

**BRADDA HEAD LITHIUM LIMITED**  
**NOTICE OF MEETING AND**  
**MANAGEMENT INFORMATION CIRCULAR**  
**WITH RESPECT TO**  
**THE ANNUAL GENERAL MEETING OF**  
**SHAREHOLDERS TO BE HELD ON NOVEMBER 23, 2023**

**OCTOBER 18, 2023**

## BRADDA HEAD LITHIUM LIMITED

(Incorporated and registered in the British Virgin Islands under the BVI Business Companies Act 2004, with registered number 1553975)

### NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“**Meeting**”) of the holders of shares of no par value in the Company (“**Shares**”) of Bradda Head Lithium Limited (the “**Company**” or “**Bradda**”) will be held on Thursday, November 23, 2023, at 11:00 a.m. (GMT) at Claremont Hotel, Loch Promenade, Douglas Isle of Man, and also via the Investor Meet online platform.

The Meeting is being held for the following purposes (which are further described in the Company’s information circular (the “**Information Circular**”) available on SEDARplus at [www.sedarplus.ca](http://www.sedarplus.ca)):

#### ORDINARY BUSINESS REQUIRING SUPPORT OF 50% OF SHAREHOLDERS VOTING

1. *Resolution 1* - To receive and adopt the Company's annual accounts for the financial year ended 28 February 2023 together with the directors' report and auditor's report on those accounts;
2. *Resolution 2* - To appoint PKF Littlejohn LLP as the Company's auditor to hold office until the conclusion of the next annual general meeting at which accounts are laid before the Company, remuneration to be determined by the directors;
3. *Resolution 3* - To elect the directors of the Company who will serve until the end of the next annual general meeting or until their successors are appointed;
4. *Resolution 4* - To consider and, if deemed advisable, pass, with or without variation, a resolution of shareholders approving the Company’s equity incentive compensation plan (the “**Stock Option Plan**”);
5. *Resolution 5* - To authorise the Directors to be generally and unconditionally authorised (in substitution for all previous authorities conferred upon the Directors) to exercise all or any of the powers of the Company to allot and issue or grant rights to subscribe for up to 390,609,439 Shares plus any shares issued by the Company pursuant to exercise of options and/or warrants held by employees, management or other advisers as at the date of the resolution (“**Excluded Securities**”) to such persons at such times and generally on such terms and conditions as the Directors may determine (the “**Allotment Shares**”) PROVIDED THAT the authority and power granted by this Resolution shall expire at the conclusion of the next annual general meeting;

#### SPECIAL BUSINESS REQUIRING SUPPORT OF 75% OF SHAREHOLDERS VOTING

6. *Resolution 6* - Subject to and conditional upon the passage of Resolution 5 above, and in substitution for all existing and unexercised authorities and powers, to authorise the Directors to be generally and unconditionally authorised to allot and issue Allotment Shares and any Excluded Securities without first offering them to existing shareholders in proportion to their respective holding of Shares PROVIDED THAT this authority and power shall be limited to the allotment and issue of up to an aggregate amount of 390,609,439 Allotment Shares plus Excluded Securities, the authority and power granted by this Resolution shall expire at the conclusion of the next annual general meeting; and
7. *Resolution 7* - To transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders should refer to the Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

A registered shareholder may attend the Meeting in person or may be represented by proxy. Shareholders unable to attend the Meeting or any adjournment or adjournments thereof in person are requested to date, sign and return the accompanying instrument of proxy (“**Instrument of Proxy**”) for use at the Meeting or any adjournment or adjournments thereof. To be effective, the Instrument of Proxy must be mailed so as to reach or be deposited with Computershare Investor Services Inc., Attention: Proxy Department, 9th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1, not later than 11:00 a.m. (GMT) on November 17, 2023, being 96 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof. Alternatively, you may vote by telephone 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the enclosed instrument of proxy. Your proxy or voting instructions must be received in each case no later than 11:00 a.m. (GMT) on November 17, 2023 or, if the Meeting is adjourned, 96 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the Meeting.

A Form of Instruction is enclosed with this document for use in connection with the Meeting for Depositary Interest holders to submit their votes via the custodian. To be valid, shareholders holding Shares in uncertificated form should complete and sign the Form of Instruction and return it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or sent by email to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) as soon as possible but in any event to be received not later than 11.00 a.m. (GMT) on November 20, 2023, or 72 hours before any adjourned meeting. The Company is accepting returns by email in relation to the Meeting due to potential delays returning the same by post. There is no guarantee that returns by email will be accepted by the Company or the Registrar in future years or for future shareholder meetings.

A form of proxy (“**Form of Proxy**”) for use at the Meeting for holders of Shares holding their Shares on the BVI register accompanies this document and, to be valid, must be completed and returned to the Company’s registrar Computershare Investor Services (BVI) Limited at Woodbourne Hall, PO Box 3162, Road Town, Tortola, British Virgin Islands or by email to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) as soon as possible but in any event to be received not later than 11 a.m. (GMT) on November 21, 2023 or 48 hours before any adjourned meeting. The Company is accepting returns by email in relation to the Meeting due to potential delays returning the same by post. There is no guarantee that returns by email will be accepted by the Company or the Registrar in future years or for future shareholder meetings.

