MANAGEMENT INFORMATION CIRCULAR

Solicitation of Proxies

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Trailbreaker Resources Ltd. ("**Trailbreaker**" or the "**Company**") for use at the 2026 Annual and Special Meeting (the "**Meeting**") of the holders of common shares of the company, to be held at Suite 2110 – 650 West Georgia Street, Vancouver, British Columbia on December 18, 2026 at 10:00 a.m. (Vancouver time) and at any adjournment(s) or postponement(s) thereof. Unless the context otherwise requires, references to the Company in this Circular include its subsidiaries.

While it is expected that the solicitations will be primarily by mail, proxies may be solicited personally or by telephone, without special compensation, by directors, officers and regular employees of Trailbreaker or by agents retained for that purpose. The Company does not have any contract or arrangement for the solicitation with any specially engaged employees or soliciting agents. Trailbreaker may reimburse shareholders, nominees or agents for any costs incurred in obtaining from their principals proper authorization to execute proxies. Trailbreaker may also reimburse brokers and other persons holding shares in their own name or in the names of their nominees for expenses incurred in sending proxies and proxy materials to the beneficial owners thereof in obtaining their proxies. All costs of all solicitations on behalf of management will be borne by Trailbreaker.

Record Date

The board of directors of the Company (the "**Board**") has set 5:00 p.m. (Vancouver time) on November 13, 2026 as the record date (the "**Record Date**") for determining which shareholders shall be entitled to receive notice of and to vote at the Meeting. Persons who acquire common shares of the Company after the Record Date will not be entitled to vote such shares at the Meeting.

Appointment of Proxyholder

Shareholders of Trailbreaker who hold Trailbreaker shares in their own names are described in this Circular as "**Registered Shareholders**". Only Registered Shareholders of the Company or their duly appointed proxy holders are entitled to vote at the Meeting. Voting instructions for Non-Registered Owners (as defined herein) are set forth below under "Advice to Beneficial Holders of Trailbreaker Shares on Voting Trailbreaker Shares".

The purpose of a proxy is to permit a Registered Shareholder to designate one or more persons as proxy holder(s) to vote on that Registered Shareholder's behalf in accordance with the instructions given by the Registered Shareholder in the proxy. The persons designated as proxy holders in the form of proxy accompanying this Circular (the "**Proxy**"), each of whom is a director or officer of the Company, have been selected by management.

Each Registered Shareholder has the right to appoint a person, who need not be a shareholder, to attend and act for and on behalf of such shareholder at the Meeting other than the person(s) designated by management in the Proxy. A Registered Shareholder desiring to appoint some other person as proxy holder may do so by striking out the printed names and inserting the name of the desired person in the space provided in the Proxy, or by executing and delivering another acceptable form of proxy similar to the Proxy.

If no choice of proxy holder is made in such manner by the Registered Shareholder, then the person first named as proxy holder in the Proxy will exercise the Proxy with automatic substitution of the succeeding named proxy holder if such first named proxy holder does not attend the Meeting and automatic substitution of the third named proxy holder, if any, if such second named proxy holder does not attend the Meeting.

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

Deposit of Proxy

Registered Shareholders desiring to vote by Proxy may do so by:

1. depositing a validly executed and dated Proxy with Odyssey Trust Company, at 1310, 1140 West Pender Street, Vancouver, BC V6E 4G1; or

2. using any other method described in the Proxy, such as internet voting, by following the instructions for such method set out in the Proxy, in which case the Registered Shareholder will need the control number set out in the Proxy.

In all cases, to be valid, a Proxy (or other acceptable form of proxy vote) must be received not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting unless the Chairman of the Meeting exercises his discretion to accept proxies received after that time.

Revocation of Proxy

A Registered Shareholder which has submitted a Proxy may revoke it either by signing a Proxy bearing a later date and depositing it at the place and within the time aforesaid or by signing and dating a written notice of revocation (in the same manner as the Proxy is required to be executed as set out in the notes to the Proxy) and either depositing the same at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, or registering with the scrutineer at the Meeting as a Registered Shareholder present in person, or in any other manner provided by applicable law, whereupon such proxy shall be deemed to have been revoked. Revocation of a Proxy will not affect any matter on which a vote has been taken before the revocation.

Only Registered Shareholders have the right to revoke a form of proxy. Non-Registered Owners who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the form of proxy on their behalf.

Voting by Proxy

If the instructions of a Registered Shareholder are certain, the shares represented by any Proxy given by that Registered Shareholder will be voted or withheld from voting on any ballot that may be called for, and where the Registered Shareholder specifies a choice with respect to any matter to be acted on, the shares will be voted or withheld from voting on any ballot that may be called for in accordance with the specified choice. **Where no choice is specified, the Proxy confers discretionary authority on the Registered Shareholder's appointed proxy holder. If a Registered Shareholder has not appointed his or her own proxy holder, such shares will be voted by management's designates in favour of the matters described in the Proxy and, if applicable, for the nominees of management and auditors as identified in the Proxy.**

Exercise of Discretion by Proxy holder

The Proxy gives each Registered Shareholder the ability to confer discretionary authority upon the proxy holder with respect to amendments or variations to matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. At the time of printing of this Circular, management of Trailbreaker knows of no such amendments, variations or other matters which are anticipated to be presented for consideration or action at the Meeting.

