

**LITHIUM ION ENERGY LTD.**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON AUGUST 26, 2025**

**JULY 23, 2025**

## **LITHIUM ION ENERGY LTD.**

### **NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

Notice is hereby given that an annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of Lithium ION Energy Ltd. (the “**Corporation**” Or “Lithium ION”) ) will be held at the offices of Pacific Blue Holdings Ltd., Suite 1100 – 1111 Melville Street, Vancouver, BC V6E 3V6, on August 26, 2025 at 11:00 a.m. (Vancouver time), for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2023 and December 31, 2024, together with the reports of the auditors thereon;
2. to elect six (6) directors of the Corporation for the ensuing year;
3. to ratify, confirm and approve the appointment of Kingston Ross Pasnak LLP, Chartered Professional Accountants, as the auditors of the Corporation for the fiscal year ended December 31, 2024, and to ratify the authorization of the directors to fix the remuneration paid to the auditor;
4. to appoint Kingston Ross Pasnak LLP, Chartered Professional Accountants, as the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
5. to approve the continuation of the Corporation’s 10% “rolling” stock option plan for the ensuing year;
6. to consider and, if deemed advisable, pass a special resolution to approve a transaction, being a joint venture agreement with Sure FQ Ltd., as more particularly described in the Information Circular; and
7. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The board of directors (the “**Board**”) has fixed July 22, 2025 as the record date (the “**Record Date**”) for determining the Shareholders who are entitled to receive notice of and vote at the Meeting. Only Shareholders whose names have been entered in the registers of the Corporation as at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and return it in the envelope provided. To be effective, the enclosed form of proxy or voting instruction form must be mailed, hand delivered, or faxed so as to reach or be deposited with TSX Trust Company, the Corporation’s transfer agent (in the case of registered holders) at 301-100 Adelaide Street West, Toronto ON, M5H 4H1; Fax: +1 416 595 9593, before 11:00 a.m. (Vancouver time) on Tuesday, August 26, 2025. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

If you are a non-registered holder of Common Shares and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

**DATED** this 23<sup>rd</sup> day of July, 2025

**BY ORDER OF THE BOARD OF DIRECTORS OF  
LITHIUM ION ENERGY LTD.**

*(signed) “Ali Haji”*

Ali Haji  
President & CEO

## LITHIUM ION ENERGY LTD.

### MANAGEMENT INFORMATION CIRCULAR

#### SOLICITATION OF PROXIES BY MANAGEMENT

This management Information Circular (“**Circular**”) is furnished in connection with the solicitation of proxies by the management of Lithium ION Energy Ltd. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of the Corporation to be held at 11:00 a.m. (Vancouver time) on Tuesday, August 26, 2025 at the offices of Pacific Blue Holdings Ltd., Suite 1100 – 1111 Melville Street, Vancouver, BC, for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders dated June 30, 2025 (the “**Notice of Meeting**”). References in the Circular to the Meeting include any adjournment(s) or postponement(s) thereof. It is expected that the solicitation of proxies will be primarily by mail, however, proxies may also be solicited by the officers, directors and employees of the Corporation by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of the solicitation of proxies will be borne by the Corporation.

Except where otherwise indicated, the information contained in this Circular is as of July 24, 2025.

#### GENERAL INFORMATION RESPECTING THE MEETING

The enclosed proxy is being solicited by or on behalf of the management of the Corporation. The mailing to Shareholders of this Circular will be on or about July 24, 2025. The cost of soliciting proxies will be borne by the Corporation. While most proxies will be solicited by mail only, regular employees of the Corporation may also solicit proxies by telephone or in person. Such employees will receive no additional compensation for these services other than their regular salaries, but will be reimbursed for their reasonable expenses.

In this Circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

Electronic copies of this Circular, financial statements of the Corporation for the years ended December 31, 2024 and December 31, 2023 (the “**Financial Statements**”) and MD&A for 2023 and 2024 (“**MD&A**”) may be found on the Corporation’s SEDAR profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**Shareholders are reminded to review this Circular before voting.**

Shareholders may also obtain paper copies of the Financial Statements and the MD&A free of charge by contacting the Corporate Secretary of the Corporation.

#### APPOINTMENT, VOTING AND REVOCATION OF PROXIES

##### Appointment of Proxy Holders

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person’s name in the blank space provided in the enclosed form of proxy or by completing and executing another proper form of proxy.** All duly completed and executed proxies must be received by the Corporation’s registrar and transfer agent, TSX Trust Company (“**TSX Trust**”) at 301-100 Adelaide Street West, Toronto ON, M5H 4H1; Fax: +1 416 595 9593, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The votes attached to the Common Shares of the Corporation represented by the form of proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a Shareholder or a Shareholder’s attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

## Revocation of Proxies

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy at any time prior to use by:

- (i) completing and signing a proxy bearing a later date and depositing it with TSX Trust at the address provided herein;
- (ii) depositing an instrument in writing, including another completed form of proxy, executed by such Shareholder or by his or her attorney duly authorized in writing, or, if the Shareholder is a body corporate, by a duly authorized officer or attorney, either (a) with TSX Trust at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or (b) with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or
- (iii) in any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

## Voting of Proxies

The voting rights attached to the Common Shares represented by proxies will be voted or withheld from voting in accordance with the instructions indicated therein. **If no instructions are given, the voting rights attached to said Common Shares will be exercised by those persons designated in the form of proxy and will be voted IN FAVOUR of all the matters described therein.**

The enclosed form of proxy confers discretionary voting authority upon the persons named therein with respect to amendments to matters identified in the Notice of Meeting, and with respect to such matters as may properly come before the Meeting. As of the date hereof, management of the Corporation knows of no such amendments or other matters to come before the Meeting.

## Voting by Non-Registered Shareholders

Only registered Shareholders or proxyholders duly appointed by registered Shareholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or other intermediary (an “**Intermediary**”) or in the name of a clearing agency. Shareholders who do not hold their Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only registered Shareholders are entitled to vote at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in such Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depositary Services Inc., which company 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 Common Shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “OBOs”. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has elected to send the Notice, this Circular and the Proxy (collectively, the “**Meeting Materials**”) directly to the NOBOs, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Corporation intends to pay Intermediaries for delivery to deliver to OBOs. The Meeting Materials sent to Beneficial Shareholders who have not waived the right to receive Meeting Materials are accompanied by a request for voting

instructions (a “VIF”). By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholders is able to instruct the registered Shareholder how to vote on behalf of the Beneficial Shareholders. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Beneficial Shareholders who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Beneficial Shareholders may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholders or his or her nominee the right to attend and vote at the Meetings. Please return your voting instructions as specified in the VIF. Beneficial Shareholders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.