In order to ensure that shareholders are able to follow the proceedings of the Meeting, the Company will provide access online through the Investor Meet Company platform. However, shareholders will not be able to vote online during the Meeting and are therefore are urged to submit their votes via proxy as early as possible.

If you are not a registered shareholder of the Company and received this Notice and the Information Circular through your broker or another intermediary, please complete and return the accompanying Instrument Proxy or Voting Instruction Form provided to you by such broker or other intermediary, in accordance with the instructions provided therein.

**DATED** this 18th day of October, 2023

**BY ORDER OF THE BOARD OF DIRECTORS OF  
Bradda Head Lithium Limited**

(signed) “*John Stalker*”  
Executive Chairman

## BRADDA HEAD LITHIUM LIMITED

(Incorporated and registered in the British Virgin Islands under the BVI Business Companies Act 2004, with registered number 1553975)

### ANNUAL GENERAL MEETING OF THE HOLDERS OF ORDINARY SHARES TO BE HELD ON NOVEMBER 23, 2023 AT CLAREMONT HOTEL, LOCH PROMENADE, DOUGLAS ISLE OF MAN,

#### MANAGEMENT INFORMATION CIRCULAR GENERAL INFORMATION RESPECTING THE MEETING

##### Solicitation of Proxies

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Bradda Head Lithium Limited (the “**Company**” or “**Bradda**”), to be used at the annual general meeting (“**Meeting**”) of holders of shares (“**Shares**”) of the Company, to be held on November 23, 2023, at 11:00 a.m. (GMT) at the Claremont Hotel, Loch Promenade, Douglas Isle of Man or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (“**Notice of Meeting**”). References in this Information Circular to the Meeting include any adjournment or adjournments thereof. It is expected that the solicitation will be primarily by mail and virtually; however, proxies may also be solicited by certain officers, directors and regular employees of the Company by telephone or personally. The cost of solicitation by management will be borne directly by the Company.

The board of directors of the Company (“**Board**”) has set the close of business on October 9, 2023 as the date of record (“**Record Date**”) for the determination of the registered holders of Shares entitled to receive notice of and vote at the Meeting. Duly completed and executed proxies must be received by Computershare Investor Services Inc., Attention: Proxy Department, 9th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1 not later than 96 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, in the Province Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof.

Alternatively, you may vote by telephone 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the instrument of proxy. Your proxy or voting instructions must be received in each case no later than 11 a.m. (GMT) on November 21, 2023.

The website may be used to appoint a proxyholder to attend and vote on a Shareholder’s behalf at the Meeting and to convey a Shareholder’s voting instructions. Please note that if a Shareholder appoints a proxyholder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

Unless otherwise stated, the information contained in this Information Circular is as of the Record Date.

##### Voting of Proxies by Registered Shareholders

The Shares represented by the accompanying instrument of proxy (“**Instrument of Proxy**”) if the same is properly executed and is received at the offices of by Computershare Investor Services Inc., Attention: Proxy Department, 9th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1, not later than November 17, 2023, being at least 96 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, in the Province of Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof, will be voted at the Meeting, and, where a choice

is specified in respect of any matter to be acted upon, will be voted or withheld from voting, as the case may be, in accordance with the specification made. **In the absence of such specification, Instruments of Proxy in favour of management will be voted in favour of all ordinary resolutions described herein. The Instrument of Proxy also confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this Information Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the Instrument of Proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### **Appointment and Revocation of Proxies by Registered Shareholders**

The persons named in the Instrument of Proxy have been selected by the Board of the Company and have indicated their willingness to represent as proxy the shareholder who appoints them. **A shareholder wishing to appoint some other person, who need not be a shareholder, to represent them at the Meeting, may do so by inserting such person's name in the blank space provided in the Instrument of Proxy or by completing another proper Instrument of Proxy and, in either case, depositing the completed and executed Instrument of Proxy at the offices of Computershare Investor Services Inc., Attention: Proxy Department, 9th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1 not later than November 17, 2023, being at least 96 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or, if the Meeting is adjourned, 96 hours (excluding Saturday, Sunday and statutory holidays in the City of Toronto, Ontario) before the beginning of any adjournment of the Meeting.** A shareholder forwarding the Instrument of Proxy may indicate the manner in which the appointee is to vote with respect to any specific item, by checking the appropriate space in the Instrument of Proxy. If the shareholder giving the Instrument of 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 Shares represented by the Instrument of Proxy submitted by a shareholder will be voted in accordance with the directions, if any, set forth in the Instrument of Proxy.

An Instrument of Proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by a shareholder or by 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 and deposited at the offices of the transfer agent, by Computershare Investor Services Inc., Attention: Proxy Department, 9th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or with the Chairperson of the Meeting on the day of the Meeting or in any other manner permitted by applicable law. Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such Instrument of Proxy.

### **Voting by Non-Registered Shareholders**

If you are not a registered shareholder ("**Non-Registered Shareholder**") of the Company and received the Notice of Meeting and this Information Circular through your broker or through another intermediary (an "**Intermediary**", which include, among other entities and individuals, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans), please complete and return the Instrument of Proxy or Form of Information ("**FOI**") provided to you by such broker or other Intermediary, in accordance with the instructions provided therein.

