

## GUNGNIR RESOURCES INC.

### INFORMATION CIRCULAR

Unless otherwise specified herein, this Management Information Circular (the “Circular”) contains information as at October 14, 2022).

#### SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Gungnir Resources Inc. (the “Company”) for use at the Annual General Meeting (the “Meeting”) of the shareholders of the Company to be held at the boardroom on the 4<sup>th</sup> Floor, Suite 404, 1688-152 Street, Surrey, British Columbia, at the hour of 10 o’clock in the morning (Pacific Time), on Thursday, November 10, 2022, and at any adjournment thereof, for the purposes set out in the accompanying notice of meeting (the “Notice of Meeting”). Although it is expected that the solicitation will be primarily by mail, proxies may also be solicited personally or by the directors, officers or employees of the Company at nominal cost. The cost of the solicitation will be borne by the Company. The Company does not reimburse shareholders, nominees or agents for the costs incurred in obtaining from their principals authorization to execute instruments of proxy.

Because many of the Company’s shareholders are unable to attend the Meeting in person, the board of directors of the Company (the “Board”) solicits proxies by mail to give each shareholder an opportunity to vote on all matters that will properly come before the Meeting. Shareholders who expect to be unable to attend the Meeting in person should:

- (a) read this Circular carefully;
- (b) specify their choice on each matter by marking the appropriate box on the enclosed Form of Proxy (the “Form of Proxy”); and
- (c) Sign, date and return the Form of Proxy to the Company’s Registrar and Transfer Agent, Computershare Investor Services Inc., Proxy Dept. 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 (facsimile in North America 1-866-249-7775; outside North America 416-263-9524) before 10 AM Pacific Time at least 48 hours (excluding Saturdays, Sundays and holidays recognized by the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof. The Form of Proxy can also be returned via telephone voting by calling Toll Free 1-866-732-8683 or via the internet at [www.investorvote.com](http://www.investorvote.com); please follow the prompts.
- (d) To be valid, the Form of Proxy must be dated and signed by the shareholder or by the shareholder’s attorney authorized in writing or, where the shareholder is a Company, by a duly authorized and appointed officer, attorney or representative of the Company. If the Form of Proxy is executed by an attorney for an individual shareholder or by an officer, attorney or representative of a corporate shareholder, the instrument so empowering the officer, attorney or representative, as the case may be, or a notarial copy thereof, must accompany the Form of Proxy.

#### APPOINTMENT AND VOTING OF PROXIES

The persons named in the Form of Proxy are directors and/or officers of the Company. **A shareholder has the right to appoint another person to attend and act on the shareholder’s behalf at the Meeting other than the persons named in the Form of Proxy. To exercise this right, a shareholder should strike out the names of the persons named in the Form of Proxy and insert the name of the shareholder’s nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.** The proxyholder will, if the instructions contained in the Form of Proxy are certain and if the Form of Proxy is duly completed and delivered and has not been revoked, be voted on any poll, and where a choice is specified with respect to any matter to be acted upon, the shares represented by the proxy will be voted on any poll in accordance with the specifications so made. Unless otherwise indicated by the shareholder, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated in the Form of Proxy. **The Form of Proxy also confers upon the proxyholder discretionary authority to vote all shares represented by the proxy with respect to amendments or variations to matters identified in the notice or any other matter that properly comes before the Meeting. At the time of printing this Circular, 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.**

## REVOCATION OF PROXIES

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

- (a) signing an form of proxy bearing a later date and depositing it at the place and within the time aforesaid;
- (b) signing and dating a written notice of revocation (in the same manner as the Form of Proxy is required to be executed, as set out in the notes to the Form of Proxy) and either delivering the same to the registered office of the Company at Suite 404 – 1688 152 Street, Surrey, British Columbia, V4A 4N2 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 Form of Proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof before any vote in respect of which the Form of Proxy is to be used shall have been taken;
- (c) attending the Meeting or any adjournment thereof and registering with the Scrutineer thereat as a shareholder present in person, whereupon such Form of Proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by law.

## PERSONS MAKING THE SOLICITATION

This solicitation is made on behalf of management. The Company will bear the costs incurred in the preparation and mailing of the proxy materials. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by the directors, officers and employees who will not be remunerated for their services.

## REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”) 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 decline to receive the financial statements.**

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name.** Shareholders who hold their common shares through their brokers, intermediaries, trustees, or other persons, or who otherwise do not hold their common shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those common shares will, in all likelihood, not be registered in the shareholder’s name. 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 shares are registered under the name of CDS & Co. (the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or “**NOBOs**”) or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or “**OBOs**”).

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), the Company has elected to send the Notice of Meeting, this Circular and a request for voting instructions (a “**VIF**”), instead of a proxy (the Notice of Meeting, Circular and VIF or proxy are collectively referred to as the “**Meeting Materials**”) directly to the NOBOs and indirectly through Intermediaries to the OBOs. In accordance

with NI 54-101, the Company has elected to not pay for mailing to OBOs. As a result, OBOs will only receive paper copies of the Meeting Materials if the OBO's intermediary assumes the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to shareholders in this Circular, the Form of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

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

## **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

If a shareholder specifies a choice with respect to any matter to be acted upon, the shares represented by proxy will be voted or withheld from voting by the proxy holder in accordance with those instructions on any ballot that may be called for. In the Form of Proxy, in the absence of any instructions in the proxy, it is intended that such shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the meeting as stated under the headings in the Notice of Meeting. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The Form of Proxy, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the Form of Proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a shareholder must strike out the names of the nominees of management in the enclosed Form of Proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

## **QUORUM**

Two holders of shares in the Company entitled to vote at the Meeting present in person or represented by proxy, holding in aggregate not less than 5% of the issued and outstanding shares of the Company, shall constitute a quorum.

## **EFFECTIVE DATE**

The effective date of this Circular and the information contained herein is October 14, 2022.

## **VOTING SHARES OF THE COMPANY AND PRINCIPAL HOLDERS THEREOF**

At the close of business on October 4, 2022 (the "**Record Date**"), 119,629,786 common shares without par value of the Company were issued and outstanding, each such share carrying the right to one vote at the meeting. There are no other classes of voting securities outstanding. Only those holders of record of the Company's common shares on the Record Date are entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company as the Record Date, there are no persons that, individually or together with other persons, beneficially own, directly or indirectly, or exercise control or direction over, greater than 10% of the voting rights attached to any class of voting securities of the Company.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Unless otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's December 31, 2021 financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein

## **EXECUTIVE COMPENSATION**

The information contained below is provided as required under Form 51-102F6 *Statement of Executive Compensation*.

### **Compensation Discussion and Analysis**

This Compensation Discussion and Analysis provides information about the Company's executive compensation objectives and processes and discusses compensation decisions relating to its named executive officers ("**Named Executive Officers**" or "**NEOs**") listed in the Summary Compensation Table that follows. During its fiscal years ended December 31, 2021 and December 31, 2020, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of the Company:

- Jari Paakki, Chief Executive Officer.
- Chris Robbins, Chief Financial Officer.

The Company does not employ or retain any other individuals who would qualify as a "Named Executive Officer" because no executive officer or employee of the Company receives total compensation (including without limitation salary and bonus)

in excess of \$150,000, except as disclosed herein. The Board has established a compensation committee (the “**Compensation Committee**”). The Compensation Committee, which is comprised of two (2) directors of the Company, being Todd Keast and Garrett Macdonald, is responsible for the compensation program for the Company’s Named Executive Officers. Todd Keast and Garrett Macdonald are considered independent within the meaning of Section 1.4 of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”). All members of the Compensation Committee have the skills and experience to fulfill their responsibilities and to make decisions on the suitability of the Company’s compensation policies and practices. They have developed skills and experience in making executive compensation decisions through serving on the boards of directors of public companies, serving on compensation committees of those boards of directors, advising on and drafting long-term incentive plans and working with compensation consultants and advisors in designing and implementing compensation programs for executive officers of public companies.

### **Compensation Program Objectives**

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Company’s continued success;
- to align the interests of the Company’s executives with the interests of the Company’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company is a mineral exploration company and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of the NEOs.

### **Purpose of the Compensation Program**

The Company’s executive compensation program has been designed to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives and for their individual performances.

### **Elements of Compensation Program**

The executive compensation program consists of a combination of base salary, performance bonus and stock option incentives. In most years there is an annual bonus paid in December in a uniform amount to each salaried staff member and officer reflecting achievement of overall corporate goals.

### **Risk Considerations**

The Board reviews from time to time and at least once annually, the risks, if any, associated with the Company’s compensation policies and practices at such time. Such a review occurred at the time of preparation of this Compensation Discussion & Analysis. Implicit in the Board’s mandate is that the Company’s policies and practise respecting compensation, including those applicable to the Company’s executives, be designed in a manner which is in the best interests of the company and its shareholders and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that a portion (set at a level consistent with its industry peers) of the Company’s executive compensation will consist of options granted under the Stock Option Plan (as defined below). Such compensation is both “long term” and “at risk” and, accordingly, is directly linked to the achievement of long term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is extremely limited.

The other element of compensation, salary, represents the remaining portion of an executive’s total compensation. While salary is not “long term” or “at risk”, as noted above, these components of compensation represent a relatively small part of

total compensation and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to them from the standpoint of their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which, financial and other information of the Company are reviewed, and which review includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

There are no policies in place pursuant to which an NEO or director is permitted to purchase financial instruments including for greater certainty, prepaid variable forward contracts, equity swaps, collars, units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an NEO or director.

### **Purpose of Each Element of the Executive Compensation Program**

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary, each NEO is eligible to receive a performance-based bonus meant to motivate the NEO to achieve short-term goals. A modest annual bonus is granted, in a uniform amount, to all full-time employees if the Company has been generally successful in conducting exploration in a cost effective manner, while incurring reasonable general and administrative expenses, and in raising the equity capital required from time to time to enable the Company to continue to possess adequate funding for those activities. Awards under this plan are made by way of cash payments only, which payment are made in December of each fiscal year.

Stock options are generally awarded to NEOs on an annual basis based on the Board's assessment of the contribution of the NEO's performance compared to the contribution of other option grant recipients. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Company's performance and in the value of the shareholders' investments.