These Meeting Materials are being sent to both registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials 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.

A Beneficial Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary at least seven days prior to the Meeting.

All references to Shareholders in this Circular and the accompanying form of proxy and notice of Meeting are to registered Shareholders unless specifically stated otherwise.

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

Except as described elsewhere in this Circular, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of (a) any director or executive officer of the Corporation who has held such position at any time since the beginning of the Corporation’s last financial year, (b) any proposed nominee for election as a director of the Corporation, and (c) any associates or affiliates of any of the persons or companies listed in (a) and (b), in any matter to be acted on at the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value and an unlimited number of non-voting preferred shares without par value. As at the date of this Circular, there are 68,781,137 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of the Meeting and vote at the Meeting has been fixed as July 22, 2025 (the “**Record Date**”). All holders of record of Common Shares on the Record Date are entitled either to attend and vote their Common Shares at the Meeting, or, provided a completed and executed proxy shall have been delivered to the Corporation’s transfer agent, TSX Trust, within the time specified in the attached Notice of Annual and Special Meeting of Shareholders, to attend the Meeting and vote their Common Shares by proxy. Subject to the *Business Corporations Act* (Alberta) and By-laws of the Corporation, the quorum for the transaction of business at a meeting of Shareholders is two Shareholders, or one or more proxyholder(s) representing two Shareholders, or one Shareholder and a proxyholder representing another Shareholder

To the knowledge of the directors and officers of the Corporation, as at the date of this Circular, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation. Business of the Meeting.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the board of directors of the Corporation (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

## 1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the fiscal years ended December 31, 2024 and December 31, 2023, the reports of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of these financial statements and the auditor's report thereon will not constitute approval or disapproval of any matter referred to therein. Shareholder approval is not required in relation to the financial statements.

**No approval or other action needs to be taken at the Meeting in respect of these documents.**

## 2. ELECTION OF DIRECTORS

The Board consists of six (6) directors, each of whom management propose to nominate for re-election at the Meeting. Each director elected at the Meeting will hold office until the next annual meeting or until his successor is duly elected or appointed.

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **Unless otherwise instructed, proxies and voting instructions given pursuant to this solicitation by the management of the Corporation will be voted FOR the election of each of the proposed nominees set forth in the table below.**

Management has no reason to believe that any of the nominees will be unable to serve as a director. **However, if any proposed nominee is unable to serve as a director, the individuals named in the enclosed form of proxy will be voted in favour of the remaining nominees, and may be voted in favour of a substitute nominee unless the Shareholder has specified in the proxy that the Common Shares represented thereby are to be withheld from voting in respect of the election of directors.**

The following table states the name of each person nominated by management for election as directors, such person's principal occupation or employment, period of service as a director of the Corporation, and the approximate number of voting securities of the Corporation that such person beneficially owns, or over which such person exercises direction or control:

Name, and Province and Country of Residence	Principal Occupation, Business or Employment <sup>(1)</sup>	Director Since	Common Shares Owned or Controlled <sup>(1)</sup>
Ali Haji <sup>(2)</sup> <i>Ontario, Canada</i>	President and CEO of Lithium ION Energy Ltd.	August 2020	5,046,515
Aneel Waraich <sup>(2)</sup> <i>Ontario, Canada</i>	Founder and Managing Partner of ATMA Corp. Ltd.	June 2017	4,151,583
Matthew Wood <i>Ulaanbataar, Mongolia</i>	Executive Chairman of Lithium ION Energy Ltd. and Aranjin Resources Ltd.	August 2020	5,428,333
Bataa Tumor-Ochir <sup>(2)</sup> <i>Ulaanbataar, Mongolia</i>	President and CEO of Steppe Gold Ltd.	June 2017	3,881,392
Enkhtuvshin Khishigsuren <i>Ulaanbataar, Mongolia</i>	Independent Consultant	September 2020	300,000
Joseph Gallucci <i>Montreal, Canada</i>	Head of Investment Banking and Laurentian Bank Securities Inc.	August 30, 2023	300,000

Notes:

- (1) Information about principal occupation, business or employment and number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised is not within the direct knowledge of management and has been furnished by the respective nominees or has been obtained from SEDI. The holdings are as of July 24, 2025.
- (2) Member of the Audit Committee.

### ***Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

Other than disclosed below, no proposed director of the Corporation is, as at the date hereof, or has been, within the previous 10 years, a director, chief executive officer or chief financial officer, of any company (including the Corporation) that:

- (a) while that person was acting in the capacity was the subject of a cease trade order or similar 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;
- (b) was the subject of a cease trade or similar 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 that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer of such company 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
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

*On November 18, 2022, the British Columbia Securities Commission issued a cease trade order in respect of the securities of Great Panther Mining Limited (“Great Panther”) as a result of its inability to file its quarterly continuous disclosure documents in accordance with Canadian securities laws. On December 16, 2022, Great Panther made a voluntary assignment into bankruptcy under the Bankruptcy and Insolvency Act (Canada) and Alvarez & Marshall Canada Inc. was appointed licenses insolvency trustee of Great Panther’s estate. Joseph Gallucci was a director of Great Panther until December 16, 2022*

No proposed director of the Corporation (or any personal holding company of any such individual):

- (a) is at the date hereof, or has been within the previous 10 years, a director or executive officer of any corporation 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 manager or trustee appointed to hold its assets; or
- (b) has, within 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 such individual.

No proposed director of the Corporation (or any personal holding company of any such individual) 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 a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **3. RATIFICATION OF APPOINTMENT OF AUDITOR**

At the Meeting, shareholders will be asked to ratify and confirm the appointment of Kingston Ross Pasnak LLP (“KRP”) as auditor for the Corporation for the fiscal year ended December 31, 2024, and for the remuneration to be fixed by the directors. See *Audit Committee – External Service Fees*.

**The Company’s management recommends that the shareholders vote in favour of the ratification, confirmation and approval of the appointment of Kingston Ross Pasnak LLP as the Company’s auditor for the fiscal year ended December 31, 2024, and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the ratification of the appointment of Kingston Ross Pasnak LLP, to act as the Company’s auditor until the close of its fiscal year ended December 31, 2024, and also intend to vote FOR the proposed resolution to authorize the Board of Directors fix the remuneration to be paid to the auditor.**

#### 4. APPOINTMENT OF AUDITORS

Effective October 15, 2021, Kingston Ross Paskin LLP (“KRP”) was appointed as the auditor of the Corporation. At the Meeting, shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to re-appoint KRP to serve as auditor of the Corporation until the next annual meeting of Shareholders and to authorize the directors of the Corporation to fix their remuneration as such.