Advice to Beneficial Holders of Trailbreaker Shares on Voting Trailbreaker Shares

The information set forth in this section is of significant importance to any beneficial owner of Trailbreaker shares who does not hold title to such shares in his, her or its own name. Beneficial owners of Trailbreaker shares who do not have such shares registered in their own name (referred to in this Circular as "**Non-Registered Owners**") should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

Most beneficial owners of Trailbreaker shares are Non-Registered Owners. If your Trailbreaker shares are listed in an account statement provided to you by an "intermediary" (a term used to refer to, among others, brokerage firms, banks, trust companies and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans), then, in almost all cases, those Trailbreaker shares will not be registered in your name on the records of Trailbreaker. Such Trailbreaker shares will more likely be registered under the name of the Non-Registered Owner's intermediary or an agent of that intermediary. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the nominee of The Canadian Depository for Securities, which acts as depository for many Canadian brokerage firms and other intermediaries. In the United States, the vast majority of such shares are registered under the name of Cede & Co., the nominee of the Depository Trust Company, which acts as depository for many United States brokers and other intermediaries. Such intermediaries and depositories are collectively referred to in this Circular as "**Intermediaries**". The Intermediary with which a Non-Registered Owner has a direct relationship, such as the brokerage firm with which the Non-Registered Owner has deposited his Trailbreaker shares, is known as the "proximate Intermediary" of that Non-Registered Owner.

Pursuant to National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the CSA, all Intermediaries are required to seek voting instructions from Non-Registered Owners in advance of each shareholder meeting. Trailbreaker shares held by an Intermediary can, by law, only be voted with instructions from the Non-Registered Owner of such shares. Without specific instructions, Intermediaries are prohibited from voting such shares. **Therefore, Non-Registered Owners should ensure that instructions respecting the voting of their Trailbreaker shares are communicated to the appropriate person.** That person is generally the proximate Intermediary of that Non-Registered Owner.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

There are two kinds of Non-Registered Owners recognized by NI 54-101. Non-Registered Owners who have not objected to their Intermediary disclosing certain ownership information about themselves to Trailbreaker are referred to as non-objecting beneficial owners ("**NOBOs**"). Those Non-Registered Owners who have objected to their Intermediary disclosing ownership information about themselves to Trailbreaker are referred to as objecting beneficial owners ("**OBOs**").

The Notice of Meeting, this Circular and other securityholder materials respecting the Meeting, including a Proxy or, in the case of NOBOs, Voting Instruction Form (a "**VIF**") (collectively, the "**Meeting Materials**") are being sent directly to Registered Shareholders and NOBOs.

Voting Instruction Form

The purpose of the procedure established by NI 54-101 is to permit Non-Registered Owners to direct the voting of the Trailbreaker shares which they beneficially own. Meeting Materials sent to Non-Registered Owners who have not waived the right to receive Meeting Materials, regardless of whether they are NOBOs or OBOs, do not include a Proxy. Instead, pursuant to NI 54-101, they include a VIF. The content of a VIF is almost identical to the content of a proxy. A VIF differs from the proxy insofar as its purpose is limited to instructing the Registered Shareholder (i.e. the Intermediary) or the Company how to vote on behalf of the Non-Registered Owner. By returning a VIF in accordance with the instructions noted on it, a NOBO is able to instruct Trailbreaker and an OBO is able to instruct its Intermediary how to vote on behalf of the Non-Registered Owner.

A Non-Registered Owner who wishes to attend the Meeting and vote in person may write the name of the Non-Registered Owner in the place provided for that purpose on the VIF. A Non-Registered Owner can also write the name of someone else whom the Non-Registered Owner wishes to attend the Meeting and vote on behalf of the Non-Registered Owner. Unless prohibited by law, the person whose name is written in the space provided in the VIF will be appointed as proxy holder for the Non-Registered Owner pursuant to section 2.18 or section 4.5 of NI 54-101 and, as such, will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the VIF or this Circular. A Non-Registered Owner should consult a legal advisor if the Non-Registered Owner wishes to modify the authority of the person to be appointed as proxy holder in any way.

VIFs contain specific instructions, all of which should be followed closely. VIFs, whether provided to Non-Registered Owners by Trailbreaker or by an Intermediary, should be completed and returned in accordance with the specific voting instructions noted on the VIF.

Non-Registered Owners who are NOBOs

NI 54-101 permits the Company to obtain a list of its NOBOs from Intermediaries via its transfer agent, and to send Meeting Materials to NOBOs directly or indirectly. If an issuer elects to send Meeting Materials to NOBOs indirectly, such Meeting Materials are sent to NOBOs by the Intermediaries in the same manner as Meeting Materials are sent to OBOs by the Intermediaries, described under "Non-Registered Owners who are OBOs" below.