### **Determination of the Amount of Each Element of the Executive Compensation Program**

The Compensation Committee is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Compensation Committee evaluates the performance of the chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations (See "*Compensation Discussion and Analysis*" under the heading "Executive Compensation" for further information on the Compensation Committee).

#### *Base Salary*

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Compensation Committee relies on the general experience of its members in setting base salary amounts.

#### *Performance Bonuses*

The Compensation Committee oversees the operation of the Company's bonus plan, which at the current stage of the Company's development and operations is very simple. A modest annual bonus is granted, in a uniform amount, to all full-time employees if the Company has been generally successful in conducting exploration in a cost-effective manner, while incurring reasonable general and administrative expenses, and in raising the equity capital required from time to time to enable the Company to continue to possess adequate funding for those activities. The Compensation Committee relies on the general experience of its members in evaluating if these criteria have been met.

*Stock Options*

The Company has in effect a 10% rolling stock option plan (the “**Prior 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 Company’s Prior Plan was last approved by the shareholders at the Company’s annual general meeting held on December 22, 2021.

The Prior Plan is a “rolling” stock option plan which sets the number of common shares of the Company that may be reserved for issuance thereunder at any time at 10% of the issued and outstanding common shares of the Company calculated as at the time of the proposed option grant, less any shares reserved for issuance under any other security-based compensation plan of the Company. The Prior Plan limits all options granted to a maximum of 10% of outstanding capital.

At the Meeting, the shareholders will be asked to consider, and if deemed advisable, approve, with or without variation, a resolution ratifying, confirming and approving an amended Prior Plan (the “**Stock Option Plan**”). A copy of the Stock Option Plan is attached as Schedule “C” hereto and will be made available at the Company’s head office located at Suite 404 – 1688 152 Street, Surrey, British Columbia, V4A 4N2, until 4:00 p.m. Pacific Standard Time on the business day immediately preceding the date of the Meeting, and on the Company’s profile on www.sedar.com. The text of the resolution is set out below.

The Company is seeking shareholder approval to RATIFY and CONFIRM the STOCK OPTION PLAN. Reference is made to the heading “PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING – APPROVAL AND ADOPTION OF THE STOCK OPTION PLAN” for further particulars.

As at the Record Date there are 10,939,778 options outstanding and 1,023,200 options available for issuance under the Prior Plan. If the Stock Option Plan is ratified, confirmed and approved, 11,962,978 options will be available for issuance under the Stock Option Plan.

<b>Name and Position</b>	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Dates</b>
Jari Paakki CEO, Director	500,000 600,000 1,000,000 600,000	\$0.11 \$0.10 \$0.11 \$0.14	September 11, 2024 November 18, 2025 December 22, 2026 April 6, 2027
Chris Robbins CFO, Director	500,000 600,000 1,000,000 600,000	\$0.11 \$0.10 \$0.11 \$0.14	September 2024 November 18, 2025 December 22, 2026 April 6, 2027
Todd Keast Director	500,000 600,000 1,000,000 600,000	\$0.11 \$0.10 \$0.11 \$0.14	September 11, 2024 November 18, 2025 December 22, 2026 April 6, 2027
Garett Macdonald Director	500,000 600,000 1,000,000 600,000	\$0.11 \$0.10 \$0.11 \$0.14	September 11, 2024 November 18, 2025 December 22, 2026 April 6, 2027

The Compensation Committee determines which NEOs (and other persons) are entitled to participate in the Company’s incentive plans, the number of options granted to such individuals and the date on which each option is granted and the corresponding exercise price. The Compensation Committee relies on the general experience of its members in allocating grants among recipients.

Previous grants of option-based awards are taken into account when considering new grants.

### **Link to Overall Compensation Objectives**

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the granting of stock options, has been designed to provide total compensation which the Compensation Committee believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

### **Employment Agreements of Named Executive Officers**

Effective July 1, 2017 the independent Board members upon review and recommendation from the Compensation Committee authorised the Company to enter into an Amended and Restated Employment Agreement (“**Paakki Employment Agreement**”) with Jari Paakki whereby the Company agreed to retain Mr. Paakki as Chief Executive Officer at \$180,000 per annum. Effective April 1, 2022 the Compensation Committee authorised the Company to enter into an Amended and Restated Employment Agreement increasing Mr. Paakki’s remuneration to \$250,000 per annum. The Paakki Employment Agreement provides that the Company may terminate the Paakki Employment Agreement at any time without just cause by paying Mr. Paakki a lump sum of 24 months of base salary, plus the accrued obligations and benefits continuation. If a change of control occurs, and following the change of control Mr. Paakki’s employment is terminated, other than for cause, or if Mr. Paakki terminates his employment for good reason, and such termination occurs within 12 months after the date upon which a change of control occurs, Mr. Paakki will be paid in accordance with the same terms as above. For the purposes of the Paakki Employment Agreement, (a) any person acquires the beneficial ownership, directly or indirectly, of the securities of the Company representing more than 50% of: (i) the outstanding voting securities of the Company; or (ii) the combined voting power of the Company’s then-outstanding securities; (b) the sale or disposition of all or substantially all of the Company’s assets (or any transaction having similar effect) is consummated; (c) the Company is party to a merger or consolidation that results in the holders of voting securities of the Company outstanding immediately prior thereto failing to continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or (d) the dissolution or liquidation of the Company. At April 1, 2022, termination of the Paakki Employment Agreement with Mr. Paakki without just cause would result in a liability to the Company of \$500,000.

Effective July 1, 2017 the independent Board members upon review and recommendation from the Compensation Committee authorised the Company to enter into an Amended and Restated Employment Agreement (“**Robbins Employment Agreement**”) with Chris Robbins whereby the Company agreed to retain Mr. Robbins as Chief Financial Officer at \$125,000 per annum. Effective April 1, 2022 the Compensation Committee authorised the Company to enter into an Amended and Restated Employment Agreement increasing Mr. Robbins’ remuneration to \$165,000 per annum. The Robbins Employment Agreement provides that the Company may terminate the Robbins Employment Agreement at any time without just cause by paying Mr. Robbins a lump sum of 24 months of base salary, plus the accrued obligations and benefits continuation. If a change of control occurs, and following the change of control Mr. Robbins’ employment is terminated, other than for cause, or if Mr. Robbins terminates his employment for good reason, and such termination occurs within 12 months after the date upon which a change of control occurs, Mr. Robbins will be paid in accordance with the same terms as above. For the purposes of the Robbins Employment Agreement, (a) any person acquires the beneficial ownership, directly or indirectly, of the securities of the Company representing more than 50% of: (i) the outstanding voting securities of the Company; or (ii) the combined voting power of the Company’s then-outstanding securities; (b) the sale or disposition of all or substantially all of the Company’s assets (or any transaction having similar effect) is consummated; (c) the Company is party to a merger or consolidation that results in the holders of voting securities of the Company outstanding immediately prior thereto failing to continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or (d) the dissolution or liquidation of the Company. At April 1, 2022, termination of the Robbins Employment Agreement with Mr. Robbins without just cause would result in a liability to the Company of \$330,000.



**Summary Compensation Table**

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Company and its subsidiaries for services in all capacities to the Company during the two most recently completed financial years.

Summary Compensation Table									
Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Jari Paakki CEO	2020	180,000 <sup>(1)</sup>	Nil	33,653	Nil	Nil	Nil	68,737 <sup>(1)</sup> 10,000 <sup>(3)</sup>	292,390
	2021	180,000	Nil	48,000	Nil	Nil	Nil	10,000 <sup>(3)</sup>	238,000
Chris Robbins CFO	2020	125,000 <sup>(2)</sup>	Nil	33,653	Nil	Nil	Nil	44,001 <sup>(2)</sup> 10,000 <sup>(3)</sup>	212,654
	2021	125,000	Nil	48,000	Nil	Nil	Nil	10,000 <sup>(3)</sup>	183,000

- (1) During 2020 Mr. Paakki was paid an additional \$68,737 in accrued salary which represents a portion of Mr. Paakki’s salary that was earned in 2017 but had not yet been paid to Mr. Paakki.
- (2) During 2020 Mr. Robbins was paid an additional \$44,001 in accrued salary which represents a portion of Mr. Robbins’ salary that was earned in 2017 but had not yet been paid to Mr. Robbins.
- (3) Effective January 1, 2020 Directors of the Company received \$10,000 per annum for their duties as a Director of the Company.

**Narrative Discussion**

The Company’s general compensation strategy for NEOs is discussed above under “*Executive Compensation*”. There were no agreements or arrangements in place, except as disclosed herein, under which compensation was provided during the most recently completed financial year or is payable in respect of service provided to the Company that were: (a) performed by a director or NEO or (b) performed by any other party but are services typically provided by a director or a NEO, other than the grant of options under the Prior Plan, and the reimbursement of expenses any director or NEO may have incurred on behalf of the Company.

**Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards Granted to NEO**

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the Company’s most recently completed financial year, including awards granted before the Company’s most recently completed financial year for the NEOs:

Name	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that have not Vested	Market or Payout Value of Share-Based Awards that have not Vested (\$)
Jari Paakki CEO, Director	500,000 600,000 1,000,000 600,000	0.11 0.10 \$0.11 \$0.14	September 11, 2024 November 18, 2025 December 22, 2026 April 6, 2027	\$10,000 \$18,000 \$20,000 Nil	Nil	Nil
Chris Robbins CFO, Director	500,000 600,000 1,000,000 600,000	0.11 0.10 \$0.11 \$0.14	September 11, 2024 November 18, 2025 December 22, 2026 April 6, 2027	\$10,000 \$18,000 \$20,000 Nil	Nil	Nil

Notes:

(1) Based on the closing price of the common shares on TSX-V on December 31, 2021 (being the last day of the fiscal year on which the shares were traded) of \$0.13 per common share.

#### Incentive Plan Awards – Value Vested or Earned During the Two Most Recently Completed Financial Years

The following table sets out certain information respecting the value of the option-based awards, share-based awards and non-equity incentive plan compensation that became vested or were earned during the Company’s most recently completed financial year for the NEOs:

Name	Option-Based Awards- Value Vested During the Year (\$)	Share-Based Awards- Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation- Value Earned During the Year (\$)
Jari Paakki	Nil	Nil	Nil
Chris Robbins	Nil	Nil	Nil

#### Narrative Discussion

The Company’s general compensation strategy for the grant of stock options to NEOs is discussed above under “Executive Compensation”.