**Unless otherwise instructed, the persons named in the enclosed proxy or voting instruction form intend to vote such proxy or voting instruction form FOR the re-appointment of KRP as auditor of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and the authorization of the directors of the Corporation to fix their remuneration.**

The directors of the Corporation recommend that shareholders vote in favour of the re-appointment of KRP and the authorization of the directors of the Corporation to fix their remuneration. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting.

#### 5. APPROVAL OF STOCK OPTION PLAN

The Corporation maintains a share incentive plan (the “**Stock Option Plan**”), which was approved by Shareholders at a meeting held on March 11, 2015. The Stock Option Plan is a rolling stock option plan that sets the number of Common Shares issuable thereunder at a maximum of 10% of the Common Shares issued and outstanding at the time of any grant.

Pursuant to TSX Venture Exchange (“**TSX-V**”) policies, a TSX-V-listed issuer is required to obtain the approval of its shareholders for a “rolling” stock option plan at each annual meeting of shareholders. Accordingly, at the Meeting, Shareholders will be asked to approve an ordinary resolution to approve the Stock Option Plan for the ensuing year.

The Stock Option Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase Common Shares. The Stock Option Plan provides for a floating maximum limit of 10% of the outstanding Common Shares as permitted by the policies of the TSX-V. As at the date hereof, options to purchase a total of 4,250,000 Common Shares have been issued to eligible participants under the Stock Option Plan and remain outstanding. As at the date hereof, the number of Common Shares remaining available for issuance under the Stock Option Plan is 2,628,113.

For a summary of the Stock Option Plan, please see “*Statement of Executive Compensation – Stock Option Plan*”. The full text of the Stock Option Plan will be supplied free of charge to any Shareholder upon written request made directly to the Corporation at its registered head office located at 90 Adelaide Street West, Suite 400, Toronto, Ontario, M5H 4A6, telephone: (647) 951-6508.

##### ***Shareholder Approval of the Stock Option Plan***

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution re-approving the Stock Option Plan. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting.

**Unless otherwise instructed, the persons named in the enclosed proxy or voting instruction form intend to vote such proxy or instructions FOR the resolution approving the Stock Option Plan.** The directors of the Corporation recommend that Shareholders vote in favour of the resolution approving the Stock Option Plan.



## 6. APPROVAL OF TRANSACTION WITH SURE FQ LTD.

At the Meeting, Disinterested shareholders will be asked to ratify and approve the Joint Venture Earn-In Agreement (the “JV Agreement”\_ announced by the Company on March 27, 2025. Under the terms of the JV Agreement Sure FQ Ltd. (“SureFQ”) may acquire 80% of the Urgakh Naran project by making the following payments and expenditures:

### Expenditures:

- Not less than US\$500,000 before the first anniversary of the effective date
- Not less than US\$1,500,000 before the second anniversary of the effective date
- Not less than US\$6,000,000 before the fifty fourth month anniversary of the effective date
- Not less than US\$8,000,000 before the fifty fourth month anniversary of the effective date

### Cash payments:

- US\$500,000 on the first anniversary date
- US\$1,000,000 on the second anniversary date
- US\$1,000,000 on the third, fourth, and fifth anniversary dates

Pursuant to TSX-V Policy 5.3 the Company is required to provide satisfactory evidence of value of the transaction since the disposition represents over 50% of the Company’s assets, business or undertaking. The Company is seeking shareholder approval of the JV Agreement in part to satisfy evidence of value in accordance with TSX-V Policy 5.3.

The transaction value for the disposition of the 80% interest in the Urgakh Naran project was determined by the Company’s board of directors and management based on their assessment of a variety of factors. These included their general awareness of prevailing market conditions for early-stage lithium assets, comparable transactions in the sector, the exploration potential and strategic value of the project, and their collective knowledge and business judgment. In the absence of an independent valuation, the board and management relied on their commercial experience and understanding of the resource sector to negotiate a price they believe reflects a fair market value for the interest being sold.

This transaction is subject to approval by the TSX Venture Exchange.

**Conclusion Accordingly, the directors of Lithium ION, for the reasons discussed above, unanimously recommend in favour of the shareholders resolution immediately below.**

### Form of Disinterested Shareholders Resolution

#### **BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE DISINTERESTED HOLDERS OF COMMON SHARES OF LITHIUM ION ENERGY LTD ("Lithium ION") THAT:**

1. Lithium ION is hereby authorized to enter into a Binding Joint Venture Agreement with SureFQ Ltd. (“SureFQ”) dated March 26, 2025 (the “Agreement”) to complete the Joint Venture and other transactions contemplated by such Agreement, each as described in the information circular ;

2. Any director or officer of Lithium ION is hereby authorized, for and on behalf of Lithium ION, to execute the Agreement, with or without the corporate seal, and, if appropriate, deliver all other documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, including the transactions contemplated by the Transaction Agreements, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action; and

3. All actions heretofore taken by or on behalf of Lithium ION in connection with any matter referred to in any of the foregoing resolutions which were in connection with the Agreement and in furtherance of the transactions contemplated thereby are hereby approved, ratified and confirmed in all respects.

**Unless otherwise instructed, the persons named in the enclosed proxy or voting instruction form intend to vote such proxy or instructions FOR approving the Transaction.**

## 7. OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting this Circular. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

### EXECUTIVE COMPENSATION

#### Named Executive Officers

For the purposes of this Circular, a Named Executive Officer (“NEO”) of the Corporation means each of the following individuals:

- (a) a chief executive officer (“CEO”) of the Corporation;
- (b) a chief financial officer (“CFO”) of the Corporation;
- (c) if applicable, each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation*; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

At the end of the Corporation’s most recently completed financial year, being the year ended December 31, 2024, the Corporation had the following NEOs: Ali Haji, President and CEO, and Robert Payment CFO.

#### Compensation Discussion and Analysis

To date, the Board has not adopted any formal policies to determine executive compensation. Executive compensation is currently determined by the independent directors of the Board that has general oversight of compensation of employees and executive officers.

In carrying out its duties and responsibilities in relation to compensation and utilizing industry comparable salaries and bonuses, the Board sets annual performance objectives that are aligned to the overall objectives of the Corporation and assess the attainment of the corporate goals to determine the amount of performance bonus compensation paid. In determining the appropriate level of compensation, the Board may consider comparative data for the Corporation’s peer group, which are accumulated from a number of external sources, including independent consultants. The Board will consider implementing formal compensation policies in the future should circumstances warrant.