Trailbreaker has elected to send Meeting Materials, including a VIF, directly to NOBOs. It may retain the services of its transfer agent or another agent to handle the mailing of Meeting Materials to NOBOs and the tabulation of votes received from NOBOs.

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

Non-Registered Owners who are OBOs

Meeting Materials will not be sent to OBOs directly by the Company, and the Company does not intend to pay for any Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery. The majority of Intermediaries now delegate

responsibility for obtaining voting instructions from OBOs, and mailing Meeting Materials to OBOs, to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In cases where an issuer does not elect to send Meeting Materials to NOBOs directly, the same delegation process typically applies. Broadridge prepares its own form of VIF based on the Proxy, mails that VIF and the other Meeting Materials to OBOs (and NOBOs, where applicable), and tabulates the results of all voting instructions received from the OBOs (and NOBOs, where applicable). Broadridge then delivers such voting results to the issuer or its transfer agent, where they are added to the votes of Registered Shareholders and any votes of NOBOs which have been submitted directly to the issuer or its transfer agent.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Trailbreaker is authorized to issue an unlimited number of shares, of which 53,339,834 shares were issued and outstanding on the Record Date for the Meeting. Each share carries the right to one vote on any poll at meetings of shareholders of Trailbreaker. Trailbreaker has no other class of voting securities.

The quorum required for the transaction of business at the Meeting is one person who is, or who represents by Proxy, a shareholder entitled to vote at the Meeting.

To the best of the knowledge and belief of the directors and senior officers of Trailbreaker, as at the Record Date, no person beneficially owned, directly or indirectly, or exercised control or direction over shares carrying more than 10% of the voting rights attached to any class of voting securities of Trailbreaker.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or senior officer of the Company at any time since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of an auditor, except as may be disclosed herein under the heading "Particulars of Matters to be Acted Upon".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), "informed person" means:

(a) a director or executive officer of Trailbreaker;

(b) a director or executive officer of a person or company that is itself an informed person or subsidiary of Trailbreaker;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of Trailbreaker or who exercises control or direction over voting securities of Trailbreaker, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of Trailbreaker, other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) Trailbreaker if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

No informed person of Trailbreaker, nor any proposed director of Trailbreaker, nor any associate or affiliate of any informed person or proposed director, has had any material interest, direct or indirect, in any transaction

since the commencement of Trailbreaker's last completed financial year, or has any material interest, direct or indirect, in any proposed transaction which, in either case, has materially affected or would materially affect Trailbreaker, except as may otherwise be disclosed herein.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed director, executive officer, employee or former executive officer, director or employee of the Company or any of its subsidiaries, or any associate of any director, proposed director or executive officer has been indebted to the Company or any subsidiary of the Company at any time since the beginning of the last completed financial year of the Company, other than for routine indebtedness.

STATEMENT OF EXECUTIVE COMPENSATION

Summary of NEO Compensation

For the purposes of this Circular the term "Named Executive Officers" or "NEOs" means:

(a) each individual who, during any part of the Company's most recently completed financial year, served as Chief Executive Officer ("**CEO**") of the Company, including an individual performing functions similar to a CEO;

(b) each individual who, during any part of the Company's most recently completed financial year, served as Chief Financial Officer ("**CFO**") of the Company, including an individual performing functions similar to a CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer of the Company other than the individuals identified in paragraphs (a) and (b) at the end of the Company's most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Pursuant to Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* under NI 51-102, the Company provides the following disclosure regarding all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director in the most recently completed year, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

The Company had two NEOs during the Company's financial year ended December 31, 2021; Daithi Mac Gearailt, current CEO and Yilu (Lucy) Zhang, current CFO, are both directors of the Company. None of the current NEOs is an employee of the Company, as their services as officers are provided through their respective operating companies.

NEO Compensation Discussion and Analysis

The compensation paid by the Company to NEOs directly and indirectly is designed to fairly compensate the NEOs for the time they commit to the Company's affairs. The objective of the compensation is to retain their services and to incent and reward them for those services.

The Company has a Compensation Committee (the "**Compensation Committee**"), currently comprised of, Frank Wheatley, John Kuehne and Yilu (Lucy) Zhang. Mr. Kuehne and Mr. Wheatley are "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), and therefore qualify as "independent" members of the Compensation Committee. As the Company's CFO, Yilu (Lucy) Zhang does not currently qualify as an independent member. All compensation decisions relating to NEOs are considered by and subject to approval by both Mr. Wheatley and Mr. Kuehne, as required to comply with TSX Venture Exchange ("**TSXV**") Policy 3.1, section 19.4. All three members have direct experience relevant to their responsibilities on the Compensation Committee by virtue of other businesses in which they are now and have previously been involved. Ms. Zhang is, in addition, a Chartered Professional Accountant.