#### Pension Plan Benefits - Earned During the Most Recently Completed Financial Year

The Company does not have a Defined Benefits Pension Plan, a Defined Contributions Pension Plan or a Deferred Compensation Plan.

#### Termination and Change of Control Benefits - Earned During the Most Recently Completed Financial Year

In the event of a termination of the Paakki Employment Agreement within 12 months following a change of control, Jari Paakki is entitled to a payment equal to twenty-four months of basic salary. Pursuant to the provisions of the Paakki Employment Agreement, a change of control is defined as: (i) a change of four or more directors of the Company unless approved by a majority of the Board; or (ii) the sale of all or substantially all of the assets of the Company; or (iii) any acquisition of 50% or more of the common shares of the Company, or voting rights in respect thereof, by any persons and/or

any companies acting jointly or in concert; or (iv) any merger or other transaction that results in existing shareholders holding 50% or less of the Company following completion of the transaction; or (v) the dissolution or liquidation of the Company.

In the event of a termination of the Robbins Employment Agreement within 12 months following a change of control, Chris Robbins is entitled to a payment equal to twenty-four months of basic salary. Pursuant to the provisions of the Robbins Employment Agreement, a change of control is defined as: (i) a change of four or more directors of the Company unless approved by a majority of the Board; or (ii) the sale of all or substantially all of the assets of the Company; or (iii) any acquisition of 50% or more of the common shares of the Company, or voting rights in respect thereof, by any persons and/or any companies acting jointly or in concert; or (iv) any merger or other transaction that results in existing shareholders holding 50% or less of the Company following completion of the transaction; or (v) the dissolution or liquidation of the Company.

Other than as noted above, the Company has no compensatory plan or arrangement with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other termination of employment of any such officer's employment with the Company, from a change of control of the Company or a change in the responsibilities of a Named Executive Officer following a change in control.

### Director Compensation

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Company who were not NEOs during the Company's most recently completed financial year:

Director Compensation Table								
Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total (\$)
				Annual Incentive Plans	Long-Term Incentive Plans			
Todd Keast	10,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Garett Macdonald	10,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Effective January 1, 2020 Directors of the Company received \$10,000 per annum for their duties as a Director of the Company.

### Share-Based Awards, Options-Based Awards and Non-Equity Incentive Plan Compensation to Directors

#### *Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the Company's most recently completed financial year, including awards granted before the Company's most recently completed financial year for directors of the Company who were not NEOs:

Name	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that have not Vested	Market or Payout Value of Share-Based Awards that have not Vested (\$)
Todd Keast Director	500,000	0.11	September 11, 2024	10,000	Nil	Nil
	600,000	0.10	November 18, 2025	18,000		
	1,000,000	0.11	December 22, 2026	20,000		
	600,000	0.14	April 6, 2027	Nil		

Garett Macdonald Director	500,000	0.11	September 11, 2024	10,000	Nil	Nil
	600,000	0.10	November 18, 2025	18,000		
	1,000,000	0.11	December 22, 2026	20,000		
	600,000	0.14	April 6, 2027	Nil		

Notes:

- (1) Based on the closing price of the common shares on TSX-V on December 31, 2021 (being the last day of the fiscal year on which the shares were traded) of \$0.13 per common share.

*Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year*

There were no option-based awards or share-based awards granted to or vested to the directors of the Company during the most recently completed financial year.

**Narrative Discussion**

The Company’s general compensation strategy for the grant of stock options to directors who were not NEOs is discussed above under “Executive Compensation”.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN**

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

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders <sup>(1)</sup>	9,466,667 <sup>(2)</sup>	\$0.10	271,278
	15,129,334 <sup>(3)</sup>	\$0.09	N/A
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>24,596,001</b>	<b>\$0.09</b>	<b>271,278</b>

Notes:

- (1) Represents the Prior Plan. As at December 31, 2021, the Company had an aggregate of 97,379,450 common shares issued and outstanding, and accordingly, as at December 31, 2021, an aggregate of 9,737,945 common shares were available to be reserved for issuance pursuant to stock options under the Prior Plan.
- (2) Represents options.
- (3) Represents warrants.

**Compensation of Directors**

The Company has effective January 1, 2020 initiated compensating its directors and/or officers with a Directors and Officers’ Compensation package of \$10,000 per year for services rendered in that capacity approved at the board meeting following the Annual General Meeting of the Company held on September 11, 2019 through to the completion of December 31, 2021. No other compensation was paid to the Directors during the fiscal years ending December 31, 2020 and December 31, 2021, in their capacity as Directors, other than in the form of incentive stock option grants as previously described. See “Executive Compensation” for disclosure of the compensation paid to the named executive officers.

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS**

None of the directors or officers of the Company or any subsidiary thereof, has any indebtedness to the Company or any subsidiary thereof.

## **INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS**

For purposes of the disclosure in this section, “Informed Person” means (a) a Director or NEO of the Company; (b) a Director or NEO 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, elsewhere herein or in the Notes to the Company's audited consolidated financial statements for the year ended December 31, 2021, none of:

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

has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any subsidiary thereof.

## **MANAGEMENT CONTRACTS**

Management functions of the Company and any subsidiary thereof are not, to any substantial degree, performed other than by directors or executive officers of the Company or any subsidiary thereof.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS**

### **General**

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

### **Audit Committee Charter**

The Board has adopted an Audit Committee Charter during the annual meeting held April 11, 2019; a complete copy of which is attached as Schedule “A” hereto.

### **Composition**

The Audit Committee for the ensuing financial year is proposed to consist of the following three (3) directors. Also indicated is whether they are ‘independent’ and ‘financially literate’.

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Chris Robbins	No	Yes
Todd Keast	Yes	Yes

Garett Macdonald	Yes	Yes
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Notes:

- (1) A member of the Audit Committee is independent if he or she has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or CEO, is deemed to have a material relationship with the Company.
- (2) A member of the Audit Committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

### **Relevant Education and Experience**

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

*Chris Robbins* – Mr. Robbins has been the CFO and a Director of the Company since 1995. He has over 25 years' experience in public relations, corporate governance & financing, both in public & private sectors. As a result, Mr. Robbins' experience has afforded him an understanding of the general application of accounting principles, and the internal controls and procedures related to financial reporting with respect to public company disclosure.

*Todd Keast* - Mr. Keast has over 33 years of hands on field exploration experience in a broad range of commodities, and has a wide range of experience and success from grassroots target generation to deposit discovery including resource evaluation, environmental permitting, and preliminary economic evaluation. He also has over six years' experience in senior management including positions as Director, Vice President and President. As a result, Mr. Keast's experience has afforded him an understanding of the general application of accounting principles, and the internal controls and procedures related to financial reporting with respect to public company disclosure.

*Garett Macdonald* - Mr. Macdonald is an accomplished mining executive with 25 years of industry experience including an extensive background in project development and mine operations. Garett is based in Toronto as President & CEO of Maritime Resources Corporation. He is a graduate of Laurentian University (mining engineering) and holds an MBA from the University of Western Ontario's Ivey School of Business. As a result, Mr. Macdonald's experience has afforded him an understanding of the general application of accounting principles, and the internal controls and procedures related to financial reporting with respect to public company disclosure.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Sections 6.1.1(4), 6.1.1(5) and 6.1.1(6) provide exemptions in certain circumstances from the requirement that each member of the audit committee not be executive officers, employees or control persons of the Company. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services; however, as provided for in NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

## External Auditor Service Fees (By Category)

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All other Fees <sup>(4)</sup>
December 31, 2020	\$11,000	Nil	\$900	Nil
December 31, 2021	\$15,000	Nil	\$900	Nil

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees is for audit and Corporate Income Tax filings.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. These comprise fees for the preparation of tax and information returns to federal tax authorities in Canada.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

## Exemption

Pursuant to section 6.1 of NI 52-110, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110 because it is a venture issuer.

## CORPORATE GOVERNANCE DISCLOSURE

The corporate governance disclosure required by NI 52-110 is attached hereto as Schedule "B".

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### PRESENTATION OF FINANCIAL STATEMENTS

The Audited Financial Statements for the fiscal year ended December 31, 2021 and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Company's Financial Statements for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein. The Audited Financial Statements and the Management's Discussion and Analysis for the year ended December 31, 2021 have been mailed to shareholders of record and non-objecting beneficial shareholders. Copies of these financial statements can be obtained at [www.sedar.com](http://www.sedar.com). In the alternative, upon receiving a written request to the address on the first page of this Circular, the Company will mail copies of the financial statements to you.

### APPOINTMENT OF AUDITORS

The persons named in the Form of Proxy intend to vote for shareholder approval to authorize the Company to re-appoint DeVisser Gray, LLP as the auditors of the Company to hold office until the next annual meeting of shareholders, and to authorize the directors of the Company to fix the auditors' remuneration.

On the representations of the said auditors, neither that firm nor any of its partners has any direct financial interest nor any material indirect financial interest in the Company or any of its subsidiaries nor has had any connection during the past three years with the Company or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

DeVisser Gray LLP, Chartered Accountants, the Company's auditors, were appointed as auditors of the Company on November 26, 2020. For the financial year ended December 31, 2021, the Company paid DeVisser Gray LLP, Chartered Accountants, total fees of \$15,900.

## SET NUMBER OF DIRECTORS TO BE ELECTED

Shareholders of the Company will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution setting the number of directors to be elected at the Meeting. Currently the number of directors is set at four (4). At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed.

## ELECTION OF DIRECTORS

The Board of the Company is currently comprised of four (4) persons. The persons named in the Form of Proxy intend to vote for the election as directors of each of the four (4) nominees of management whose names are set forth in the table below. The Board has adopted a majority voting policy in order to promote enhanced director accountability. Each shareholder is entitled to cast their votes for, or withhold their votes from, the election of each director. If the number of shares “withheld” for any nominee exceeds the number of shares voted “for” the nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, he shall tender his written resignation to the Company. The Board will consider such offer of resignation and the director’s suitability to continue to serve as a Board member after considering, among other things, the stated reasons, if any, why certain shareholders “withheld” votes for the director, the qualifications of the director and whether the director’s resignation from the Board would be in the best interests of the Company.

These nominees have consented to being named in this Circular and to serve if elected. The Company’s management does not contemplate that any of the nominees will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the common shares represented by properly submitted proxies given in favour of such nominee(s) may be voted by the persons whose names are printed in the Form of Proxy, in their discretion, in favour of another nominee.