Currently, the long-term compensation available to the NEOs consists of the stock options granted under the Stock Option Plan, which is administered by the Board and is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Corporation to attract and retain individuals with experience and ability, and to reward individuals for current performance and expected future performance. The Board considers stock option grants when reviewing each NEO’s compensation package as a whole.

The allocation of stock options is regarded as an important element to attract and retain NEOs for the long term and it aligns their interests with Shareholders.

## Director and NEO Compensation, Excluding Compensation Securities

The following table is a summary of compensation paid to each of the directors and NEO of the Corporation for the two most recently completed fiscal years:

Table of compensation excluding compensation securities							
Name and Principal Position	Fiscal period	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	All other compensation (\$)	Total compensation (\$)
Ali Haji <sup>(1)(4)</sup> <i>President, CEO and Director</i>	2024	242,276	Nil	Nil	Nil	Nil	242,276
	2023	242,226	Nil	Nil	Nil	Nil	242,226
	2022	234,807	Nil	Nil	Nil	Nil	234,807
Robert Payment <sup>(5)</sup> <i>CFO</i>	2024	42,000	Nil	Nil	Nil	Nil	42,000
	2023	14,000	Nil	Nil	Nil	Nil	14,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A
John McVicar <i>Former CFO</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	32,000	Nil	Nil	Nil	Nil	32,000
	2022	78,000	Nil	Nil	Nil	Nil	78,000
Aneel Waraich <sup>(1)</sup> <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	57,334	Nil	Nil	Nil	Nil	57,334
	2022	78,009	Nil	Nil	Nil	Nil	78,009
Bataa Tumur-Ochir <sup>(1)</sup> <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	47,662	Nil	Nil	Nil	Nil	47,662
	2022	62,525	Nil	Nil	Nil	Nil	62,525
Matthew Wood <i>Director</i>	2024	10,704	Nil	Nil	Nil	Nil	10,704
	2023	47,510	Nil	Nil	Nil	Nil	47,510
	2022	62,242	Nil	Nil	Nil	Nil	62,242
Enkhtuvshin Khishigsuren <i>Director</i>	2024	12,000	Nil	Nil	Nil	Nil	12,000
	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	N/A	N/A	N/A	N/A	N/A	N/A
Joseph Gallucci <i>Director</i>	2024	24,000	Nil	Nil	Nil	Nil	24,000
	2023	8,000	Nil	Nil	Nil	Nil	8,000
	2022	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

- 1) Member of the Audit Committee.
- 2) Mr. Payment was appointed CFO on August 30, 2023
- 3) Mr. Vicar resigned effective August 30, 2023.
- 4) Mr. Haji's full compensation for 2024 was accrued and unpaid. A total of \$280,902 was owing to Mr. Haji at December 31, 2024.
- 5) Mr. Payment is owed \$29,631 in relation to consulting services provided in 2024.

## The Stock Option Plan

Stock options are a key part of the Corporation's long-term incentive compensation program, and assist the Corporation in attracting, retaining, and motivating its employees, directors, officers, and other eligible persons whose contributions are important to its future success. The Board is focused on building an elite team to carry out its business plan and believes that the Stock Option Plan will enable them to continue to attract and motivate team members and align their interests with those of Shareholders.

The Stock Option Plan is administered by the Board and provides that stock options ("**Options**") may be issued to directors, officers, employees, management company employee or consultants of the Corporation or a subsidiary of the Corporation. The number of options issuable under the Stock Option Plan, together with all of the Corporation's previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. Pursuant to the Stock Option Plan, all Options expire on a date not later than 10 years after the date of grant of an option.

The Stock Option Plan is subject to the following restrictions:

- the aggregate number of Options granted to any consultants, together with all other share compensation arrangements of the Company, in any twelve (12) month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, less the aggregate number of Common Shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation;
- the aggregate number of Options granted to Consultants conducting Investor Relations Activities for the Corporation, together with all other share compensation arrangements of the Company, in any twelve (12) month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, less the aggregate number of Common Shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation;
- Options granted to Consultants conducting Investor Relations Activities for the Corporation shall vest over a period of not less than twelve (12) months with no more than twenty-five percent (25%) of the Options vesting in any three (3) month period;
- the aggregate number of Common Shares reserved for issuance under the Stock Option Plan must not exceed 10% of the issued and outstanding Common Shares (in the event that the Stock Option Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Corporation has obtained by a majority of votes casted by the Shareholders eligible to vote at a Shareholders' meeting, excluding votes attaching to Common Shares beneficially owned by insiders and their associates (the "**Disinterested Shareholders**");
- the aggregate number of Common Shares reserved for issuance under the Stock Option Plan to any individual, together with all other share compensation arrangements of the Company, in any twelve (12) month period must not exceed five percent (5%) of the issued and outstanding Common Shares of the Corporation, unless the Corporation has obtained approval by a majority of votes casted by Disinterested Shareholders eligible to vote at a Shareholders' meeting;
- no Option shall be exercisable for a period exceeding ten (10) years from the date the Option is granted;

The following description of the material features of the Stock Option Plan is qualified in its entirety by the full text of the Stock Option Plan, a copy of which is attached to this Circular as Schedule "A". For greater certainty, please refer to the defined terms in Schedule "A" to compliment the reading of the following material features:

- persons who are directors, officers, employees, consultants or consultant companies to the Company or its subsidiary companies are eligible to receive grants of Options under the Plan;
- Options granted under the Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;

- for Options granted to the employees, consultants or management company employees of the Company, the Company and the Optionee shall ensure and confirm that the Optionee is a *bona fide* employee, consultant or management company employee of the Company, as the case may be;
- all unvested Options held by a non-executive director of the Company shall automatically vest on the date of his or her retirement from the Board, and thereafter each vested Option held by such Optionee will cease to be exercisable on the earlier of the original Expiry Date of the Option and ninety (90) days after the date of his or her retirement from the Board;
- if the Board service, consulting relationship, or employment of an Optionee with the Company or a subsidiary company is terminated for cause, each vested and unvested option held by the Optionee will automatically terminate and become void on Termination Date;
- if an Optionee dies, the legal representation of that Optionee may exercise the Optionee's vested Options for a period until the earlier of the original Expiry Date of the Option and twelve (12) months after the date of the Optionee's death. All unvested options become void on the date of death of such Optionee;
- if an Optionee ceases to be eligible under the Plan other than by reason of retirement, termination for cause or death, each vested Option held by the Participant will cease to be exercisable on the earlier of the original Expiry Date of the Option and twelve (12) months after the Termination Date. All unvested Options held by such Optionee shall automatically terminate and become void on Termination Date of such Optionee;
- the exercise price of each Option shall be set by the Board at the time the Option is granted, but in no event shall it be less than the Fair Market Value;
- vesting of the Options shall be at the discretion of the Board; and
- the Board may from time to time, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and any certificate relating thereto, provided that no such suspension, termination, amendment or revision will be made:
  - (i) except in compliance with applicable law and with prior approval, if required, of the Exchange or any other regulatory body having authority over the Corporation, Plan or the Shareholders; and
  - (ii) in the case of an amendment or revision, if it materially adversely affects the rights of any Optionee, without the consent of the Optionee.