The Compensation Committee provides input and, in some cases makes recommendations to the Board, regarding executive and director compensation. However, executive and director compensation decisions are ultimately made by the Board as whole, subject to an affirmative vote of a majority of independent directors. In general, the mandate of the Compensation Committee is as follows:

(a) to recommend to the Board human resources and compensation policies and guidelines for application to the Company;

(b) to ensure that the Company has in place programs and compensation practices as required to attract and develop management of the highest calibre and a process to provide for the orderly succession of management;

(c) to review, on an annual basis, the performance and the salary, bonus and other benefits, direct and indirect, of each officer of the Company who serves as part of management and to make recommendations in respect thereof for approval by the Board, provided that such Board approval will include the approval of a majority of directors that are independent;

(d) to review and approve all proposed direct and indirect payments to Non-Arm's Length Persons (including proposed advances and expense reimbursements);

(e) to review and make recommendations to the Board concerning the President's recommendations for stock option grants to directors, senior officers, employees and consultants of the Company and its affiliates under the Company's incentive stock option plan; and

(f) to periodically review the adequacy and form of the compensation of directors and to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director, and to report and make recommendations to the Board accordingly.

The objective of the Board is to maintain strong executive leadership through, in part, compensation practices, and thereby build shareholder value. The Board seeks to motivate and reward executives whose knowledge, skills and performance are critical to the Company's success. Performance goals are subjective because the Company is a junior natural resource company, but may be generally described as enhancing shareholder value through acquisition, disposition and enhancement of assets, arranging debt and equity financings, and managing Company business and investor relations.

The Company uses option-based awards to incent NEOs, as well as directors, officers, employees and consultants who are not also NEOs. The Board as a whole is responsible for setting or amending any equity inactive plan under which an option-based award is granted. Previous grants of option-based awards are taken into account when considering new grants. The Company also pays cash compensation in the form of salaries or management or consulting fees. In some cases bonuses are considered appropriate for past performance of NEOs.

No new actions, decisions or policies were made after the end of the most recently completed financial year that could affect a reasonable person's understanding of an NEO's compensation for the most recently completed financial year. Neither the Board nor any committee of the Board has considered the implication of risks associated with the Company's compensation policies and practices, as such policies and practices are subject to constant change having regard to the Company's stage of development and external factors such as the state of the world financial markets and the world economy. No NEO or director is prohibited from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director; and to the best of the Company's knowledge and belief, there are no such financial instruments currently available.

Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth information concerning compensation for each of the two most recently completed financial years, other than compensation disclosed under "Director and NEO Compensation, Stock Options and Other Compensation Securities", of each NEO and each director who was not also an NEO during the Company's financial year ended December 31, 2025. For NEOs who were also directors and who received compensation for services as a director during any such year, the table includes that compensation and a footnote which explains which amounts relate to the director role.

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Yilu (Lucy) Zhang CFO[1] & Director	2025 2024	 144,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	 144,000
Daithi Mac Gearailt CEO[2] & Director	2025 2024	 178,924	Nil Nil	Nil Nil	Nil Nil	Nil Nil	 178,924
John Kuehne Director	2025 2024	Nil Nil	Nil Nil	 4,000	Nil Nil	Nil Nil	 4,000
Frank Wheatley Director	2025 2024	Nil Nil	Nil Nil	 4,000	Nil Nil	Nil Nil	 4,000

Ewan Webster Director	2025 2024	Nil Nil	Nil Nil	4,000	Nil Nil	Nil Nil	4,000

(1) Yilu (Lucy) Zhang was appointed CFO on June 27, 2011. A company of which Ms. Zhang is a principal received payment of $144,000, $138,000, and $149,400, for accounting services for the years ended December 31, 2004, 2023, and 2022, respectively;

(2) Daithi Mac Gearailt was appointed CEO on September 30, 2019. During the year ended December 31, 2024, the Company paid a company controlled by Mr. Gearailt a total compensation of $178,924 which was comprised of $42,921 for management fees and $136,003 for exploration management fees. During the year ended December 31, 2023, the Company paid a company controlled by Mr. Gearailt a total compensation of $168,629 which was comprised of $24,000 for management fees and $144,629 for exploration management fees. During the year ended December 31, 2022, the Company paid a company controlled by Mr. Gearailt a total compensation of $182,400 which was comprised of $46,800 for management fees and $135,600 for exploration management fees.

External Management Agreements

The Company has not entered into any external management agreements. All management functions of the Company are performed by senior officers and directors of the Company.

MANAGEMENT CONTRACTS

Daithi Mac Gearailt was appointed CEO on September 30, 2019. Mr. Gearailt provided his services as CEO without a written agreement in place with the Company. For the year ended December 31, 2024, the Company paid a company controlled by Mr. Gearailt a total compensation of $178,924 (December 31, 2023 - $168,629).

Yilu (Lucy) Zhang provided her services as CFO of the company without a written agreement in place with the Company. For the year ended December 31, 2024, the Company paid a company controlled by Ms. Zhang a total compensation of $144,000 (December 31, 2023 - $138,000). Ms. Zhang's compensation is subject to reduction if the Company incurs any additional bookkeeping and accounting costs in support of Ms. Zhang's services unless the expenses have been pre-approved by the CEO.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has in place a stock option plan (the "**Plan**"), which was most recently approved by the shareholders on December 19, 2025. The Company has no other incentive plans.

