the Company, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) a signed Option Agreement with respect to the Option being exercised;
- (c) a certified cheque or bank draft made payable to the Company for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised, together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws;
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in such Common Shares, as counsel to the Company reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the Laws of any jurisdiction; and

on the business day following, the Optionee shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Company shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Optionee.

6.2 Cashless Exercise

Subject to the provisions of the Plan (including, without limitation, Section 3.4 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 as determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 6.2 from time to time by delivering to the Company, a (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 Optionee shall comply with Section 3.4 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.

6.3 Delivery of Optioned Shares and Hold Periods

As soon as practicable after receipt of all documents and information described in Section 6.1 or Section 6.2 as applicable, and payment in full for the Common Shares with respect to which the Option is being exercised, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Common Shares. An Exchange Hold Period will be applied from the date of grant for all Options granted to (i) Insiders of the Company; or (ii) where Options are granted to any Eligible Person, including Insiders, where the exercise price is at a discount to the Market Price.

Pursuant to the TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Common Shares with respect to which the Option is being exercised or written notice in the case of uncertificated Common Shares will include a legend stipulating that the Common Shares issued are subject to a four-month Exchange Hold Period commencing on the date where the Option is granted by the Company to the Eligible Person under an Option Agreement.

ARTICLE 7 AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any (i) reduction in the exercise price, or (ii) extension of the term of an Option if the Optionee is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

ARTICLE 8 MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon an Optionee any rights as a shareholder of the Company with respect to any of the Common Shares underlying an Option unless and until such Optionee shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Company or any Affiliate or affect in any way the right of the Company or any Affiliate to terminate the Optionee's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Company or any Affiliate to extend the employment of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Company or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Company or any Affiliate.

8.3 Governing Law

This Plan, all Option Agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.