The following table and notes thereto state the names of all the persons proposed to be nominated for election as directors, all of the positions and offices with the Company now held by them, their present principal occupations or employments for the last five (5) years and the number of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of December 31, 2021. The information as to shares beneficially owned has been furnished to the Board by the respective nominees.

<b>Name of Nominee, Municipality of Residence and Present Position with the Company</b>	<b>Principal Occupation</b>	<b>Date Appointed to the Board</b>	<b>Common Shares Owned</b>
Christopher C. Robbins British Columbia, Canada Director <sup>(1,2,4)</sup> Chief Financial Officer	Businessman	November 25, 1994 June 8, 1999	3,021,227
Todd Keast B .Sc. (Hons), P.Geo Ontario, Canada Director <sup>(1,2,3)</sup>	Professional Geologist	September 16, 2011	1,375,000
Garett Macdonald <sup>(1,3)</sup> Ontario, Canada Director	Businessman	July 14, 2015	1,600,000
Jari Paakki, MSc, P.Geo Ontario, Canada Director <sup>(2,4)</sup> Chief Executive Officer	Professional Geologist	September 16, 2011	3,253,461

Notes:

- (1) Member of the Audit Finance Committee.
- (2) Member of the Corporate Governance Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Communications Committee.

The Shareholders are urged to elect management’s nominees as directors of the Company.



**Jari Paakki, MSc., P.Geo**

Mr. Paakki has been CEO of the Company since 2011. Mr. Paakki is a Professional Geologist with over 25 years-experience in gold and base metal exploration in Canada, Scandinavia and Brazil, including twelve years with Teck Resources. Jari has spent the past dozen years in the junior exploration sector in senior management roles and as a director, including nearly 10 years exploring in Sweden. Extensive experience in gold, nickel-copper and VMS exploration and deposits. Mr. Paakki is the Company's qualified technical person. Jari is the Managing Director of Gungnir Sweden Filial (Gungnir's Swedish subsidiary).

**Christopher Robbins**

Mr. Robbins has been the CFO and a Director of the Company since 1994. He has over 25 years' experience in public relations, corporate governance & financing, both in public & private sectors. Mr. Robbins has been a full time employee of Gungnir Resources since 1995.

**Todd Keast, BSc. (Hons), P.Geo**

Mr. Keast has over 33 years of hands on field exploration experience in a broad range of commodities, and has a wide range of experience and success from grassroots target generation to deposit discovery including resource evaluation, environmental permitting, and preliminary economic evaluation. He also has over seven years' experience in senior management including positions as Director, Vice President and President. Mr. Keast is currently an active consultant to many exploration companies.

**Mr. Garrett Macdonald, P.Eng., MBA**

Mr. Macdonald is a professional mining engineer with extensive experience in project development and mine operations with over 25 years of industry experience. He has managed large technical programs through the concept, feasibility and into construction stages and has senior management and board level experience with several public companies. Most recently as Vice President of Project Development for JDS Energy and Mining, Garrett was responsible for leading the Curraghinalt Feasibility Study for Dalradian Resources, a high grade, narrow vein Curraghinalt gold project in Northern Ireland, recently acquired by Orion Mine Finance for \$537M. Garrett also held roles in mine operations and engineering earlier in his career with senior Canadian mining firms Suncor Energy, and Placer Dome Inc. From 2009 to 2013 he served as Vice President of Operations for Rainy River Resources prior to the \$310M sale of Rainy River to New Gold Inc.

Garrett is currently the President & CEO of Maritime Resources and a director of Aurelius Minerals and First Cobalt. He holds a Master of Business Administration degree from Western University's Ivey Business School and a Bachelor of Engineering (Mining) from Laurentian University in Sudbury.

**Cease Trade Orders, Penalties or Sanctions, and Bankruptcies**

No proposed director of the Company:

- (a) other than as disclosed herein, is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity,
  - (i) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days;
  - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, after the proposed director was acting in the capacity as director, chief executive officer or chief financial officer and which resulted from an event that occurred; or
  - (iii) 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 the assets of the proposed director; or

- (b) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Mr. Robbins was the Chief Financial Officer of Fanlogic Interactive Inc. (“**Fanlogic**”) from February 16, 2016 to November 30, 2020. Fanlogic was listed on the TSX-V and was a reporting issuer in British Columbia and Alberta. On May 6, 2019, the Alberta Securities Commission issued a cease trade order (the “**Cease Trade Order**”) with respect to trading in Fanlogic’s securities due to the failure to file its annual audited financial statements, annual management’s discussion and analysis and certification of the annual filings for the year ended December 31, 2018. On May 7, 2019, the TSX-V suspended trading in Fanlogic’s listed shares and subsequently transferred Fanlogic to the NEX board of the TSX-V.

In July 2020, Fanlogic initiated filings and exemptions for partial relief of the CTO. Fanlogic filed all outstanding regulatory disclosures required and held an Annual and Special General Meeting on November 30, 2020. In early 2021 the Alberta Securities Commission revoked Health Logic Interactive Inc.’s (formerly Fanlogic Interactive Inc.) previously issued cease trade order in respect of the corporation’s securities and the completion of the TSX-V review. The TSX-V lifted Health Logic’s trading suspension on the corporation’s common shares, which were reinstated for trading, effective March 15, 2021 on the NEX.

### **APPROVAL OF THE STOCK OPTION PLAN**

The Company’s Prior Plan was last approved by the shareholders at the Company’s annual general meeting held on December 22, 2021 (see “*Stock Options*” under the heading “Executive Compensation” for a description of the Prior Plan).

On November 24, 2021, the TSX Venture Exchange adopted a new security-based compensation policy, “Policy 4.4 Security Based Compensation”, which incorporated significant changes to its policy on equity incentive plans (the “**New Policy**”). In order to comply with the New Policy, the Company determined that it would be prudent to amend the Prior Plan and, subject to approval by shareholders, the Board approved an amended and restated Prior Plan as of October 13, 2022, such amended and restated Prior Plan is referred to herein as the “Stock Option Plan”. The Stock Option Plan reflects a number of amendments that have been made to the Prior Plan to bring its terms in accordance with the New Policy.

#### ***Summary of the Stock Option Plan***

A summary of certain key provisions of the Stock Option Plan is set out below, is not complete and is qualified in its entirety by the full text of the Stock Option Plan, which is attached as Schedule “C” hereto. All defined terms contained in the below summary have the meanings ascribed to them in the Stock Option Plan or the New Policy, as applicable:

- a) the Stock Option Plan has been amended to allow an Optionee to elect to exercise Options by either (A) 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 “cashless exercise” procedure, 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 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 law;
- b) the Stock Option Plan is a “rolling plan” and reserves for issuance a maximum of 10% of the issued and outstanding common shares of the Company, at any time. The Stock Option Plan limits all options granted to a maximum of 10% of the outstanding capital;
- c) The exercise price per Common Share for an Option shall be determined by the Board, but it will in no event be less than the “Discounted Market Price”, as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required by the Exchange;
- d) The maximum period during which an Option can be exercised is ten (10) years from the date of grant. No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his or her lifetime only by him or her;

- e) Under the New Policy, an Optionee must either be an Eligible Charitable Organization or a Director, Officer, Employee, Consultant or Management Company Employee 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;
- f) Any Option grant pursuant to the Stock Option Plan will terminate on the earlier of the following dates:
  - i. the date of expiration specified in the applicable option agreement, being not more than 10 years after the date the Option was granted;
  - ii. the date of termination of an Optionee's employment or upon ceasing to be a Director and/or Officer of the Company or up to a period not exceeding six months thereafter for any cause other than by retirement, permanent disability or death;
  - iii. one year after the date of an Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date; and
  - iv. six months after termination of an Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which six month period the Optionee may exercise the Option to the extent he or she was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such six month period, then such right shall be extended a further six months from the death of the Optionee.
- g) The Stock Option Plan includes the following restrictions on grants and exercise of Options:
  - i. The aggregate number of Common Shares reserved for issuance to any person in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
  - ii. The aggregate number of Common Shares reserved for issuance to any one Consultant in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
  - iii. The aggregate number of Common Shares reserved for issuance to all Investor Relations Service Providers in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
  - iv. Unless the Company has received Disinterested Shareholder Approval to do so:
    - A. the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and
    - B. the aggregate number of Options granted to Insiders in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.
- h) Options granted to Investor Relations Service Providers must vest in stages over a minimum of 12 months, with:
  - i. no more than  $\frac{1}{4}$  of the Options vesting no sooner than three months after the Options were granted;
  - ii. no more than another  $\frac{1}{4}$  of the Options vesting no sooner than six months after the Options were granted;
  - iii. no more than another  $\frac{1}{4}$  of the Options vesting no sooner than nine months after the Options were granted; and

- iv. the remainder of the Options vesting no sooner than 12 months after the Options were granted.
- i) There can be no acceleration of the vesting requirements applicable to Option grants to an Investor Relations Service Provider without the prior written approval of the Exchange.

### ***Shareholder Approval***

The rules of the TSXV require that the Stock Option Plan be approved by an ordinary resolution passed by a majority of the votes cast by shareholders of the Company present or represented by proxy at the Meeting. At the Meeting, the shareholders will be asked to consider, and if deemed advisable, approve, with or without variation, a resolution ratifying, confirming and approving the Stock Option Plan (defined below) to amend and restate the Prior Plan. A copy of the Stock Option Plan is attached as Schedule "C" hereto and will be made available at the Company's head office located at Suite 404 – 1688 152 Street, Surrey, British Columbia, V4A 4N2, until 4:00 p.m. Pacific Standard Time on the business day immediately preceding the date of the Meeting. The text of the resolution is set out below.

### **It is proposed that shareholders approve the following resolution:**

"BE IT RESOLVED THAT:

1. The Company ratify, confirm and approve the amended Stock Option Plan, with such additions, deletions and other amendments as any director or officer may deem necessary or advisable from time to time, be and the same is hereby authorized and approved; and
2. Any one director or officer be and is hereby authorized, in the name of and on behalf of the Company, to execute and deliver the Stock Option Plan and file same in the Company's minute book, the execution thereof being conclusive evidence of the Company's authorization, approval and acceptance thereof."

Management urges shareholders to approve the Stock Option Plan. This resolution can be approved by a majority of shareholders voting at the Meeting.