The Plan is a 10% rolling stock option plan, which permits the reservation of up to a maximum of 10% of the shares of the Company which are issued and outstanding.

The following table sets out the equity compensation plan information required to be disclosed by Form 52-102F5 – *Information Circular* as at the end of the Company's most recently completed financial year.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2025	**Weighted-average exercise price of outstanding options, warrants and rights as at December 31, 2025**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))**
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation plans approved by security holders[(1)]			
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total[(2)]			

(1) The Plan permits the grant of stock options exercisable to purchase that number of shares which is equal, in the aggregate, to a maximum of 10% of the shares of the Company which are issued and outstanding as at the date of issuance. No warrants or rights are issuable under the Plan and the Company has no other incentive plan.

(2) If all outstanding options were exercised and all options remaining available for grant under the Plan were granted and were exercised as of December 31, 2025, 4,053,983 shares would have been issued upon such exercise.

CORPORATE GOVERNANCE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that, whenever management of a venture issuer solicits a proxy from a security holder for the purpose of electing directors to that issuer's board of directors, that issuer must include in its information circular for the meeting at which directors are proposed to be elected the disclosure in respect of its corporate governance practices required by Form 58-102F2 – *Corporate Governance Disclosure (Venture Issuers)*. The Company is a venture issuer and, accordingly, provides the following prescribed disclosure, having regard to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201 – *Corporate Governance Guidelines*. The Guidelines are not prescriptive, but have been considered by Trailbreaker in adopting its corporate governance practices.

Board of Directors

The Board has the overall responsibility for the strategic planning and general management of the business and affairs of the Company. The Board does not have a written mandate. In fulfilling its responsibilities, the Board is responsible for, among other things:

(i) strategic planning for the Company;

(ii) identification of the principal business risks of the Company and ensuring the implementation of the appropriate systems to manage these risks;

(iii) succession planning for the Company, as well as the appointment, development and monitoring of senior management;

(iv) a communications policy for the Company; and

(v) the integrity of the Company's internal control and management information system.

The Board is currently comprised of five directors. The Guidelines suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101. The TSXV requires that each listed issuer have at least two independent directors. Under NI 58-101, which refers in turn to NI 52-110, a director is considered independent if he or she has no direct or indirect "material relationship" with Trailbreaker (other than shareholdings) which could, in the view of the Board, reasonably interfere with the exercise of that director's independent judgment.

Of the proposed nominees, John Kuehne, Ewan Webster, and Frank Wheatley are "independent" within the meaning of NI 52-110. The other nominees, Daithi Mac Gearailt and Yilu (Lucy) Zhang, are not "independent" within the meaning of NI 52-110 because they are executive officers.

The Board facilitates its exercise of independent supervision over management through its committee(s) having a majority of independent directors and through the requirement for approval of such matters as executive compensation by a majority of independent directors as well as a majority of the Board as a whole.

The Company has not historically had regularly scheduled meetings of independent directors at which non-independent directors are not in attendance, as approvals for corporate actions have generally been obtained by unanimous written resolutions.

Directorships

Certain of the current directors or nominees are presently a director of one or more reporting issuers (or equivalent) in a Canadian or foreign jurisdiction, as follows:

NAME OF DIRECTOR	OTHER REPORTING ISSUERS
Daithi Mac Gearailt	N/A
Yilu (Lucy) Zhang	N/A
Ewan Webster	Thesis Gold Inc.
Frank Wheatley	Talon Metals Corp., Frontier Nuclear and Minerals
John Kuehne	N/A

Orientation and Continuing Education

The Board ensures that each new nominee has the competencies, skills and personal qualities required to perform his duty properly, and Company management does provide informal orientation and education to new directors respecting Trailbreaker's history, properties, performance and strategic plans. However, the Board does not have any formal policies with respect to the orientation of new directors, nor does it take any measures to provide continuing education for the directors. At this stage of Trailbreaker's development, and having regard to the background and experience of its directors, the Board does not feel it necessary to have such policies or

programs in place. Each director is responsible for keeping informed of Company affairs, and directors are informed not less than quarterly regarding corporate developments in the process of approving financial statements and other continuous disclosure documents.

Ethical Business Conduct

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited scope of Trailbreaker's operations and the small number of officers and consultants allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As Trailbreaker grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Board has not historically had a formal process in place with respect to the recruitment or appointment of new directors. Candidates have historically been recruited by existing Board members, and the recruitment process has involved both formal and informal discussions among Board members. The Board does not currently have a Nominating Committee.

Compensation

The Company currently has a Compensation Committee, described under "Compensation Discussion & Analysis" in the Statement of Executive Compensation herein, but does not, at present, have a formal process in place for determining compensation for the directors, CFO and the CEO. Compensation for the directors and executive officers is ultimately determined by the Board as a whole, and executive compensation must, as well, be approved by a majority of independent directors.