At the date of this Circular, there are 4,250,000 outstanding Options.

### Compensation Securities

The Company has not granted compensation securities to directors or NEOs during the most recently completed financial year for services provided or to be provided.

As at the end of the Company's most recently completed financial year the following option-based awards were outstanding to NEOs and directors:

Name and position	Type of compensation security	Number of compensation securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Ali Haji <i>President, CEO, and Director</i>	Stock Options Stock Options	600,000 150,000	October 21, 2020 March 13, 2024	0.32 0.09	October 21, 2025 March 13, 2026
Robert Payment <i>CFO</i>	Stock Options	100,000	March 13, 2024	0.09	March 13, 2026
Aneel Waraich <i>Director</i>	Stock Options Stock Options	600,000 150,000	October 21, 2020 March 13, 2024	0.32 0.09	October 21, 2025 March 13, 2026

Name and position	Type of compensation security	Number of compensation securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Bataa Tumor-Ochir <i>Director</i>	Stock Options Stock Options	600,000 150,000	October 21, 2020 March 13, 2024	0.32 0.09	October 21, 2025 March 13, 2026
Matthew Wood <i>Director</i>	Stock Options Stock Options	600,000 150,000	October 21, 2020 March 13, 2024	0.32 0.09	October 21, 2025 March 13, 2026
Enkhtuvshin Khishigsuren <i>Director</i>	Stock Options Stock Options	600,000 150,000	October 21, 2020 March 13, 2024	0.32 0.09	October 21, 2025 March 13, 2026
Joseph Gallucci <i>Director</i>	Stock Options	250,000	March 13, 2024	0.09	March 13, 2026

No compensation securities were exercised by the directors or NEOs during the Company's most recently completed financial year.

### **Risk Oversight**

In carrying out its mandate, the Board reviews from time to time the risk implications of the Corporation's compensation policies and practices, including those applicable to the Corporation's executives. This review of the risk implications ensures that compensation plans, in their design, structures, and application have a clear link between pay and performance and do not encourage excessive risk taking. Key considerations regarding risk management include the following:

- design of the compensation program to ensure all executives are compensated equally based on the same or, depending on the mandate and term of appointment of that particular executive, substantially equivalent performance goals;
- balance of short-term performance incentives with equity-based awards that vest overtime;
- ensuring overall expense to the Corporation of the compensation program does not represent a disproportionate percentage of the Corporation's revenues, after giving consideration to the development stage of the Corporation; and
- utilizing compensation policies that do not rely solely on the accomplishment of specific tasks without consideration to longer term risks and objectives.

For reasons set forth above, the Board believes that the Corporation's current executive compensation policies and practices achieve an appropriate balance in relation to the Corporation's overall business strategy and do not encourage executives to expose the Corporation to inappropriate or excessive risks.

### **External Management Contracts**

The Corporation is not party to any external management contracts.

### **Pension Plan Benefits, Termination and Change of Control Benefits**

The Corporation has no pension or retirement plan.

Pursuant to a service agreement between the Company and Ali Haji, Mr. Haji is compensated US\$15,000 for the provision of CEO and director services to the Company. In the event of a change of Control Mr. Haji is entitled to receive a lump sum payment in the amount equal to three times the annual cash compensation paid to Mr. Haji.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table summarizes the number of Common Shares authorized for issuance pursuant to the Corporation's

equity compensation plans as at December 31, 2024:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders <sup>(1)</sup>	4,250,000	\$0.25	2,628,113
Equity compensation plans not approved by security holders	Nil	N/A	N/A
<b>Total</b>	<b>4,250,000</b>	<b>-</b>	<b>2,628,113</b>

Notes:

- (1) The Corporation's only equity compensation plan is the Plan, a rolling stock option plan. The number of shares which may be reserved for issuance under the Plan is limited to 10% of the issued and outstanding Common Shares on the options grant date. At the Meeting, Shareholders will asked to vote on a resolution approving the Plan, a rolling stock option plan, for the ensuing year. For more information about the material features of the Plan, see "Executive Compensation – The Stock Option Plan" above.
- (2) Based on 65,588,074 Common Shares outstanding as at December 31, 2024.

## STATEMENT OF CORPORATE GOVERNANCE

The description of the Corporation's current corporate governance practices is provided in accordance with Form 58-101F2 of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101").

### Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect "material relationship" with the issuer. A "material relationship" is as a relationship that could be, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The Board maintains the exercise of independent supervision over management by ensuring that the majority of its directors are independent.

The Board is currently composed of six directors, being Matthew Wood (Chair), Ali Haji, Aneel Waraich, Bataa Tumur-Ochir, Joseph Gallucci, and Enkhuvshin Khishigsuren. The Board has determined that each of Messrs. Wood, Waraich, Tumur-Ochir, Gallucci and Khishigsuren are independent within the meaning of NI 58-101. Mr. Haji is not considered independent within the meaning of NI 58-101 because he is an executive officer (as such term is defined in NI 58-101) of the Corporation and is thereby considered to have a material relationship with the Corporation.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. In light of the suggestions contained in National Policy 58-201 – *Corporate Governance Guidelines*, the Board convenes meetings of the independent directors as deemed necessary, at which non-independent directors and members of management are not in attendance.

## Other Public Company Directorships

Name of Director	Reporting Issuer	Exchange traded on
Ali Haji	Antler Hill Mining Ltd. American Tungsten Corp.	TSXV CSE
Aneel Waraich	Antler Hill Mining Ltd.	TSXV
Matthew Wood	Antler Hill Mining Ltd. Aranjin Resources Ltd.	TSXV TSXV
Bataa Tumur-Ochir	Steppe Gold Ltd.	TSX
Joseph Gallucci	Skyharbour Resources Ltd. Eros Resources Corp. Gunnison Copper Corp.	TSXV TSXV TSX

## Orientation and Continuing Education of Board Members

While the Corporation does not currently have a formal orientation and education program for new members of the Board, the Corporation provides such orientation and education on an ad hoc and informal basis. The directors believe that these procedures are a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, the number, experience and expertise of its directors.