### **OTHER BUSINESS**

Management of the Company is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the common shares represented thereby in accordance with their best judgment on such matter.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is contained in the Company's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2021 available on SEDAR. In addition, security holders may obtain copies of the Company's financial statements and management's discussion and analysis by contacting the Company in writing at Gungnir Resources Inc., #404-1688 152 Street, Surrey, BC V4A 4N2 or by e-mail at [CorporateCommunications@gungnirresources.com](mailto:CorporateCommunications@gungnirresources.com).

### **APPROVAL BY BOARD OF DIRECTORS**

The contents of this Circular have been approved and its mailing has been authorized by the Board of the Company.

**DATED** at Surrey, British Columbia, the 14<sup>th</sup> day of October, 2022.

### **BY ORDER OF THE BOARD OF DIRECTORS**

*"Jari Paakki"*

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Jari Paakki

Chief Executive Officer and Director

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

1. Establishment of Audit Committee: The directors of the Company (the "**Directors**") hereby establish an audit committee (the "**Audit Committee**").
2. Membership: The membership of the Audit Committee shall be as follows:
  - (a) The Audit Committee shall be composed of three members or such greater number as the Directors may from time to time determine.
  - (b) The majority of the members of the Audit Committee shall be independent Directors.
  - (c) Each member of the Audit Committee shall be financially literate. For purposes hereof "financially literate" has the meaning set forth under MI 52-110 (as amended from time to time) and currently means the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably be expected to be raised by the Company's financial statements.
  - (d) Members shall be appointed annually from among members of the Directors. A member of the Audit Committee shall ipso facto cease to be a member of the Audit Committee upon ceasing to be a Director of the Company.
3. Oversight Responsibility: The external auditor is ultimately accountable to the Directors and the Audit Committee, as representatives of the shareholders and such shareholders representatives have the ultimate authority and responsibility to select, evaluate, and where appropriate, replace the external auditors (or to nominate the external auditors to be proposed for shareholder approval in any management information circular and proxy statement). The external auditor shall report directly to the Audit Committee and shall have the responsibilities as set forth herein.
4. Mandate: The Audit Committee shall have responsibility for overseeing:
  - (a) the accounting and financial reporting processes of the Company; and
  - (b) audits of the financial statements of the Company. In addition to any other duties assigned to the Audit Committee by the Directors, from time to time, the role of the Audit Committee shall include meeting with the external auditor and the senior financial management of the Company to review all financial statements of the Company which require approval by the Directors, including year end audited financial statements. Specifically, the Audit Committee shall have authority and responsibility for;
    - (c) reviewing the Company's financial statements and MD&A before the information is publicly disclosed;
    - (d) overseeing the work of the external auditors engaged for purpose of preparing or issuing, an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting;
    - (e) reviewing annually and recommending to the Directors:
      - i. the external auditors to be nominated for purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Company; and
      - ii. the compensation of the external auditors.
    - (f) discussing with the external auditor:
      - i. the scope of the audit, in particular their view of the quality of the Company's accounting principles as applied in the financials in terms of disclosure quality and evaluation methods, inclusive of the clarity of

the Company's financial disclosure and reporting, degree of conservatism or aggressiveness of the Company's accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosure reviewed by the auditors;

- ii. significant changes in the Company's accounting principles, practices or policies; and
  - iii. new developments in accounting principles, reporting matters or industry practices which may materially affect the Company.
- (g) reviewing with the external auditor and the Company's senior financial management the results of the annual audit regarding:
- i. the financial statements;
  - ii. MD&A and related financial disclosure contained in continuous disclosure documents;
  - iii. significant changes, if any, to the initial audit plan;
  - iv. accounting and reporting decisions relating to significant current year events and transactions;
  - v. the management letter, if any, outlining the auditor's findings and recommendations, together with management's response, with respect to internal controls and accounting procedures;
  - vi. any other matters relating to the conduct of the audit, including such other matters which should be communicated to the Audit Committee under Canadian generally accepted auditing standards; and
  - vii. the Company's fraud risk assessment and anti-fraud controls. Obtain confirmation from senior management and the external auditor whether they are aware of any instances of fraud.
- (h) reviewing and discussing with the Company's senior financial management and, if requested by the Audit Committee, the external auditor:
- i. the interim financial statements;
  - ii. the interim MD&A;
  - iii. any other material matters relating to the interim financial statements, including, inter alia, any significant adjustments, management judgments or estimates, new or amended accounting policies; and
  - iv. the Company's fraud risk assessment and anti-fraud controls. Obtain confirmation from senior management and the external auditor whether they are aware of any instances of fraud.
- (i) receipt from external auditor of a formal written statement delineating all relationships between the auditor and the Company and considering whether the advisory services performed by the external auditor during the course of the year have impacted their independence, and also ensuring that no relationship or services between the external auditor and the Company is in existence which may affect the objectivity and independence of the auditor or recommending appropriate action to ensure the independence of the external auditor.
- (j) pre-approval of all non-audit services to be provided to the Company or its subsidiary entities by the external auditors or the external auditors of the Company's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit committee.
- (k) reviewing and discussing with the external auditors and senior financial management: the adequacy of procedures for review of disclosure of financial information extracted or derived from financial statements, other than the disclosure referred to in subparagraph (a) above.
- (l) establishing and reviewing procedures for:

- i. receipt, retention and treatment of complaints received by the Company and its subsidiary entities regarding internal accounting controls, or auditing matters;
  - ii. confidential anonymous submission by employees of the Company and its subsidiary entities of concerns regarding questionable accounting or auditing matters or fraud; and
  - iii. hiring policies regarding employees and former employees of present and former external auditors of the Company and its subsidiary entities.
- (m) reviewing with the external auditor, the adequacy of management's internal control over financial reporting relating to financial information and management information systems and inquiring of management and the external auditor about significant risks and exposures to the Company that may have a material adverse impact on the Company's financial statements, and inquiring of the external auditor as to the efforts of management to mitigate such risks and exposures.
- (n) review with the Chief Financial Officer and the Chief Executive Officer of the Company their respective disclosures made to the Committee during the certification process as required by Multilateral Instrument 52-109, including:
- i. any significant deficiencies or material weakness in the design or operation of internal controls;
  - ii. any fraud involving management or other employees who have a significant role in the Company's internal controls;
  - iii. any other obligations arising from certification; and
  - iv. any significant changes in the internal controls.
- (o) reviewing and/or considering that, with regard to the previous fiscal year,
- i. management has reviewed the Company's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;
  - ii. the external auditors and the Audit Committee have discussed the external auditors' judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Company's financial statements;
  - iii. the Audit Committee, on its own (without management or the external auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Company's management and the external auditor; and
  - iv. in reliance on review and discussions conducted with senior financial management and the external auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects and that the financial statements fairly reflect the financial condition of the Company.
- (p) investigating fraud, illegal acts or conflicts of interest.

#### 5. Internal Controls and Information Technology Systems (“IFRS”)

As part of its IFRS implementation, the Company and the Audit Committee undertook an assessment of disclosure controls and internal controls over financial reporting, as well as a review of information technology systems to ensure that these processes and systems are compliant with the Company's IFRS reporting requirements. Changes to existing procedures were minor and consisted primarily of the re-input of stock option grants into the already existing module for tracking stock-based compensation under a graded method of valuation.

Developments in IFRS and Next Steps

The International Accounting Standards Board (the “IASB”) is in the process of considering various amendments to IFRS. Initially, the Company’s focus will be to assess proposed IFRS financial disclosure requirements that may modify its current financial reporting prior to the issuance of its 2011 annual consolidated financial statements. A detailed description of IFRS standards that have been approved but which are not yet effective are included in the section entitled “New Standards not yet Adopted” included in Note 2(m) to the 2010 Audited Financial Statements available at [www.sedar.com](http://www.sedar.com).

The Company will be required to assess IFRS developments on an ongoing basis. Future changes to IFRS reporting requirements may significantly modify the Company’s financial and reporting disclosure requirements.

6. Administrative Matters: The following general provisions shall have application to the Audit Committee:
- (a) A quorum of the Audit Committee shall be the attendance of a majority of the members thereof. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all the members of the Audit Committee.
  - (b) Any member of the Audit Committee may be removed or replaced at any time by resolution of the Directors of the Company. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all their powers so long as a quorum remains. Subject to the foregoing, each member of the Audit Committee shall hold such office until the close of the annual meeting of shareholders next following the date of appointment as a member of the Audit Committee or until a successor is duly appointed.
  - (c) The Audit Committee may invite such directors, officers and employees of the Company or affiliates thereof as it may see fit from time to time to attend at meetings of the Audit Committee and to assist thereat in the discussion of matters being considered by the Audit Committee. The independent auditor is to appear before the Audit Committee when requested to do so by the Audit Committee.
  - (d) The time and place for the Audit Committee meetings, the calling and the procedure at such meetings shall be determined by the Audit Committee having regard to the Articles and By-Laws of the Company.
  - (e) The Chair shall preside at all meetings of the Audit Committee and shall have a second and deciding vote in the event of a tie. In the absence of the Chair, the other members of the Audit Committee shall appoint a representative amongst them to act as Chair for that particular meeting.
  - (f) Notice of meetings of the Audit Committee may be given to the independent auditor and shall be given in respect of meetings relating to the annual audited financial statements. The independent auditor has the right to appear before and to be heard at any meeting of the Audit Committee. Upon the request of the independent auditor, the Chair of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters which the external auditor believes should be brought to the attention of the Directors or shareholders of the Company.
  - (g) The Audit Committee shall report to the Directors of the Company on such matters and questions relating to the financial position of the Company or any affiliates of the Company as the Directors of the Company may from time to time refer to the Audit Committee.
  - (h) The members of the Audit Committee shall, for the purpose of performing their duties, have the right to inspect all the books and records of the Company and its affiliates, and to discuss such books and records that are in any way related to the financial position of the Company with the directors, officers, employees and independent auditor of the Company and its affiliates.
  - (i) Minutes of the Audit Committee meetings shall be recorded and maintained. The Chair of the Audit Committee will report to the Directors on the activities of the Audit Committee and/or the minutes of the Audit Committee meetings will be promptly circulated to the Directors or otherwise made available at the next meeting of Directors.
  - (j) The Audit Committee shall, upon the approval of the Directors, adopt a formal written charter, which sets out the Audit Committee's responsibilities, the way they should be implemented and any other requirement such as membership and structure of the Audit Committee. The Audit Committee shall review and reassess the adequacy of the charter on an annual basis.