Other Board Committees

At the present time, the only standing committee other than the Compensation Committee is the audit committee of the Company (the "**Audit Committee**"). As Trailbreaker grows, and its operations and management structure become more complex, the Board expects that it will constitute additional formal standing committees and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

Assessments

The Board monitors, but does not formally assess, the performance of individual Board and committee members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on Trailbreaker's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time.

APPOINTMENT OF AUDITOR

The Company's auditor is DMCL LLP, which was first appointed as the Company's auditor on January 15, 2010.

AUDIT COMMITTEE

As a reporting issuer in British Columbia, Trailbreaker is required to have an audit committee. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular the information required by Form 52-110F2 – *Disclosure by Venture Issuers*. The required information is set out below.

The Audit Committee's Charter

The Company's Audit Committee Charter is attached to this Circular as Schedule "A" hereto.

Composition of the Audit Committee

John Kuehne, Ewan Webster and Frank Wheatley are currently members of the Audit Committee.

NI 52-110 provides that a member of an audit committee is independent if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of the member's independent judgment. John Kuehne, Ewan Webster and Frank Wheatley are independent for the purposes of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements. All members of the Audit Committee are financially literate as that term is defined in NI 52-110.

Audit Committee Oversight

The Audit Committee has not, at any time since the commencement of the Company's most recently completed financial year, made a recommendation to the Board to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Certain Exemptions

Trailbreaker has not, at any time since the commencement of the Company's most recently completed financial year, relied on:

- the exemption in section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*);
- the exemption in section 6.1.1(4) of NI 52-110 (*Circumstances Affecting the Business or Operations of the Venture Issuer*);
- the exemption in section 6.1.1(5) of NI 52-110 (*Events Outside the Control of Members*);
- the exemption in section 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*); or
- an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Engagement for such services are considered on a case-by-case basis.

External Auditor Service Fees

The following table sets forth the fees billed to the Company by its auditorDMCL LLP for services rendered in respect of the last two financial years for which audits have been completed:

	December 31, 2025	December 31, 2024
Audit Fees(1)	$	$34,414
Audit-Related Fees(2)	Nil	Nil
Tax Fees(3)	$	$2,600
All Other Fees(4)	Nil	Nil

(1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include fees for all other non-audit services.

Reliance on Exemption in Section 6.1 of NI 52-110

Trailbreaker is a venture issuer as defined in NI 52-110 and relies on the exemption in section 6.1 of NI 52-110.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Appointment of Auditor

The Board recommends that the shareholders vote in favour of re-appointing DMCL LLP as Trailbreaker's auditor to hold office until the next annual meeting of shareholders or until it resigns or is removed from office by the Company, with remuneration to be approved by the Board.

Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution, in substantially the following form, subject to such changes as may be recommended by legal counsel or required by regulatory authorities:

"Resolved, as an ordinary resolution, that DMCL LLP be appointed as the Company's auditor until the next annual meeting of shareholders following the Meeting, or until it resigns or is removed from office by the Company, with remuneration to be approved by the Board."

If named as proxy holder, on any ballot, the management designees of Trailbreaker named in the Proxy intend to vote the shares represented by each Proxy in respect of which they have been named proxy holder "FOR" the re-appointment of DMCL LLP as auditor of Trailbreaker, unless such Proxy specifies that authority to do so is withheld.

B. Election of Directors

Each director of the Company holds office until the conclusion of the first annual meeting of shareholders held after his or her appointment, election or re-election, unless that person ceases to be a director or withdraws his or her consent to stand for re-election before such meeting. Accordingly, each person elected or re-elected as a director at the Meeting will hold office until the conclusion of the next annual meeting of shareholders unless that person ceases to be a director or withdraws his or her consent to stand for re-election before such meeting.

The persons named in the table below are management's nominees for election at the Meeting. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of management's nominees for election as directors, their respective Province or State and Country of residence, the periods during which incumbent directors have served as directors and their committee memberships, the positions and offices with the Company and its subsidiaries held by each nominee, if any, the present principal occupation, business or employment of each nominee (including the name and principal business of any company in which such employment is carried on, and, for each nominee who has not previously been elected as a director at a meeting of shareholders of the Company, his or her principal occupation, business or employment during the past five years) and the number of shares of the Company beneficially owned, or controlled or directed, by each nominee as of the date of this Circular.

Name, Province or State and Country of Residence, and Office Held	Principal Occupation, Business or Employment[4]	Period as a Director of the Company	Number of Shares Beneficially Owned or Controlled
Daithi Mac Gearailt CEO and Director	Geologist	September 30, 2019 to present	814,000
Yilu (Lucy) Zhang[2] Vancouver, BC CFO and Director	Chartered Professional Accountant; CFO and Secretary of Trailbreaker from July 2010 to Present.	August 8, 2011 to Present	413,000
John Kuehne[1][2] Victoria, BC Director	Chartered Professional Accountant; Certified Public Accountant (Illinois); CFO Highbury Energy Inc.	October 29, 2012 to Present	20,000
Ewan Webster[1] Port Moody, BC Director	Professional Geologist and President, CEO and Director of Thesis Gold	December 14, 2018 to present	13,500
Frank Wheatley[1] [2] Salmon Arm, BC Director	Independent Corporate Director, Currently serves as an Independent Director for Talon Metals Corp.,	December 18, 2020 to present	Nil

	and CEO for Frontier Nuclear and Minerals Inc.		