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders are Non-Registered Shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an Intermediary that the Non-Registered Shareholder deals with in respect of the Shares; or (ii) in the name of a clearing agency such as CDS & Co. (the registration name of The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Shares held by Intermediaries and their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, the Intermediary or their nominee is prohibited from

voting Shares for their clients. Each Non-Registered Shareholder should therefore ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) requires brokers and other Intermediaries to seek voting instructions from Non-Registered Shareholders in advance of shareholders’ meetings. The various brokers and other Intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Non-Registered Shareholders to ensure their Shares are voted at the Meeting. The FOI supplied to a Non-Registered Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Non-Registered Shareholder. In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. (“**Broadridge**”). Broadridge typically prepares a machine readable FOI, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the FOIs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge FOI cannot use it to vote Shares directly at the Meeting. The FOIs must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted.** If you have any questions respecting the voting of Shares held through a broker or other Intermediary, please contact that broker or other Intermediary for assistance.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of their broker, a Non-Registered Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Shares in that capacity. **Non-Registered Shareholders who wish to attend the Meeting and vote their Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the FOI and return it to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

There are two categories of Non-Registered Shareholders: (i) objecting beneficial owners (“**OBO**”) – those who object to their name being made known to the issuer of securities which they own; and (ii) non-objecting beneficial owners (“**NOBOs**”) – those who do not object to the issuer of the securities they own knowing who they are.

#### **NOBOs**

The Company has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to NOBOs of the Company who have not waived the right to receive such materials. As a result, NOBOs can expect to receive a scannable FOI, together with this Information Circular, from Computershare Trust Company. FOIs are to be completed and returned to Computershare Trust Company following the instructions provided in the form. Computershare Trust Company will tabulate the results of the FOIs received from NOBOs and provide appropriate instructions at the Meeting with respect to the Shares represented by the FOIs received by it. Should a NOBO of the Company wish to vote at the Meeting in person, the NOBO must, request an Instrument of Proxy from Computershare Trust Company that will grant the NOBO the right to attend the Meeting and vote in person. NOBOs of the Company that wish to change their vote must, in sufficient time in advance of the Meeting, contact Computershare Trust Company to change their vote.

If you are a NOBO and the Company or its agent has sent the Notice of Meeting and this Information Circular directly to you, your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the securities on your behalf. By choosing to send such materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering them to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

## **OBOs**

In accordance with the requirements of NI 54-101, copies of the Notice of Meeting and this Information Circular have been distributed to the clearing agencies and Intermediaries for distribution to OBOs. Intermediaries are required to forward the Notice of Meeting and this Information Circular to OBOs unless the OBO has waived the right to receive them, pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Very often, Intermediaries will use service companies to forward proxy material to OBOs. With the Notice of Meeting and this Information Circular, Intermediaries or their service companies should provide OBOs with a FOI which, when properly completed and signed by such OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Shares that they beneficially own. Should an OBO wish to vote at the Meeting in person, the OBO should follow the procedure in the FOI and request a form which will grant the OBO the right to attend the Meeting and vote in person. OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed FOI is to be delivered. OBOs who wish to change their vote must, in sufficient time in advance of the Meeting, arrange with their respective Intermediaries to change their vote and, if necessary, revoke their FOI in accordance with the revocation procedures set out above.

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

### **VOTING DIRECTIONS FOR DEPOSITARY INTERESTS IN CREST**

The following instructions are for non-registered beneficial holders who hold their Shares through the depositary (the “**Depositary Interests**”), Computershare Investor Services PLC (the “**Depositary**”), as at the Record Date. Holders of Depositary Interests can direct the Depositary how to vote their shares or abstain from voting by completing, signing and returning the enclosed form of instruction (the “**Form of Instruction**”). To be valid, the Form of Instruction must be filled out, correctly signed (exactly as the Shareholder’s name appears on the Form of Instruction), and returned by mail using the enclosed envelope, or by courier or hand delivery to The Office of the Depositary, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, UK BS99 6ZY or by email to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) by 11:00 a.m. (GMT) on November 20, 2023 (or 72 hours prior to any reconvened Meeting in the event of an adjournment of the Meeting). The Depositary will then vote or abstain from voting on the Shareholder’s behalf at the Meeting, as instructed in the Form of Instruction.

### **VOTING DIRECTIONS FOR SHAREHOLDERS HOLDING THEIR SHARES ON THE BVI REGISTER**

A Form of Proxy for use at the Meeting for Depositary Interest holders accompanies this document and, to be valid, must be completed and returned to the Company’s registrar Computershare Investor Services (BVI) Limited at Woodbourne Hall, PO Box 3162, Road Town, Tortola, British Virgin Islands or by email to [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) as soon as possible but in any event to be received not later than 11 a.m. (GMT) on November 21, 2023 or 48 hours before any adjourned meeting. The Company is accepting returns by email in relation to the Meeting due to potential delays returning the same by post. There is no guarantee that returns by email will be accepted by the Company or the Registrar in future years or for future shareholder meetings.

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

The authorized share capital of the Company consists of an unlimited number of Shares. As at the Record Date, there were 390,609,439 Shares issued and outstanding. Each Share entitles the holder thereof to one (1) vote on all matters to be acted upon at the Meeting.