- (k) The Audit Committee shall ensure and/or consider that, with regard to the previous fiscal year,
  - i. management has reviewed the Company's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;
  - ii. the external auditor and the Audit Committee have discussed the independent auditor's judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Company's financial statements;
  - iii. the Audit Committee, on its own (without management or the independent auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Company's management and the external auditor; and
  - iv. in reliance on review and discussions conducted with management and outside auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Canadian Generally Accepted Accounting Principles (GAAP) and the transition to IFRS effective January 2011 in all material respects.
  
- (l) The Audit Committee shall have the authority to:
  - i. engage independent counsel and other advisors or consultants as it determines necessary to carry out its duties;
  - ii. set and pay the compensation for any advisors employed by the Audit Committee; and
  - iii. communicate directly with the internal (if any) and external auditors.

## SCHEDULE “B”

### CORPORATE GOVERNANCE DISCLOSURE

The Board has the responsibility for the overall stewardship of the conduct of the business of the Company and to oversee and provide direction to management of the Company. Management is responsible for the day-to-day conduct of the business of the Company. The Board's fundamental objectives are to enhance and preserve long-term shareholder value and to ensure that the Company satisfies its obligations on an ongoing basis. In overseeing the conduct of the business, the Board, through the Chief Executive Officer, shall set the standards of conduct for the Company.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

#### 1. Board of Directors

The Board at the end of the most recently completed financial year was comprised of four (4) directors, Todd Keast, Garett Macdonald, Chris Robbins and Jari Paakki. Two (2) of the members of the Board, Todd Keast and Garett Macdonald were independent directors at the end of the most recently completed year end. Jari Paakki, CEO and Chris Robbins, CFO are not independent members of the Board as they are considered to have a material relationship with the Company by virtue of their positions as officers of the Company.

#### 2. Directorships

Mr. Macdonald is currently the President & CEO of Maritime Resources and a director of Aurelius Minerals and First Cobalt. None of the directors are presently a director of any other issuer that is a reporting issuer (or the equivalent).

#### 3. Orientation and Continuing Education

The Company does not provide a formal orientation or education program for new directors. However, directors are provided with access to documents from external regulatory authorities relating to the responsibilities of directors.

#### 4. Ethical Business Conduct

The Board is of the view that the fiduciary duties and restrictions placed upon individual directors by applicable laws as they relate to participation on Board decisions in which an individual director has an interest are sufficient to ensure that the Board operates independently of management and at all times acts in the best interests of the Company.

#### 5. Nomination of Directors

The Company does not currently provide a formal orientation program for new directors. The Board considers its size each year, taking into account the number of directors required to carry out the Board's duties effectively and to maintain a diversity of perspectives and experience. The Board does not have a nominating committee and these functions are currently performed collectively by the Board. It is the Board's intention that as and when a new nominee is identified, they will ensure that a full program of orientation and education is provided for the nominee, including (but not limited to) provision of a complete corporate history, including copies of past minutes of meetings of the Board, as well as information regarding the Company's business and operations.

#### 6. Compensation

The Board has established a Compensation Committee which, at the most recently completed year end, was comprised of Todd Keast and Garett Macdonald. The Committee is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. The Board evaluates the performance of the directors and chief executive officer in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations.

## 7. Other Board Committees

To assist in the discharge of its responsibilities, the Board has designated four standing committees:

### (1) Audit Committee

The Audit Committee will consist of three (3) directors, namely Chris Robbins, Todd Keast and Garrett Macdonald. Mr. Macdonald is the Chairman of the Audit Committee.

### (2) Corporate Governance Committee

The Corporate Governance Committee will consist of three (3) directors, namely Jari Paakki, Chris Robbins and Todd Keast. The Corporate Governance Committee provides guidance to the Board in relation to the responsibilities within NI 58-101. The Company has adopted a “Code of Ethics” and “Whistle Blower” procedures; both of which can be viewed at the Company’s website at [www.gungnirresources.com](http://www.gungnirresources.com).

### (3) Communications Committee

The Communications Committee will consist of two (2) directors, namely Jari Paakki and Chris Robbins. The Communications’ Committee is responsible for overseeing the Company’s need to provide timely discharge of information to shareholders, media representatives and relevant regulatory agencies, among others.

### (4) Compensation Committee

The Compensation Committee is responsible for setting the remuneration of the Company’s management with respect to their responsibilities within comparable industry standards. Todd Keast and Garrett Macdonald are the members of the Compensation Committee.

Aside from its Audit Committee, Corporate Governance Committee and Communications Committee and Compensation Committee, the Board has not designated any other committee. Given there are currently only four members of the Board, the Board as a whole remains responsible for performing the functions that may otherwise be given to an executive committee. The Board intends to remain sensitive to the changes required in corporate governance issues and will re-examine the need for additional measures, control mechanisms and structures (including committees) from time to time as the Company resources permit.

## 8. Assessments

The contribution and effectiveness of the Board are evaluated on an informal basis through discussions amongst Board members.

**SCHEDULE "C"**

**STOCK OPTION PLAN**

*(See attached)*

**GUNGNIR RESOURCES INC.**  
**STOCK OPTION PLAN**

(as approved by the directors on October 13, 2022)

1. **DEFINED TERMS:**

- (a) **“Blackout Period”** means any period during which a policy of the Company prevents Optionees of the Company from trading in securities of the Company, including the exercise of the Options;
- (b) **“Board”** means the Board of Directors of the Company or, as applicable, a committee thereof duly appointed to administer this Plan;
- (c) **“Business Day”** means any day other than a Saturday, Sunday or a day that is treated as a holiday at the Company’s principal executive offices in Surrey, British Columbia, Canada;
- (d) **“Common Shares”** means the common shares of the Company;
- (e) **“Company”** means Gungnir Resources Inc. and its successor entities;
- (f) **“Consultant”** means an individual who:
  - (i) is engaged to provide ongoing bona fide consulting, technical, management or other services to the Company or to a subsidiary under a written contract with the Company or a subsidiary, other than services provided in relation to a Distribution (as defined in Exchange Policy 1.1 - Interpretation);
  - (ii) possesses technical, business or management expertise of value to the Company or a subsidiary of the Company; and
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or a subsidiary.
- (g) **“Director”** means a director of the Company or of a subsidiary;
- (h) **“Disinterested Shareholder Approval”** has the meaning ascribed thereto by the Exchange in “Policy 4.4 – *Security Based Compensation*” of the Exchange’s Corporate Finance Manual;
- (i) **“Eligible Person”** means a Director, Officer, Employee or Consultant, and includes a company all the voting securities of which are owned by Eligible Persons;
- (j) **“Employee”** means an individual who:
  - (i) is considered an employee of the Company or a subsidiary under *the Income Tax Act* (Canada), i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
  - (ii) works full-time for the Company or a subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or the subsidiary over the details and method of work as an employee of the Company or the subsidiary, but for whom income tax deductions are not made at source, or

- (iii) works for the Company or a subsidiary on a continuing and regular basis for a minimum of twenty (20) hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or the subsidiary over the details and method of work as an employee of the Company or the subsidiary, but for whom income tax deductions are not made at source;
  - (k) “**Exchange**” means the TSX Venture Exchange and any successor entity;
  - (l) “**Expiry Date**” means the last day of the term for an Option, as set by the Board at the time of grant and, if applicable, as amended from time to time;
  - (m) “**Insider**” has the meaning ascribed thereto by the Exchange;
  - (n) “**Investor Relations Service Providers**” has the meaning ascribed thereto by the Exchange in “Policy 4.4 – *Security Based Compensation*” of the Exchange’s Corporate Finance Manual;
  - (o) “**Management Company Employee**” means an individual who is employed by a person providing management services to the Company or a subsidiary which are required for the ongoing successful operation of the business enterprise of the Company or the subsidiary;
  - (p) “**Officer**” means an officer of the Company or of a subsidiary, and includes a Management Company Employee;
  - (q) “**Option**” means an option to purchase Common Shares granted to an Eligible Person pursuant to this Plan;
  - (r) “**Optionee**” means an Eligible Person who has been granted an Option;
  - (s) “**Option Agreement**” means the form of Option Agreement attached hereto as Appendix “A”;
  - (t) “**Other Share Compensation Arrangement**” means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan, restricted share unit plan or deferred share unit plan, or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares;
  - (u) “**Plan**” means this Stock Option Plan as it may be amended from time to time; and
  - (v) “**VWAP**” has the meaning ascribed thereto by the Exchange in “Policy 4.4 – *Security Based Compensation*” of the Exchange’s Corporate Finance Manual.
2. **PURPOSE:** The purpose of this Plan is to encourage common stock ownership in the Company by Eligible Persons who are primarily responsible for the management and profitable growth of the Company’s business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company to attract and retain valued Directors, Officers, Consultants and Employees by granting Options on the terms and conditions set forth in this Plan and any option agreements entered into between the Company and the Optionees in accordance with the Plan. Any Options granted to a personal holding company shall be cancelled immediately upon any change in control of such personal holding company, save and

except in the event of the death of the principal of such personal holding company, in which case, subject to the terms of the Option Agreement, the provisions of Subsection 8(e)(iii) shall apply.

3. **ADMINISTRATION:** The Plan shall be administered by the Board. No member of the Board shall by virtue of such appointment be disqualified or ineligible to receive Options. The Board shall have full authority to interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management, and the decision of the Board shall be binding and conclusive. The decision of the Board shall be binding, provided that notwithstanding anything herein contained, the Board may from time to time delegate the authority vested in it under this clause to the President or Chief Executive Officer who shall thereupon exercise all of the powers herein given to the Board, subject to any express direction by resolution of the Board from time to time and further provided that a decision of the majority of persons comprising the Board in respect of any matter hereunder shall be binding and conclusive for all purposes and upon all persons. The senior officers of the Company are authorized and directed to do all things and execute and deliver all instruments, undertakings and applications as they in their absolute discretion consider necessary for the implementation of the Plan.