(1) Member of Audit Committee.
(2) Member of Compensation Committee.
(3) The information as to principal occupation, business or employment and shares beneficially owned or controlled by certain of the nominees is not within the knowledge of management, and has been furnished by the respective nominees.

As at the date of this Circular, the nominees as a group own beneficially, directly or indirectly, or exercise control or direction over an aggregate of 1,260,500 shares, or approximately 2.4% of the outstanding Trailbreaker shares.

Corporate Cease Trade Orders, Penalties or Sanctions, Bankruptcies

Form 51-102F5 also requires disclosure of certain background information on nominees. The Company has confirmed with the nominees that no proposed director:

(a) 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:

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The Board recommends that the shareholders vote "FOR" the election of management's nominees as directors.

If named as proxy holder, on any ballot, the management designees of Trailbreaker named in the Proxy intend to vote the shares represented by each Proxy in respect of which they have been named proxy holder "FOR" the election of each of management's nominees as a director of Trailbreaker, unless such Proxy specifies that authority to do so is withheld.

Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any of the nominees is unable or declines to stand for election or re-election, as the case may be, the management designees of Trailbreaker named in the Proxy will vote for another

nominee of management, if presented at the Meeting, or to reduce the number of directors accordingly, in their discretion.

C. Amendment of Stock Option Plan

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to approve an ordinary resolution approving the Company's rolling 10% stock option plan (the "Stock Option Plan").

The Stock Option Plan is a "rolling" stock option plan, pursuant to which the maximum number of common shares issuable under the Stock Option Plan is equal to **10% of the issued and outstanding common shares of the Company from time to time**. Accordingly, the number of options available for grant under the Stock Option Plan will increase or decrease as the number of issued and outstanding common shares of the Company changes.

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

1. **Eligible Persons** – Options may be granted to directors, officers, employees, consultants, consultant companies, investor relations service providers, and companies wholly owned by eligible individuals, as set out in Sections 1 and 2(s) of the Plan, of the Company or a subsidiary of the Company, as determined by the Board of Directors (each an "Optionee").

2. **Ceasing to be a Director, Officer, Employee or Consultant -** If an Optionee ceases to be a director, officer, employee or consultant of the Company or its subsidiaries for any reason other than death, the Optionee may, but only within ninety (90) days after the Optionee's ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in Investor Relations Activities) or prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Company pursuant to any medical or disability plan of the Company shall be deemed to be an employee for the purposes of the Plan.

3. **Death of Optionee -** In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only:

   (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
   (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

4. **Shares Reserved** – The maximum number of common shares that may be issued under the Stock Option Plan is equal to 10% of the Company's issued and outstanding common shares at the time of the grant. Any common shares subject to an option that expires or terminates without having been exercised will again be available for issuance under the Stock Option Plan.

5. **Maximum Limits** –

   (a) The aggregate number of common shares issuable to any one consultant under all security-based compensation arrangements cannot exceed 2% of the issued and outstanding common shares (on a non-diluted basis) in any 12-month period.
   (b) The aggregate number of common shares issuable to all persons conducting investor relations activities under all security-based compensation arrangements cannot exceed 2% of the issued and outstanding common shares (on a non-diluted basis) in any 12-month period.

   Unless disinterested shareholder approval is obtained:

   (c) The maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued **within any twelve (12) month period** may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation.
   (d) The maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security based Compensation of the Company may not exceed 10% of the Outstanding Shares **at any point in time**.
   (e) The aggregate number of common shares issuable to any one person under all security-based compensation arrangements cannot exceed 5% of the issued and outstanding common shares (on a non-diluted basis).

6. **Exercise of Options** – An Optionee shall be entitled to exercise an Option granted to him at any time prior to the expiry of the Option Period, to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

   The exercise of any Option will be conditional upon receipt by the Company at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercise, accompanied by cash payment, certified cheques or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

7. **Exercise Price** – The exercise price of an option must not be lower than the "Discounted Market Price" (as defined in TSXV policies) at the time of grant.

8. **Option Term** – Options may be granted for a maximum term of 10 years from the date of grant. If the Expiry Date falls within a blackout period during which the Company prohibits an Optionee from exercising their stock options, the Expiry Date shall be extended for a period of ten days following the end of the blackout period. No automatic extension is permitted where the Optionee or the Issuer is subject to a cease trade order.