Registered holders of Shares as at the close of business on the Record Date are entitled to attend the Meeting and vote their Shares (or, if a completed and executed Instrument of Proxy has been delivered to the Company’s transfer agent, Computershare Trust Company, within the time specified in the Notice of Meeting, to attend and vote at the Meeting by proxy) on the basis of one (1) vote for each Share held except to the extent that: (i) such shareholder transfers their shares after the close of business on the Record Date; and (ii) such transferee, at least ten (10) days prior to the Meeting,

produces properly endorsed share certificates to the secretary or transfer agent of the Company or otherwise establishes their ownership of the Shares, in which case the transferee may vote those Shares at the Meeting.

The Company's Articles of Association provide that the quorum for the transaction of business at the Meeting consists of one shareholder holding not less than two shares entitled to be voted at the Meeting.

To the knowledge of the Board and the executive officers of the Company, as of the date hereof, no person, firm or company beneficially owns, controls or directs, directly or indirectly, voting securities of the Company carrying ten percent (10%) or more of the voting rights attached to all issued and outstanding Shares, other than as set out below:

<b>Name of Shareholder</b>	<b>Number of Shares Beneficially Owned, or over which Control or Direction is Exercised, Directly or Indirectly</b>	<b>Percentage of Shares Beneficially Owned, or over which Control or Direction is Exercised, Directly or Indirectly</b>
James Mellon	73,097,004	18.71%
Zenith Minerals Limited	43,959,305	11.25%

**Note:**

<sup>(1)</sup> Shares are held directly by Jim Mellon and through Galloway Limited and Burnbrae Limited, both of which are indirectly wholly owned by Jim Mellon, Denham Eke is a director of Galloway Limited and Burnbrae Limited.

#### **MATTERS TO BE CONSIDERED AT THE MEETING**

1. Financial Statements

The audited annual financial statements of the Company for the year ended February 28, 2023 and auditor's report and management's discussion and analysis thereon (the "**Financial Statements**") will be tabled at the Meeting. A copy of the Financial Statements is available at the request of shareholders. No formal action will be taken at the Meeting to approve the Financial Statements.

2. Election of Directors

The Board is currently comprised of five (5) directors. The following table sets forth certain information regarding the Directors, their respective positions with the Company, principal occupations or employment during the last five years, the dates on which they became directors of the Company and the approximate number of Shares beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them as of the Record Date. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

Under the Company's Articles not less than 1/3 of directors must retire from office (and/or stand for re-election) at each Annual General Meeting. The following persons are the nominees of management of the Company for election as directors of the Company. Pursuant to the rules of the TSXV, directors must be approved by shareholders on an annual basis.

Name and Country of Residence	Position with the Company	Date of which they became a director with the Company	Principal Occupation for the Past Five Years	Number of Securities Beneficially Owned, or over which Control or Direction is Exercised, Directly or Indirectly
Alex Borrelli <sup>(3)(4)</sup> <i>United Kingdom</i>	Non-Executive Director	10/06/2021	Director	343,329
Denham Eke <i>Isle of Man</i>	Finance Director	30/10/2009	Director	124,307
Euan Jenkins <sup>(3)(4)</sup> <i>Switzerland</i>	Non-Executive Director	15/06/2019	Director	2,198,934
James Mellon <i>Isle of Man</i>	Non-Executive Director	05/10/2015	Director	73,097,004 <sup>(1)</sup>
John Stalker <sup>(4)</sup> <i>Andorra</i>	Director, Executive Chairman	01/05/2019	Director	3,870,140 <sup>(2)</sup>

**Note:**

- (1) Shares are held directly by Jim Mellon and through Galloway Limited and Burnbrae Limited, both of which are indirectly wholly owned by Jim Mellon, Denham Eke is a director of Galloway Limited and Burnbrae Limited.
- (2) Mr. Stalker controls Bspoke 360 Ltd. ITF John Stoker Discretionary Settlement which holds 138,877 Shares, and Promaco Ltd. which holds 3,560,813 Shares, and holds 170,450 Shares directly.
- (3) Euan Jenkins is Chair of the Remuneration Committee, and Alex Borrelli is a member.
- (4) Alex Borrelli is Chair of the Audit Committee, and Euan Jenkins and John Stalker are members.

**Biographies of Directors**

***Alex Borrelli – Non-Executive Director***

Mr. Borrelli, FCA, initially studied medicine and then qualified as a chartered accountant in 1982. He was subsequently active within the investment banking sector and acted on a wide variety of corporate transactions in a senior role for over 20 years, including flotations, takeovers, mergers and acquisitions for private and quoted companies. For the last 15 years, he has been acting as chairman and director of listed companies in a variety of sectors and is currently chairman of Greatland Gold PLC, on AIM.

***Denham Eke – Finance Director***

Denham Eke began his career in stockbroking before moving into corporate planning for a major UK insurance broker. He is a director of many years' standing of both public and private companies involved in the mining, leisure, manufacturing and financial services sectors.

***Euan Jenkins – Non-Executive Director***

Euan finished his 31-year career in banking at J P Morgan in London after lengthy periods at ABN Amro and McIntosh Securities. Since then Euan has been involved in a number of capital raisings, seed capital investments and advising companies across a broad range of industries both in Australia and Europe. These include gold, base metals and battery metals industries; biotech, and the property sector. Euan has amassed significant knowledge of financial and jurisdictional systems globally having worked in Melbourne, Sydney, New York, London and Switzerland.