4. **NUMBER OF SHARES SUBJECT TO OPTIONS:**

- (a) The maximum aggregate number of Common Shares that shall be reserved for issuance under this Plan shall not exceed 10% of the outstanding Common Shares at the time of grant of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. 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.
- (b) If there is a change in the outstanding Common Shares by reason of (A) any share consolidation or split; (B) reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, or event affecting the Common Shares; or (C) any exchange of or corporate change or transaction affecting the Common Shares; the Board shall make, as it deems advisable and subject to the requisite approval of the relevant regulatory authorities and the Exchange, and, where applicable, subject to shareholder approval, 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;
  - (iii) the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable; and
  - (iv) 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,



provided however that if the Company does not have sufficient Common Shares available under this Plan for the appropriate substitution and/or adjustment or, where the substitution and/or adjustment would result in breach a limit on grants or issuances contained in this Plan, then the Company may settle certain entitlements of an Optionee in cash.

- (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.
  - (e) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.
5. **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.
6. **OPTION AGREEMENT:** Every Option shall be evidenced by the Option Agreement executed by the Company and the Optionee, which shall, if the Optionee is an Employee, Consultant or Management Company Employee, contain a representation and warranty by the Company and such Optionee, that such Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Company or a subsidiary. In the event of any discrepancy between this Plan and Option Agreement, the provisions of this Plan shall govern.
7. **LIMITATION ON GRANTS:**
- (a) **To any one person.** The aggregate number of Common Shares reserved for issuance to any person in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
  - (b) **To Consultants.** The aggregate number of Common Shares reserved for issuance to any one Consultant in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
  - (c) **To Investor Relations Service Providers.** The aggregate number of Common Shares reserved for issuance to all Investor Relations Service Providers in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
  - (d) **To Insiders.** Unless the Company has received Disinterested Shareholder Approval to do so:
    - (i) the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and

- (ii) the aggregate number of Options granted to Insiders in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.
- (e) **Exclusion.** For purposes of subsections 7(d)(i) and (ii) above, any Common Shares reserved for issuance or issued to any person pursuant to this Plan and any Other Share Compensation Arrangement prior to the person becoming an Insider shall be included for purposes of the calculations in subsections 7(d)(i) and (ii) above.

8. **OPTION TERMS:**

- (a) **Exercise Price:** The exercise price per Common Share for an Option shall be determined by the Board, but it will in no event be less than the “**Discounted Market Price**”, as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required by the Exchange. In the resolution allocating any Option, the Board may determine that the date of grant aforesaid shall be a future date determined in the manner specified by such resolution. The Board may also determine that the option price per share may escalate at a specified rate dependent upon the year in which any Option to purchase Common Shares may be exercised by the Optionee. 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 reduction in the exercise price of or extensions to an Option if the Optionee is an Insider at the time of the proposed amendment.
- (b) **Term of Options:** Options may be granted under this Plan exercisable over a period not exceeding ten (10) years subject to the provisions of Sections 10, 11 and 15. Each Option shall be subject to earlier termination as provided in subsection (e) below and Sections 10 and 11.
- (c) **Exercise Procedure and Payment:** 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:
  - (i) a written notice of exercise, specifying the number of Common Shares with respect to which the Option is being exercised;
  - (ii) a signed Option Agreement with respect to the Option being exercised;
  - (iii) except in the case of a “**net exercise**” (as defined below), cash, 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 law; and
  - (iv) 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 applicable law;

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. No Optionee or legal representative, legatee or distributee in respect of an Optionee shall be considered to be a holder of any Common Shares subject to an Option, unless and until such Common Shares have been fully paid for and issued upon the exercise of the Option pursuant to this Plan. A holder of an Option shall have none of the rights of a stockholder until the Common Shares are issued to them. All Common Shares issued pursuant to the exercise of Options granted or deemed to be granted under the Plan, will be issued as fully paid and non-assessable Common Shares. No Option may be exercised unless that Optionee is then a Director, Officer, Consultant and/or an Employee of the Company. This Plan shall not confer upon the Optionee any right with respect to continuance as a Director, Officer, Employee or Consultant of the Company or of any affiliate of the Company.

- (d) **Cashless Exercise:** Subject to the provisions of this Plan (including, without limitation, Section 9) and Board approval, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:
- (i) excluding Options granted to Investor Relations Service Providers, 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
  - (ii) 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 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 law, against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this Section 8(d) from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company, (i) a written notice of exercise specifying that the Optionee has elected to effect a “**cashless exercise**” of the Option and specifying the number of Common Shares with respect to which the Option is being exercised; and (ii) payment of the amount necessary to satisfy any applicable Withholding Obligations (as hereinafter defined) or remittance obligations under applicable law, as verified by the Company to its satisfaction. The Optionee shall comply with Section 9 hereof with regard to any applicable 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 the prior written consent of the Board in connection with such exercise.

- (e) **Termination of Options:** Any Option granted pursuant hereto, to the extent not validly exercised, and save as expressly otherwise provided herein and subject to the provisions of Sections 10, 11 and 15, will terminate on the earlier of the following dates:

- (i) the date of expiration specified in the Option Agreement, being not more than 10 years after the date the Option was granted;
  - (ii) the date of termination of the Optionee's employment or upon ceasing to be a Director and/or Officer of the Company or up to a period not exceeding six months thereafter for any cause other than by retirement, permanent disability or death;
  - (iii) one year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date; and
  - (iv) six months after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which six month period the Optionee may exercise the Option to the extent he or she was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such six month period, then such right shall be extended a further six months from the death of the Optionee and shall be exercisable only by the persons described in subsection 8(e)(iii) hereof and only to the extent therein set forth.
- (f) **Non-transferability of Options:** No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his or her lifetime only by him or her.
- (g) **Applicable Laws or Regulations:** The Company's obligation to sell and deliver Common Shares under each Option is subject to such compliance by the Company and any Optionee as the Company deems necessary or advisable with all laws, rules and regulations of Canada and the United States of America and any Provinces and/or States thereof applying to the authorization, issuance, listing or sale of securities and is also subject to the acceptance for listing of the Common Shares which may be issued in exercise thereof by the Exchange and any other stock exchange upon which Common Shares are listed for trading.
- (h) **Vesting:**
- (i) Subject to Section 8(h)(ii) 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.
  - (ii) Options granted to Investor Relations Service Providers shall vest over a minimum of 12 months with:
    - (A) no more than  $\frac{1}{4}$  of the Options vesting no sooner than three months after the Options were granted;
    - (B) no more than another  $\frac{1}{4}$  of the Options vesting no sooner than six months after the Options were granted;

- (C) no more than another  $\frac{1}{4}$  of the Options vesting no sooner than nine months after the Options were granted; and
  - (D) the remainder of the Options vesting no sooner than 12 months after the Options were granted.
- 9. **TAX WITHHOLDING:** Subject to the policies of the Exchange, the Company may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Company to comply with the applicable requirements of any federal, provincial, local, or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options (“**Withholding Obligations**”). The Company may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Company may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Company may require so that the Company can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Company in advance, or reimburse the Company for, any such Withholding Obligations, or (b) selling on the Optionee’s behalf, or requiring the Optionee to sell, any Common Shares acquired by the Optionee under this Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale. Each Optionee agrees to indemnify and save the Company harmless from any and all amounts payable or incurred by the Company or any subsidiary of the Company if it is subsequently determined that any greater amount should have been withheld in respect of taxes or other statutory withholdings.
- 10. **ACCELERATION OF EXPIRY DATES:** Upon the announcement or contemplation of any event, including a reorganization, acquisition, amalgamation or merger (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and one or more of its affiliates (as such term is defined in the Securities Act (Ontario)), with respect to which all or substantially all of the persons who were the beneficial owners of the Common Shares, immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly more than 50% of the resulting voting shares on a fully-diluted basis (for greater certainty, this shall not include a public offering or private placement out of treasury) or the sale to a person other than an affiliate of the Company of all or substantially all of the Company’s assets (collectively, a “**Change of Control**”), the Company shall have the discretion, without the need for the agreement of any Optionee, to accelerate the Expiry Dates and/or any applicable vesting provisions of all Options, as it shall see fit, subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. There can be no acceleration of the vesting requirements applicable to Option grants to an Investor Relations Service Provider without the prior written approval of the Exchange. The Company may accelerate one or more Optionee’s Expiry Dates and/or vesting requirements without accelerating the Expiry Dates and/or vesting requirements of all Options and may accelerate the Expiry Date and/or vesting requirements of only a portion of an Optionee’s Options.
- 11. **AMALGAMATION, CONSOLIDATION OR MERGER:** In the event that the Company is a consenting party to a Change of Control, outstanding Options shall be subject to the agreement effecting such Change of Control and Optionees shall be bound by such Change of Control agreement. Such agreement, without the Optionees’ consent, may provide for:
  - (a) the continuation of such outstanding Options by the Company (if the Company is the surviving or acquiring corporation);

- (b) the assumption of the Plan and such outstanding Options by the surviving entity; or
- (c) the substitution or replacement by the surviving or acquiring corporation or its parent of options with substantially the same terms for such outstanding Options, subject to prior acceptance of the Exchange and, where applicable, shareholder approval.

The Company may provide in any agreement with respect to any such Change of Control that the surviving, new or acquiring corporation shall grant options to the Optionees to acquire Common Shares in such corporation or its parent with respect to which the excess of the fair market value of the Common Shares of such corporation immediately after the consummation of such Change of Control over the exercise price therefore shall not be less than the excess of the value of the Common Shares over the Exercise Price of the Options immediately prior to the consummation of such Change of Control.

12. **APPROVALS:** The obligation of the Company to issue and deliver the Common Shares in accordance with the Plan is subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any Common Shares cannot be issued to any Optionee for whatever reason, the obligation of the Company to issue such Common Shares shall terminate and any Option exercise price paid to the Company will be returned to the Optionee.
13. **STOCK EXCHANGE RULES:** The rules of any stock exchange upon which the Company's Common Shares are listed shall be applicable relative to Options granted to Optionees.
14. **AMENDMENT AND DISCONTINUANCE OF PLAN:** Subject to regulatory approval and shareholder approval, if required, the Board may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect the rights of the Optionee under any Option theretofore granted under the Plan.
15. **EXTENSION OF EXPIRY DATE DURING BLACKOUT PERIOD:** The Expiry Date of an Option will be extended automatically without shareholder approval where such Expiry Date occurs within a Blackout Period and the new Expiry Date shall be the 10th day following the end of the relevant Blackout Period (or if the 10th day following the end of the relevant Blackout Period is not a Business Day, on the first Business Day immediately following such day). The Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in Exchange Policy 1.1 – Interpretation). The Blackout Period must expire upon the general disclosure of the undisclosed Material Information or upon such Material Information ceasing to be material or applicable.
16. **EFFECTIVE DATE AND DURATION OF PLAN:** The Plan shall remain in full force and effect from the date of shareholder approval hereof and from year to year thereafter until amended or terminated in accordance with Section 14 hereof and for so long thereafter as Options remain outstanding in favour of any Optionee

## APPENDIX A

### Form of Option Agreement

THIS STOCK OPTION AGREEMENT is made effective [•], 20\_\_.