## Ethical Business Conduct

The directors maintain that the Corporation must conduct and be seen to conduct its business dealings in accordance with all applicable laws and the highest ethical standards. The Corporation's reputation for honesty and integrity amongst its shareholders and other stakeholders is key to the success of its business. No employee or director will be permitted to achieve results through violation of laws or regulations, or through unscrupulous dealings.

Any director with a conflict of interest or who is capable of being perceived as being in conflict of interest with respect to the Corporation must abstain from discussion and voting by the board of directors or any committee of the board of directors on any motion to recommend or approve the relevant agreement or transaction. The board of directors must comply with conflict of interest provisions of the *Business Corporations Act* (Alberta).

## Nomination of Directors

Both the directors and management are responsible for selecting nominees for election to the board of directors. At present, there is no formal process established to identify new candidates for nomination. The board of directors and management determine the requirements for skills and experience needed on the board of directors from time to time. The present Board and management expect that new nominees have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required, support for the Corporation's business objectives and a willingness to serve.

## Compensation

The Board is directly responsible for determining compensation of directors and management. The Board does not currently have a compensation committee. The Board reviews the Corporation's compensation policies and remuneration of directors and management annually, including base salaries, bonuses, and stock option plans and grants thereunder, and other forms of compensation. For more information on the Corporation's compensation practices, please see the section of this Circular entitled "*Executive Compensation*".

## Other Board Committees

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



## Assessments

The Board does not consider formal assessments useful given the stage of the Corporation's business and operations. However, the directors believe that nomination to the Board is not open ended and that directorships should be reviewed carefully for alignment with the strategic needs of the Corporation. To this extent, the directors constantly review (i) individual director performance and the performance of the board of directors, including processes and effectiveness; and (ii) the performance of the Chairman, if any, of the Board. A more formal assessment process will be instituted if and when the Board considers it to be advisable.

## AUDIT COMMITTEE INFORMATION

National Instrument 52-110 – *Audit Committees* ("NI 52-110") requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The audit committee of the Corporation's board of directors ("**Audit Committee**") is responsible for monitoring the Corporation's systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of the Corporation's external auditors. The committee is also responsible for reviewing the Corporation's annual audited financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the full board of directors.

### Audit Committee Charter

The full text of the charter of the Audit Committee is attached hereto as Schedule "B".

### Composition of the Audit Committee

The members of the Audit Committee are Aneel Waraich (Chair), Ali Haji, and Bataa Tumur-Ochir. Messrs. Waraich and Tumur-Ochir are considered independent within the meaning of NI 52-110. Mr. Haji is the Chief Executive Officer of the Corporation, and is not considered independent with the meaning of NI 52-110. Each member of the Audit Committee is considered to be financially literate within the meaning of NI 52-110, which includes 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 Corporation's financial statements.

### Relevant Education and Experience

#### *Aneel Waraich*

Mr. Waraich is founder and managing partner of ATMA Capital Markets and ATMACORP LTD. and is a financial services professional who has completed Levels I and II of the Chartered Financial Analyst designation, with progressive experience in both the asset management and corporate finance businesses. Mr. Waraich is the co-founder, Former Executive Vice-President, and Former Director of Steppe Gold Ltd., a producing gold company operating in Mongolia listed on the TSX. Mr. Waraich focuses primarily on advising public and private companies in the natural resources sector. In previous roles at Goodman and Company Investment Counsel and Dundee Capital Markets he worked as an analyst evaluating private equity companies, and has also worked as an investment banker focusing on deal origination, going-public transactions and financings for both public and private companies in the resource and technology sectors. Mr. Waraich completed his MBA from the Goodman Institute of Investment Management at the John Molson School of Business. Mr. Waraich also served as a director and a member of the audit committee of Aranjin Resources Ltd. (formerly Five Star Diamonds Ltd.), and as a director and member of the audit committee of Antler Hill Mining Corp., a capital pool company listed on the TSXV.

#### *Ali Haji*

Mr. Haji is the CEO of the Company and has extensive knowledge of the financial services sector after having spent over 12 years in the asset management industry performing strategic and process improvement roles. Mr. Haji is also CEO of American Tungsten Corp. which is listed on the CSE. He started his career as an information technology asset management analyst at Invesco Ltd. in 2006 and advanced into various roles including Technology Risk, Controls, Program Management, and Process Improvement with international assignments involving Mergers and Acquisitions in Hong Kong,

the United States and Australia. Mr. Haji is an advisor to ATMA Capital Markets Ltd. Mr. Haji attended The University of Western Ontario and holds a BSc in Computer Science. Mr. Haji serves as a director and member of the audit committee of Antler Hill Mining Corp., a capital pool company listed on the TSXV.

### ***Bataa Tumor-Ochir***

Mr. Tumor-Ochir, a Mongolian citizen, has a wealth of experience in the mining industry. Mr. Tumor-Ochir is currently the President and CEO of Steppe Gold Ltd.

### **External Auditor Matters**

Since the commencement of the Corporation's most recently completed financial year, the Corporation's directors have not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor and the Corporation has not relied on the exemptions contained in sections 2.4 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 financial year in which the non-audit services were provided. Part 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.

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Corporation's directors and, where applicable, the Audit Committee, on a case-by-case basis.

The following table discloses the service fees billed to the Corporation by its external auditor during the last two completed financial years:

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
December 31, 2024	\$37,500	\$Nil	\$2,500	Nil
December 31, 2023	\$42,500	\$Nil	\$2,500	Nil

Notes:

- (1) The aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation's annual financial statements as well as services provided in connection with statutory and regulatory filings.
- (2) The aggregate fees billed for professional services rendered by the auditor and consisted primarily of file quality review fees and fees for the review of quarterly financial statements and related documents.
- (3) Aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.
- (4) No other fees were billed by the auditor of the Corporation other than those listed in the other columns.

### **Exemption**

Since the Corporation is a "venture issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S., or a market outside of Canada and the U.S.), it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

During the years ended December 31, 2024 and 2023, no director, executive officer, or associate of any director or executive officer of the Corporation was indebted to the Corporation, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation, including under any securities purchase or other program.

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

None of the informed persons (as such term is defined in NI 51-102) of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person or proposed director, has had any material interest, direct or indirect, in any transaction of the Corporation since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the years ended December 31, 2024 and 2023, which are also available on SEDAR. Inquiries, including requests for copies of the Corporation's financial statements and management's discussion and analysis for the years ended December 31, 2024 and 2023, may be directed to the Corporation by telephone at 1 (647) 951-6508.