***James Mellon – Non-Executive Director***

Jim is a visionary entrepreneur with a flair for identifying emerging global trends. Most notably and very publicly, he predicted the credit crunch of 2007-08 in a book entitled “Wake Up! Survive and Prosper in the Coming Economic Turmoil”. The book cited catalysts for the impending crisis including unsustainable levels of consumer debt in the western world, a U.S. housing crash, derivative financial instruments and governmental fiscal mismanagement. Jim’s wealth of knowledge and vast experience allows Burnbrae to capitalise on sound opportunistic investments ideas. Through these investments, Jim has built a worldwide business empire. Jim is serially amongst the top 10% in the Sunday Times Rich List and holds a master’s degree in Politics, Philosophy and Economics from Oxford University.

***John Stalker – Director and Executive Chairman***

John Stalker is a senior international mining executive with over 45 years of hands-on experience in resource development. He has directed over twelve major mining projects, from initial exploration drilling to start-up, including gold, base metal, uranium and industrial minerals. Mr Stalker was President and Chief Executive Officer of LSC Lithium Corp, a TSXV-listed company, which was sold to Pluspetrol Resources Corporation B.V. for approximately C\$111 million in March 2019. John was also CEO and Chairman of PLU (TSXV) a Peru based Lithium and Uranium development co. Before that, John was CEO of UraMin Inc. from 2005 until its acquisition by Areva S.A. in 2007 for US\$2.5 billion. Prior to joining UraMin, he was Vice President of Gold Fields Ltd, the fourth largest gold producer in the world at the time.

**Corporate Cease Trade Orders or Bankruptcies**

No existing or proposed director of the Company:

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

- (c) has, within the 10 years before the date hereof, 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 its assets.

### **Penalties or Sanctions**

None of those persons who are proposed directors of the Company (or any personal holding companies) have 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 with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

### **Personal Bankruptcies**

No proposed director of the Company, or a personal holding company of any such person has, within the past ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

**It is the intention of the persons named in the enclosed Instrument of Proxy, if not expressly directed to the contrary in such Instrument of Proxy, to vote such Instruments of Proxy FOR the election of each of the Board specified above as directors of the Company.**

### 3. Appointment of Auditor

Shareholders will be asked to approve and ratify the appointment of PKF Littlejohn LLP, as auditors of the Company at remuneration to be fixed by the directors of the Company. PKF was first appointed as the auditor of the Company on June 13, 2023. Unless otherwise directed, Instruments of Proxy given pursuant to this solicitation by the management of the Company will be voted FOR the appointment and ratification of PKF Littlejohn LLP as the auditor of the Company to hold office until the next annual general meeting of shareholders and the authorization of the directors to approve the remuneration of the auditor. For more information, see “*Audit Committee – External Auditor Service Fees*” in the Circular.

### 4. Approval of Stock Option Plan

The only equity compensation plan which the Company has in place is a stock option plan (the “**Stock Option Plan**”) which was adopted by the board of directors of the Company as of December 15, 2022. This is the first time the Stock Option Plan is being presented to the shareholders for approval. Management seeks shareholder approval for the adoption of the Stock Option Plan in accordance with and subject to the rules and policies of the TSXV. The Stock Option Plan will continue to be effective until the date it is terminated by the Board in accordance with the Stock Option Plan.

The Stock Option Plan permits the grant of options (“**Options**”) to eligible Participants (as defined in the Stock Option Plan). The overall purpose of the Stock Option Plan will be to: (i) provide the Company with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Company and its affiliates; (ii) align the interests of Participants with that of other shareholders of the Company generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Company through the acquisition of Shares as long-term investments.

Under the Stock Option Plan, the maximum number of Shares issuable from treasury pursuant to the exercise of Options shall not exceed 10% of the total outstanding Shares from time to time less the number of Shares issuable pursuant to any other security-based compensation arrangements of the Company. The Stock Option Plan will be considered an “evergreen” plan, since the Shares covered by the exercise of Options which have been exercised or

terminated shall be available for subsequent grants under the Stock Option Plan and the number of Options available to grant increases as the number of issued and outstanding Shares increases.

For so long as the Company is subject to the policies of the TSXV (and unless disinterested shareholder approval as required by the policies of the TSXV is obtained, if applicable), the number of Shares that will be issuable pursuant to all Options granted or issued on and after the effective date of the Stock Option Plan within any 12 month period:

- (a) to any one Participant shall not exceed 5% of the outstanding Shares, calculated on the date an Option is granted, less the aggregate number of Shares reserved for issuance under any other security-based compensation arrangement of the Company;
- (b) to any one Consultant (as defined in the Stock Option Plan) shall not exceed 2% of the outstanding Shares, calculated at the date the Option is granted, less the aggregate number of Shares reserved for issuance under any other security-based compensation arrangement of the Company;
- (c) the aggregate number of Shares for which may be issued to any company or individual retained to provide Investor Relations Activities (as defined by the TSXV) shall be no more than 2% of outstanding Shares at one time, shall only include Options, shall vest in stages over a period of not less than 12 months and shall not vest until the date that is at least three months following the grant date; and
- (d) Insiders (as defined in the Stock Option Plan), as a group, shall not, together with Shares issuable pursuant to any other security-based compensation arrangement of the Company, exceed 10% of the outstanding Shares.