9. **Vesting** – Options may be subject to vesting requirements at the discretion of the Board, subject to TSXV policies. Options granted to persons engaged in investor relations activities must vest in stages over not less than 12 months, with no more than one-quarter of the options vesting in any three-month period. The Board has authority to accelerate vesting upon a takeover or change of control. Option granted to IR service providers cannot be accelerated without prior Exchange approval.

10. **Non-Transferability** – Options are non-assignable and non-transferable other than by will or pursuant to applicable laws of succession.

11. **Amendments** – Subject to TSXV approval where applicable, the Board may amend the Stock Option Plan or any option granted thereunder, provided that disinterested shareholder approval is required for amendments that: (i) increase the maximum number of common shares reserved; (ii) reduce the exercise price or extend the term of options granted to insiders; or (iii) amend the amendment provisions. Disinterested Shareholder approval will be obtained for any reduction in the exercise price of an Option or extensions to stock options if the Optionee is an insider of the Company at the time of the proposed amendment.

A copy of the Stock Option Plan will be available for inspection at the Meeting.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"UPON MOTION IT WAS as an ordinary resolution of the shareholders that:

1. The Company's 10% rolling stock option plan (the "Stock Option Plan") be and is hereby confirmed, ratified and approved.

2. the Company be authorized to grant stock options pursuant to and subject to the terms and conditions of the Stock Option Plan, entitling the holders thereof to purchase up to that number of common shares of the Company equal to 10% of the number of issued and outstanding common shares of the Company at the time of each option grant, in accordance with the terms of the Stock Option Plan and the policies of the TSX Venture Exchange;

3. the Company be authorized to make such amendments to the Stock Option Plan from time to time as may be required by the TSX Venture Exchange or as permitted under the terms of the Stock Option Plan and applicable law, without further shareholder approval, unless required by the policies of the TSX Venture Exchange; and

4. any director or officer of the Company be and is hereby authorized and directed, on behalf of the Company, to execute and deliver all such documents and to do all such acts and things as such director or officer may determine to be necessary or desirable to give effect to this resolution

The amended Plan is also subject to approval by the TSX Venture Exchange.

Management recommends the approval of the Plan.

D. Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the proxy holders.

ADDITIONAL INFORMATION

Additional information relating to the Company is available for review on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative financial statements and related Management Discussion and Analysis for its most recently completed financial year.
Shareholders wishing to request copies of the Company's financial statements and Management Discussion and Analysis may contact the Company at:

Trailbreaker Resources Ltd.
2110, 650 west Georgia Street
Vancouver, BC V6B 4N8

Telephone: 604-681-1820
Facsimile: 604-681-1864

CERTIFICATION AND BOARD APPROVAL

The undersigned hereby certifies that the contents and the sending of this Circular to the Trailbreaker shareholders have been approved by the board of directors of Trailbreaker.

DATED at Vancouver, British Columbia, on the 18th day of November, 2026

ON BEHALF OF THE BOARD OF DIRECTORS OF TRAILBREAKER RESOURCES LTD.

/s/ Daithi Mac Gearailt
President and Chief Executive Officer

SCHEDULE "A"

TRAILBREAKERRESOURCES LTD.
AUDIT COMMITTEE CHARTER

The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The audit committee will:

(a) review and report to the board of directors of the Company on the following before they are published:

  (i) the financial statements and MD&A (management discussion and analysis) (as defined in NI 51-102) of the Company;

  (ii) the auditor's report, if any, prepared in relation to those financial statements,

(b) review the Company's annual and interim earnings press releases before the Company publicly discloses this information,

(c) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures,

(d) recommend to the board of directors:

  (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

  (ii) the compensation of the external auditor,

(e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,

(f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,

(g) monitor the management of the principal risks that could impact the financial reporting of the Company,

(h) establish procedures for:

  (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

  (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,

(i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,

(j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, and

(k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with NI 52-109.

Composition of the Committee

The committee will be composed of 3 directors from the Company's board of directors, a majority of whom will not be executive officers, employees or control persons of the Company's or of an affiliate of the Company, provided that:

(a) If a circumstance arises that affects the business or operations of the Company, and a reasonable person would conclude that the circumstance can be best addressed by a member of the audit committee becoming an executive officer or employee of the Company, the requirement set out above will not apply to the audit committee in respect of the member until the later of:

(i) the next annual meeting of the Company; and

(ii) the date that is six months after the date on which the circumstance arose.

(b) If an audit committee member becomes a control person of the Company or of an affiliate of the Company for reasons outside the member's reasonable control, the requirement set out above will not apply to the audit committee in respect of that member until the later of:

(i) the next annual meeting of the Company; and

(ii) the date that is six months after the date on which the circumstance arose.

(c) If a vacancy on the audit committee arises as a result of the death, incapacity or resignation of an audit committee member and the board of directors is required to fill the vacancy, the requirement set out above will not apply to the audit committee, in respect of the member appointed to fill the vacancy, until the later of:

(i) the next annual meeting of the Company; and

(ii) the date that is six months from the day the vacancy was created.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the member will be provided a three month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors. The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

(a) reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors meeting; and

(b) reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 51-110F2 in any management information circular prepared by the Company.