## **APPROVAL**

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

**DATED** this 23<sup>rd</sup> day of July, 2025

**BY ORDER OF THE BOARD OF DIRECTORS OF  
LITHIUM ION ENERGY LTD.**

*(signed) "Ali Haji"*

Ali Haji  
President & CEO

**SCHEDULE “A”**  
**LITHIUM ION ENERGY LTD.**  
**STOCK OPTION PLAN**

[See following pages]

**LITHIUM ION ENERGY LTD.**  
(the "Company")

**Stock Option Incentive Plan**

**1. PURPOSE**

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

**2. DEFINITIONS**

In this Plan, the following words have the following meanings:

- (a) "Board" means the Board of Directors of the Company;
- (b) "Common Shares" means the Common Shares of the Company;
- (c) "Company" means **LITHIUM ION ENERGY LTD.;**
- (d) "Consultant" has the meaning set out in the policies of the TSX Venture Exchange;
- (e) "Effective Date" means the day following the date upon which the Plan has been approved by the last to approve of the shareholders of the Company, the Board, the Exchange and any other regulatory authority having jurisdiction over the Company's securities;
- (f) "Eligible Person" means:
  - (i) any director, officer, employee or consultant of the Company or any of its subsidiary companies; and
  - (ii) any Personal Holding Company;
- (g) "Exchange" means the TSX Venture Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (h) "Fair Market Value" means, as of any date, the value of the Common Shares, determined as follows:
  - (i) if the Common Shares are listed on the TSX Venture Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the TSX Venture Exchange;
  - (ii) if the Common Shares are listed on an Exchange other than the TSX Venture Exchange, the fair market value shall be the closing sales price of such shares (or the closing bid, if no sales were reported) as quoted on such Exchange for the market trading day immediately prior to the time of determination less any discount permitted by such Exchange; and
  - (iii) if the Common Shares are not listed on an Exchange, the Fair Market Value shall be determined in good faith by the Board;
- (i) "Insider" has the meaning set out in the policies of the TSX Venture Exchange;

- (j) "Investor Relations Activities" has the meaning set out in the policies of the TSX Venture Exchange;
- (j) "Option" means the option granted to an Optionee under this Plan and the Option Agreement;
- (k) "Option Agreement" means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
- (l) "Option Date" means the date of grant of an Option to an Optionee;
- (m) "Option Price" is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
- (n) "Option Shares" means, subject to the provisions of Article 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;
- (o) "Optionee" means an Eligible Person to whom an Option has been granted;
- (p) "Personal Holding Company" means a personal holding corporation that is either wholly owned, or controlled by, the Optionee, and the shares of which are held directly or indirectly by any of the Optionee or the Optionee's spouse, minor children and/or minor grandchildren;
- (q) "Plan" means this Stock Option Incentive Plan; and
- (r) "Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism of the Company involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise; and
- (s) "Vested" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### 3. **ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the rules of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;
- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;
- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) 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.

### 4. **OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the

Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

5. **EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

6. **THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's Common Shares issued and outstanding upon completion of the Company's initial public offering.

7. **GRANTS, TERMS AND CONDITIONS OF OPTIONS**

Options may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

(a) **Option Price**

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option.

(b) **Duration and Exercise of Options**

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, or in percentage installments over a period, to be determined in each instance by the Board, not exceeding ten years from the Option Date. The Options must be exercised in accordance with this Plan and the Option Agreement.

Except as contemplated in (c) below, no Option may be exercised by an Optionee who an Eligible Person at the time of grant of such Option was unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purpose of the Plan.

(c) **Termination**

All rights to exercise Options shall terminate upon the earliest of:

- (i) the expiration date of the Option;
- (ii) the 90<sup>th</sup> day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause;
- (iii) the 30<sup>th</sup> day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities;

- (iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an employee or consultant of the Company for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant);
- (v) the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee as an employee or consultant on account of disability; or
- (vi) the first anniversary of the date of death of the Optionee.

(d) Re-issuance of Options

Options which are cancelled or expire prior to exercise may be re-issued under the Plan.

(f) Vesting of Option Shares

The Directors may determine and impose terms upon which each Option shall become Vested in respect of Option Shares.

(g) Other Terms and Conditions

The Option Agreement may contain such other provisions as the Board deems appropriate, provided such provisions are not inconsistent with the Plan and the requirements of the TSX Venture Exchange.

In addition, for as long as the Common Shares of the Company are listed on the TSX Venture Exchange, the Company shall comply with the following requirements:

- (i) all Options are non-assignable and non-transferable;
- (ii) the maximum aggregate number of Options that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares of the Company at any point in time;
- (iii) the maximum aggregate number of Options that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued to Insiders (as a group) in any 12-month period must not exceed 10% of the issued and outstanding Common Shares of the Company, calculated as at the date any Option is granted or issued to any Insider;
- (iv) the maximum aggregate number of Options that are issuable to any one individual pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any 12-month period must not exceed more than 5% of the issued and outstanding Common Shares of the Company;
- (v) the maximum aggregate number of Options that are issuable to any one consultant pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any 12-month period must not exceed more than 2% of the issued and outstanding Common Shares of the Company;
- (vi) the maximum aggregate number of Options that are issuable to persons employed to provide Investor Relations Activities in any 12-month period pursuant to the Plan together with all Share Compensation Arrangements granted or issued must not exceed more than an aggregate of 2% of the issued and outstanding Common Shares of the Company;
- (vii) Options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period. There may be no acceleration of the vesting requirements applicable to Options granted to persons



conducting Investor Relations Activities unless the prior written approval of the TSX Venture Exchange has been obtained;

- (viii) the approval of the disinterested shareholders of the Company shall be obtained for any amendment to or reduction in the exercise price of the Option if the Optionee is an insider of the Company at the time of the amendment. For the purposes of this subsection, the term "insider" has the meaning assigned in the securities legislation applicable to the Company;
- (ix) for Options granted to the employees, consultants or management company employees of the Company, the Company and the Optionee shall ensure and confirm that the Optionee is a *bona fide* employee, consultant or management company employee of the Company, as the case may be; and
- (x) disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Optionee is an Insider of the Company at the time of the proposed amendment.

#### 8. **ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES**

- (a) If the Common Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the TSX Venture Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares, the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, and the approval of any of the shareholders of the Company or any of the Optionees is not required to give effect to such amendment.
- (b) If the Common Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise) or if the number of such Common Shares are increased through the payment of a stock dividend, then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the outstanding Common Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination. For greater certainty, any adjustment, other than in connection with a consolidation or stock split, to Options granted under the Plan, must be subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.
- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

#### 9. **PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque

in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the shares are issued to such Optionee.