In addition, (i) the maximum aggregate number of Shares issuable pursuant to the Stock Option Plan, together with Shares issuable pursuant to any other security-based compensation arrangement of the Company, granted or issued in any 12-month period to Insiders (as a group) shall not exceed 10% of the outstanding Shares, at any time; and (ii) the maximum aggregate number of Shares issuable pursuant to the Stock Option Plan, together with Shares issuable pursuant to any other security-based compensation arrangement of the Company, granted or issued to Insiders (as a group), within any 12 month period, shall not exceed 10% of the outstanding Shares, calculated at the date an Option is granted to any Insider, unless the requisite disinterested shareholder approvals are obtained (as applicable).

The Stock Option Plan provides for customary adjustments or substitutions, as applicable, in the number of Shares that may be issued under the Stock Option Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to the Company's shareholders, or any similar corporate event or transaction. The Stock Option Plan also provides for the payment of dividend equivalents in the amount that a participant would have received if Options had settled for Shares on the record date of dividends declared by the Company; provided that if the number of securities issued as dividend equivalents, together with all of the Company's other share-based compensation, would exceed the aforementioned limits then such dividend equivalents will be paid in cash.

#### *Plan Administration*

The Stock Option Plan will be administered by the Board, which may delegate its authority to any duly authorized committee of the Board (the "**Plan Administrator**"). The Plan Administrator will have sole and complete authority, in its discretion, to:

- (a) determine the individuals (the "**Participants**") to whom grants of Options under the Stock Option Plan may be made;

- (b) make grants of Options under the Stock Option Plan in such amounts, to such Participants and, subject to the provisions of the Stock Option Plan, on such terms and conditions as it determines, including, without limitation:
  - (i) the time or times at which Options may be granted;
  - (ii) the conditions under which: (A) Options may be granted to Participants; or (B) Options may be forfeited to the Company, including any conditions relating to the attainment of specified performance goals;
  - (iii) the number of Shares to be covered by any Option;
  - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Options;
  - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and
  - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of option agreements;
- (d) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Stock Option Plan;
- (e) construe and interpret the Stock Option Plan and all Option Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to the Stock Option Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and
- (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Stock Option Plan.

#### *Acceleration of Vesting*

Upon the occurrence of a “take-over bid” which is a “formal bid” (as such terms are defined in the *Securities Act* (Ontario)), the vesting of the Options shall be automatically and immediately accelerated, such that all remaining Option will then be available for exercise.

#### *Options*

Subject to the terms and conditions of the Stock Option Plan and any policies of the TSXV, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of Shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Plan Administrator at the time any Option is granted. In no event will such exercise price be lower than the Discounted Market Price (as such term is defined in Policy 1.1 of the TSXV rules) . Such price upon exercise of any Option shall be payable to the Company in full in cash, certified cheque or wire transfer, unless the board determines to deal with such Option on a “net exercise” or “cashless exercise” basis, subject to TSX-V rules. Unless otherwise specified in an Option Agreement, and subject to any provisions of the Stock Option Plan or the applicable Option Agreement relating to acceleration of vesting of Options, Options shall

vest subject to TSXV policies (including TSXV Policies with respect to the vesting of Options granted to person performing Investor Relations Activities (as defined in the Stock Option Plan)), and the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist. The Stock Option Plan contains a net exercise provision in accordance with the provisions of the TSXV.

Subject to any requirements of the TSXV, the Board may determine the expiry date of each Option. Options may be exercised for a period of up to five years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Stock Option Plan (the "**Termination Date**") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Stock Option Plan and be exercisable until the earlier of the original expiry date of the Option and 12 months after the Termination Date; and (iii) in all other cases where a Participant ceases to be eligible under the Stock Option Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Stock Option Plan and be exercisable for a period of 60 days after the Termination Date, provided that any Options that have not been exercised within 60 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

The full text of the Stock Option Plan is attached to this Information Circular as Schedule "A".

The TSXV has conditionally accepted the Stock Option Plan, subject to the approval of shareholders as described herein.

At the Meeting, shareholders will be asked to vote on the following ordinary resolution:

**BE IT RESOLVED THAT:**

1. The Company's Stock Option Plan, as described and included in the Information Circular, is hereby authorized, ratified, approved and confirmed;
2. The Company be authorised to grant options pursuant to and subject to the terms of the Stock Option Plan;
3. The form of Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of shareholders of the Company;
4. The number of shares of the Company issuable under the Stock Option Plan, together with securities issuable under any other securities based compensation plan of the Company, be set at a maximum of 10% of the aggregate number of shares issued and outstanding from time to time subject to any limitations imposed by applicable laws, regulations and policies;
5. The continuation of the 37,131,304 options outstanding on the date hereof under the Stock Option Plan (and such other options as may be issued prior to the date of the Meeting in accordance with the terms of the Stock Option Plan), without amendment to their terms except as required to comply with the Stock Option Plan be authorised, ratified, approved and confirmed;
6. Any one or more of the directors or officers of the Company is authorized and directed, upon the Board resolving to give effect to this resolution, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.

Shareholders may vote FOR or AGAINST the above resolution. The Board has determined that the Stock Option Plan is in the best interests of the Company and its shareholders.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE STOCK OPTION PLAN.** Unless authority to do so is withheld, the persons designated as proxyholders in the accompany Instrument of Proxy intend to vote the Shares represented by such Instrument of Proxy, properly executed, FOR the Stock Option Plan.