**BETWEEN:**

[•]

(hereafter referred to as the "Optionee")

**AND:**

**GUNGNIR RESOURCES INC.**, a company existing under the laws of British Columbia

(hereafter referred to as the "Issuer")

**WHEREAS:**

A. The Issuer wishes to grant to the Optionee an option to purchase common shares in the capital of the Issuer;

B. The Optionee is eligible to receive an option by virtue of being, as defined by the TSX Venture Exchange (the "**Exchange**"), one or more of (i) a Director (which includes a director, senior officer and "**Management Company Employee**"), (ii) an Employee, or (iii) a Consultant (which includes a "**Consultant Company**"), of either the Issuer or a subsidiary thereof (any person so being eligible to receive an option being hereafter referred to as an "**Eligible Person**");

C. The Optionee acknowledges and agrees that the Option is an incentive mechanism and that the Optionee was not induced to participate in the grant and receipt of the Option (as defined below) by expectation of appointment or continued appointment, employment or continued employment, or engagement or continued engagement to provide services, as the case may be, by the Issuer.

**NOW THEREFORE** this Agreement witness that in consideration of \$1.00 given by each party to the other and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Option Plan Governs.** The Optionee acknowledges and agrees that the Option (as hereafter defined) is being granted pursuant to the terms of the Issuer's Stock Option Plan as approved by the shareholders of the Company November 10, 2022 (the "**Stock Option Plan**"). Capitalized terms not defined herein shall have the meanings ascribed thereto in the Stock Option Plan. In the event of an inconsistency between the terms hereof and the terms of the Issuer's Stock Option Plan, the terms of the Issuer's Stock Option Plan shall govern.
2. **Option Terms.** The Issuer hereby grants to the Optionee an option (the "**Option**") to purchase, from time to time, a total of [•] common shares (the "**Shares**") in the capital of the Issuer, as constituted on the date hereof at an exercise price of \$0.[•] per common share, until 4:30 p.m. Pacific Time (the "**Expiry Time**") on [•] (the "**Expiry Date**").

3. **Vesting.** The Options shall vest in accordance with Section 8(h) of the Stock Option Plan.
4. **Transferability.** The Option is personal to the Optionee and may not be assigned or otherwise transferred in whole or in part, other than by will or the laws of descent and distribution and the Option shall be exercisable during his or her lifetime only by him or her.
5. **Early Termination.** The Option shall be in full force and effect and exercisable only so long as the Optionee shall continue to serve as an Eligible Person, and will terminate on the earlier of the following dates:
  - (a) the Expiry Date, being not more than 10 years after the date the Option was granted;
  - (b) the date of termination of the Optionee's employment or upon ceasing to be a Director and/or Officer of the Company or up to a period not exceeding six months thereafter for any cause other than by retirement, permanent disability or death;
  - (c) one year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date; and
  - (d) six months after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which six month period the Optionee may exercise the Option to the extent he was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such six month period, then such right shall be extended to one (1) year following the death of the Optionee and shall be exercisable only by the persons described in subsection (e)(iii) hereof and only to the extent therein set forth.
6. **Exercise Procedure.** To exercise the Option in whole or in part, the Optionee shall, prior to the Expiry Time on the Expiry Date (and subject to Section 5), give to the Issuer, in addition to this Option Agreement:
  - (a) a written notice of exercise, specifying the number of Common Shares with respect to which the Option is being exercised;
  - (b) except in the case of a "net exercise" (as defined in the Stock Option Plan), cash, 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 law; and
  - (c) 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 applicable law.
7. **Exchange Matters.** The Optionee and the Issuer represent and warrant to each other that the Optionee [**tick appropriate box**]:



- (a) is a director or senior officer of the Issuer; OR
- (b) is a bona fide Management Company Employee of the Issuer, which is defined as being an individual employed by a Company providing management services to the Issuer, which Services required for the ongoing successful operation of the business enterprise of the Issuer; OR
- (c) is a bona fide Employee of the Issuer, which is defined as being:
  - (i) an individual who is considered an employee of the Issuer or its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and CPP deductions must be made at source; or
  - (ii) an individual who works full-time for the Issuer or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Issuer or its subsidiary on a continuing and regular basis for a minimum of twenty (20) hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or its subsidiary over the details and methods of work as an employee of the Issuer or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; OR
- (d) is a bona fide Consultant of the Issuer, which is defined as being, in relation to the Issuer, an individual or Consultant Company that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to any of its subsidiaries, other than services provided in relation to a distribution of securities;
  - (ii) provides the services under a written contract between the Issuer or any of its subsidiaries and the individual Consultant or Consultant Company, as the case may be; and
  - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or any of its subsidiaries.

8. **Securities Act Matters.** The Optionee represents and warrants to the Issuer that the Optionee **[tick appropriate box]**:

- (a) is a director of the Issuer or a related entity thereof; OR
- (b) is an executive officer of the Issuer or a related party thereof, which is defined as being, for the Issuer or a related entity thereof, an individual who:

- (i) is a chair, vice-chair or president;
  - (ii) is a vice-president in charge of a principal business unit, division or function including sales, finance or production;
  - (iii) is an officer of the Issuer or any of its subsidiaries and who performs a policy-making function in respect of the Issuer; or
  - (iv) is performing a policy making function in respect of the Issuer; OR
- (c) an employee of the Issuer or a related entity thereof; OR
- (d) a consultant of the Issuer or a related party thereof, which is defined as being, for the Issuer or a subsidiary thereof, a person, other than a director, executive officer or employee of the Issuer or a related entity thereof, that:
- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to any of its subsidiaries, other than services provided in relation to a distribution of securities;
  - (ii) provides the services under a written contract between the Issuer or any of its subsidiaries and the individual Consultant or Consultant Company, as the case may be; and
  - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or any of its subsidiaries;
- and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, a partnership of which the individual consultant is an employee or partner; OR
- (e) the Optionee is otherwise qualified (other than pursuant to section 2.24 of NI45-106) or the circumstances are such that the distribution of the Option by the Issuer to the Optionee is exempt from the prospectus and registration requirements of applicable securities laws, and the Optionee further agrees to provide to the Issuer all such certificates, instruments and other documents to evidence such exemption as counsel to the Issuer reasonably determines to be necessary or advisable in order to ensure compliance with or safeguard against the violation of the securities laws of any jurisdiction.

9. **Exchange Approval.** The grant of the Option and any amendment hereto shall be subject to the prior approval of the Exchange, including any requirement for shareholder approval. The Optionee acknowledges and agrees that the Option shall not be exercisable, or exercisable on such amended terms, as the case may be, until such approval of the Exchange and, if required, the Issuer's shareholders, is obtained in accordance with the policies of the Exchange. If such approval of the Exchange and, if required, the Issuer's shareholders, is not obtained, then the Option and this Agreement, or the amendment hereof, as the case may be, shall be null and void and of no further force or effect as of the date hereof, or the date of amendment, as the case may be.

10. **Collection and Use of Personal Information.** The Optionee expressly acknowledges, consents and agrees to the Issuer collecting, using and releasing personal information regarding the Optionee and this Agreement for the purpose of completing the transactions contemplated by this Agreement, including but not limited to the Optionee's name, address and principals, the number of Options granted to the Optionee, the status of the Optionee as a Director, senior officer, Management Company Employee, Employee, Consultant, Investor Relations Provider or as otherwise represented herein, and any and all other information necessary or incidental to the transactions contemplated herein. The purpose of the collection, use and disclosure of the personal information is to ensure that the Issuer and its advisors will be able to grant the Option to the Optionee in compliance with applicable corporate, securities and other laws, and to obtain the information required to be filed with the Exchange and other authorities under applicable Exchange requirements, securities laws and other laws. In addition, the Optionee expressly acknowledges, consents and agrees to the collection, use and disclosure of all such personal information by the Exchange and other authorities in accordance with their requirements, including the provision of all such personal information to their agents and third party service providers, from time to time. The contact information for the officer of the Issuer who can answer questions about this collection of information by the Issuer is as follows:

GUNGNIR RESOURCES INC.  
2500-700 W. Georgia St.  
Vancouver, BC  
V7Y 1B3

Tel: (604) 683-0484

11. **General.**

- (a) The Optionee agrees to comply with the provisions of applicable Exchange requirements and securities laws in connection with the exercise, holding and disposition of any Shares or other property or securities acquired pursuant to the exercise of the Option.
- (b) The parties shall execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.
- (c) No modification of this Agreement or waiver of any provision hereof shall be valid unless made in writing and signed by the parties hereto. No waiver of any provision of this Agreement shall operate as a waiver of any other provision hereof or operate as a continuing waiver unless such is expressly provided for in writing.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and upon their successors or assigns.
- (e) This Agreement shall be construed in accordance with and governed by the laws of British Columbia and the laws of Canada applicable therein, and for the purposes of all legal proceedings, the parties hereby irrevocably agree that the courts of British Columbia shall have exclusive jurisdiction.
- (f) Words importing the singular number shall include the plural and vice versa. Words importing individuals shall include corporations, partnerships, proprietorships, trusts and other forms of legal entities and vice versa. Words importing gender shall include the other

gender; words importing gender shall include the neuter and vice versa. Words importing a particular form of legal entity includes all other forms of legal entities interchangeably.

- (g) This Agreement may be executed and delivered in two or more counterparts and by facsimile. Each such counterpart and facsimile shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement effective as of the date first above written

**GUNGNIR RESOURCES INC.**

Per: \_\_\_\_\_  
Authorized Signatory

WITNESSED BY: )  
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 \_\_\_\_\_ )  
 Signature )  
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 Name )  
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 Occupation )

\_\_\_\_\_  
[•]