10. **SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

11. **AMENDMENT OF THE PLAN**

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval if such approval is necessary to comply with any applicable regulatory requirement.
- (b) The Board shall have the power, in the event of:
  - (i) any disposition of substantially all of the assets of the Company, dissolution or any merger, amalgamation or consolidation of the Company, with or into any other Company, or the merger, amalgamation or consolidation of any other Company with or into the Company; or
  - (ii) any acquisition pursuant to a public tender offer of a majority of the then issued and outstanding Common Shares;

but subject to compliance with the rules of the Exchange, to amend any outstanding Options to permit the exercise of all such Options prior to the effectiveness of any such transaction, and to terminate such Options as of such effectiveness in the case of transactions referred to in subsection (i) above, and as of the effectiveness of such tender offer or such later date as the Board may determine in the case of any transaction described in subsection (ii) above. If the Board exercises such power, all Options then outstanding and subject to such requirements shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to the effectiveness of such transaction, and such Options shall also be deemed to have terminated as provided above.

12. **POWER TO TERMINATE OR AMEND PLAN**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, that the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval, or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

- (a) increase the aggregate number of Common Shares which may be issued under the Plan;
- (b) materially modify the requirements as to the eligibility for participation in the Plan which would have the potential of broadening or increasing Insider participation;
- (c) add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Plan;

- (d) add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Plan reserve;
- (e) materially increase the benefits accruing to participants under the Plan;
- (f) change the vesting provisions of a security or the Plan; and
- (g) change the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date.

However, the Board may make amendments of a housekeeping nature to the Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval.

13. **SHAREHOLDER APPROVAL**

This Plan is subject to the approval of the shareholders of the Company if required pursuant to the policies of the Exchange. Any Options granted prior to such approval, if required, are conditional upon such approval being given, and no such Options may be exercised unless and until such approval, as required, is given.

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## **SCHEDULE “B”**

### **CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

#### **MANDATE**

The Audit Committee (“**Committee**”) is a committee of the board of directors (the “**Board**”). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and disclosure requirements, the overall maintenance of the systems of internal controls that management have established and the overall responsibility for Lithium ION Energy Ltd.’s (the “**Company**”) external and internal audit processes.

The Committee shall have the power to conduct or authorize investigations into any matter within the scope of this Charter. It may request any officer or employee of the Company, its external legal counsel or external auditor to attend a meeting of the Committee or to meet with any member(s) of the Committee.

The Committee shall be accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Committee shall maintain an open communication between the Company’s outside auditor and the Board.

The responsibilities of a member of the Committee shall be in addition to such member’s duties as a member of the Board.

The Committee has the duty to determine whether the Company’s financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Company’s own policies.

The Committee will provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.

#### **MEMBERSHIP AND COMPOSITION**

The Committee shall consist of at least three Directors who shall serve on behalf of the Board. The members shall be appointed annually by the Board and shall meet the independence, financial literacy and experience requirements of the TSX Venture Exchange, including Multilateral Statement 52-110, and other regulatory agencies as required.

A majority of Members will constitute a quorum for a meeting of the Committee.

The Board will appoint one Member to act as the Chairman of the Committee. In his absence, the Committee may appoint another person provided a quorum is present. The Chairman will appoint a Secretary of the meeting, who need not be a member of the committee and who will maintain the minutes of the meeting.

#### **MEETINGS**

At the request of the external auditor, the Chief Executive Officer or the Chief Financial Officer of the Company or any member of the Committee, the Chairman will convene a meeting of the Committee. In advance of every meeting of the Committee, the Chairman, with the assistance of the Chief Financial Officer, will ensure that the agenda and meeting materials are distributed in a timely manner and no less than five (5) business days before the meeting.

The Committee shall meet no less than four times per year or more frequently if circumstances or the obligations require.

#### **DUTIES AND RESPONSIBILITIES**

The duties and responsibilities of the Committee shall be as follows:

**A. Financial Reporting and Disclosure**

- i. Review and discuss with management and the external auditor at the completion of the annual examination:
  - a. the Company's audited financial statements and related notes;
  - b. the external auditor's audit of the financial statements and their report thereon;
  - c. any significant changes required in the external auditor's audit plan;
  - d. any serious difficulties or disputes with management encountered during the course of the audit; and
  - e. other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
- ii. Review and discuss with management and the external auditor at the completion of any review engagement or other examination, the Company's quarterly financial statements.
- iii. Review, discuss with management the annual reports, the quarterly reports, the Management Discussion and Analysis, Annual Information Form, prospectus and other disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
- iv. Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Company and provide their recommendations on such documents to the Board.
- v. Inquire of the auditors the quality and acceptability of the Company's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- vi. Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- vii. Ensure that management has the proper systems in place so that the Company's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, recommend to the Board the filing of the audited annual and unaudited quarterly financial statements.
- viii. Oversee and enforce Company's public disclosure practices.

**B. External Auditor**

- i. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor.
- ii. Recommend to the Board the external auditor to be nominated and review the performance of the auditor, including the lead partner of the external auditor.
- iii. Confirm with the external auditor and receive written confirmation at least once per year as to disclosure of any investigations or government enquiries, reviews or investigations of the outside auditor.
- iv. Take reasonable steps to confirm the independence of the external auditor, which shall include:
  - a. ensuring receipt from the external auditor of a formal written statement delineating all relationships between the external auditor and the Company, consistent with generally accepting auditing practices,

- b. considering and discussing with the external auditor any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the external auditor, and
- c. approve in advance any non-audit related services provided by the auditor to the Company with a view to ensuring independence of the auditor, and in accordance with any applicable regulatory requirements, including the requirements of the TSX-V with respect to approval of non-audit related services performed by the auditor.

**C. Internal Controls and Audit**

- i. Review and assess the adequacy and effectiveness of the Company's systems of internal and management information systems through discussion with management and the external auditor to ensure that the Company maintains appropriate systems, is able to assess the pertinent risks of the Company and that the risk of a material misstatement in the financial disclosures can be detected.
- ii. Assess the requirement for the appointment of an internal auditor for the Company.
- iii. Inquire of management and the external auditor about the systems of internal controls that management and the Board have established and the effectiveness of those systems. In addition, inquire of management and the external auditor about significant financial risks or exposures and the steps management has taken to minimize such risks to the Company.

**OVERSIGHT FUNCTION**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with IFRS and applicable rules and regulations. These are the responsibilities of management and the external auditors. The Committee, the Chairman and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

**CHARTER REVIEW**

The Committee will annually review and reassess the adequacy of this policy and submit any recommended changes to the Board for approval.