5. Approval of Allotment and Issuance of Shares

The Company is authorised to issue an unlimited number of no par value Shares. Subject to the pre-emption provisions contained in the Articles (which are set out below), the Shares may be issued to such persons and on such terms and conditions as the Directors may determine from time to time by a resolution of Directors. The Articles provide that the Directors may issue up to 100 per cent. of the issued share capital of the Company to existing and new shareholders in any 12-month period free from pre-emption. The authority granted in the Articles will expire on the 5th anniversary of the Articles being registered by the BVI Registry of Corporate Affairs and will need to be re-approved by Shareholders at such time

Section 46 of the BVI Companies Act sets out pre-emption rights applicable to the issue of unissued shares by companies incorporated in the BVI. These pre-emption rights have been expressly dis-applied in the Company’s Articles, with bespoke provisions included therein. The Articles provide that unissued Shares for cash consideration are to be offered on a pre-emptive basis to existing Shareholders before being allotted. The pre-emptive offer is to be made by written notice from the Directors to the Shareholders specifying the number and price of the shares to be issued following which the Shareholders shall have no less than 14 days to decide whether to exercise their rights of pre-emption. If any shares remain unallocated after the pre-emptive offer, the Directors shall be entitled to allot those shares to such persons and on such terms and in such manner as they think fit save that those shares may not be disposed of on terms which are more favourable to the subscribers than the terms on which they were offered to the Shareholders. The pre-emption rights shall not apply to the allotment of shares for non-cash consideration. The pre-emption rights may also be dis-applied by a resolution passed by at least 75 per cent. of Shareholders present in person or by proxy at a meeting of Shareholders or by a written resolution passed by at least 75 per cent. of the Shareholders of the Company entitled to vote. The Articles provide that the Directors may issue up to 100 per cent. of the issued share capital of the Company to existing and new Shareholders in any 12 month period free from pre-emption. The authority granted in the Articles will expire on the 5th anniversary of the Articles being registered by the Registrar of Corporate Affairs in the BVI by the Company and will need to be re-approved by Shareholders at such time.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ALLOTMENT AND ISSUANCE OF THE ALLOTMENT SHARES.**

6. Approval of Waiver of Pre-Emptive Rights

Subject to and conditional upon the passage of Resolution 5 above, and in substitution for all existing and unexercised authorities and powers, to authorise the Directors to be generally and unconditionally authorised to allot and issue Allotment Shares and any Excluded Securities without first offering them to existing shareholders in proportion to their respective number of Shares PROVIDED THAT this authority and power shall be limited to the allotment and issue of up to an aggregate amount of 390,609,439 Allotment Shares plus Excluded Securities, the authority and power granted by this Resolution shall expire at the conclusion of the next annual general meeting.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE WAIVER OF PRE-EMPTIVE RIGHTS IN RESPECT OF THE ALLOTMENT SHARES.**

## VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein, other than in respect of the special business referred to in Resolution 6, which requires approval by 75% of shareholders voting at the Meeting.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## OTHER MATTERS

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

## EXECUTIVE COMPENSATION

All references to "\$" herein are referring to United States Dollars, unless otherwise noted.

For the purpose of this Circular:

"**CEO**" means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**CFO**" means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

"**Named Executive Officer**" or "**NEO**" means: (a) a CEO; (b) a CFO; (c) each of the Company's three most highly compensated executive officers, including any of the Company's subsidiaries, 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 and whose total compensation was, individually, more than C\$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

### **Basis of Presentation**

Bradda Head Lithium Limited was incorporated on October 28, 2009 in the British Virgin Islands under the British Virgin Islands Business Companies Act with registered number 1553975 under the name Copper Development Corporation. On October 5, 2015 the Company changed its name from Copper Development Corporation to Life Science Developments Limited, and on April 18, 2018 the Company changed its name to Bradda Head Holdings Limited. On September 15, 2021 the Company changed its name to Bradda Head Lithium Limited.

The address of the Company's registered office is Craigmuir Chambers, Road Town, Tortola, British Virgin Islands, and the principal place of business of the Company is Viking House, Nelson Street, Douglas, Isle of Man IM1 2AH.

The Shares of the Company were listed on the AIM Market of the London Stock Exchange ("**AIM**") and on the TSXV on July 19, 2021 and November 10, 2022, respectively.

During the year ended February 28, 2023, Bradda had the following Named Executive Officers: Charles FitzRoy, the CEO of the Company, Denham Eke, the Finance Director of the Company, and Piotr Schabik, the CFO of the Company. Mr FitzRoy resigned from the Company as CEO and director on August 29, 2023.

## Compensation Discussion and Analysis

### *Interpretation*

The NEOs who are the subject of this Compensation Discussion and Analysis are Charles FitzRoy (CEO), Denham Eke (FD) and Piotr Schabik (CFO). No other individuals fall within the NEO definition as at the applicable reporting periods.

### *Compensation Objectives and Principles*

The Company established a remuneration committee (the “**Remuneration Committee**”) consisting of Euan Jenkins and Alex Borrelli. The Remuneration Committee has been mandated to oversee, and recommend for approval to the Board, the compensation, remuneration plans or policies applicable to executive officers, including those whose compensation is set forth under the heading “Summary of Compensation Table” below.

The Company’s policy regarding executive and remuneration has the following objectives:

- to ensure that policies regarding remuneration are aligned with the Company’s business objectives;
- to provide levels of total remuneration sufficient to attract and retain effective employees; and
- to ensure that management executives’ interests are consistent with the objectives of the Board and the Company’s shareholders.

### *Elements of the Remuneration Program*

The remuneration package for the executive officers of the Company is principally composed of the following elements:

- base salary and benefits;
- an incentive program that currently takes the form of discretionary bonuses linked to the Company’s financial and operating performance and other initiatives that enhance the intrinsic value of the Company; and
- long-term incentive programs, comprising the Stock Option Plan, as described above.

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

The base salary and benefits of a NEO are intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration. In addition to a fixed base salary, the incentive program exists to motivate NEOs to achieve short-term goals. The Company’s Stock Option Plan is intended to provide long-term incentives to the Company’s officers and employees to advance the Company’s strategy and execution and to enhance shareholder value. While the specifics of each NEO’s compensation plan may be distinctly unique, the intent is to allow a remuneration program that is competitive, given similar roles and responsibilities, and considering the specifics of the business, market and industry. The specific metrics and targets of each NEO’s remuneration plan are developed and recommend for approval to the Board by the Compensation Committee.

## Risks of Remuneration Policies and Practices

The Company’s remuneration program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Board noted the following facts that discourage the Company’s executives from taking unnecessary or excessive risk:

- the Company’s business strategy and related remuneration philosophy; and
- the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Board believes that the Company’s total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

### Stock Option Plan

A number of Shares equal to ten (10%) percent of the issued and outstanding Shares in the capital of the Company from time to time are reserved for the issuance of Options pursuant to the Company’s Stock Option Plan. The Stock Option Plan was approved by directors of the Company on December 15, 2022, subject to the approval by the shareholders prior to in relation to the Meeting.

To date, Options have been granted on the basis of the number of Options currently held, position, overall individual performance, anticipated contribution to the Company’s future success and the individual’s ability to influence corporate and business performance. The purpose of granting such Options has been to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interests of such persons to the interest of the shareholders.

The recipients of Options and the terms of the Options granted have been determined from time to time with the oversight and approval of the Board. The full text of the Stock Option Plan is attached to this Information Circular as Schedule “A”.

### Share Based and Option-Based Options

The Company believes that encouraging its executive officers and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company’s Stock Option Plan. Share-based options are granted to executive officers taking into account a number of factors, including the amount and terms of Options previously granted, base compensation and performance bonuses, if any, and competitive factors. During the previously completed fiscal year, the Board granted eligible participants 10,200,000 Options.

### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The compensation paid to the NEOs and directors of Bradda during the two most recently completed financial years ended February 28, 2022 and 2023, excluding compensation securities, is as set out below and expressed in United States dollars unless otherwise noted:

**Table of Compensation excluding Compensation Securities**

Name and position	Year	Salary, consulting fee, retainer or commission	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation
Charles FitzRoy	2022	149,233	-	-	-	-	149,233
	2023	169,105	-	-	-	-	169,105
Piotr Schabik	2022	20,478	-	-	-	-	20,478
	2023	28,672	-	-	-	-	28,672
Denham Eke	2022	40,956	-	-	-	-	40,956
	2023	57,345	-	-	-	-	57,345

The following table sets forth information in respect of all compensation securities granted or issued to each director and NEO by Bradda or one of its subsidiaries for services provided or to be provided, directly or indirectly to Bradda or its subsidiaries, in Bradda’s recently completed financial year ended February 28, 2023.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end	Expiry date
Charles FitzRoy	Share options	4,500,000	20 April 2022	GBP0.18	GBP0.147	GBP0.575	20 April 2027
Piotr Schabik	-	-	-	-	-	-	-
Denham Eke	-	-	-	-	-	-	-

#### Exercise of Compensation Securities by Directors and NEOs

No Options were exercised by any director or NEO during the most recently completed financial year ended February 28, 2023.

#### *Executive Employment Contracts*

Each of the Named Executive Officers has entered into an employment or consulting agreement with the Company. These agreements include provisions regarding base salary, annual bonuses, confidentiality and ownership of intellectual property, among other things.

On April 23, 2021, Charles FitzRoy entered into a service agreement with the Company pursuant to which, among other things, his appointment will continue until terminated upon six months' written notice by either party. Pursuant to the agreement, Mr. FitzRoy is required to devote such time as may be reasonably required to enable him to carry out his duties to the Company under the service agreement but in any event devote not less than 40 hours per week for the Company. Mr. FitzRoy is paid a salary of £141,460 per annum which shall be reviewed annually. He is also entitled to receive discretionary option awards and bonus payments, subject to approval by the remuneration committee of the Company. Mr. FitzRoy is subject to a number of restrictions commensurate with his position governing the extent to which he can compete with the Company post-termination of the service agreement. In the event of a change of control of the Company where the enterprise value of the Company's Shares are valued at greater than £10,000,000 and Mr. FitzRoy's appointment is terminated within 6 months thereof, Mr. FitzRoy shall be entitled to a payment equal to the gross amount of 18 months' salary. Mr. Fitzroy resigned as CEO and director of the Company on August 29, 2023.

Piotr Schabik was appointed as the Company's Chief Financial Officer on June 1, 2021. On June 8, 2021 Mr Schabik entered into a service agreement with the Company and his appointment will continue for an initial term of twelve months and thereafter until terminated upon six months' written notice by either party. Pursuant to the agreement, Mr. Schabik is required to devote such time as may be reasonably required to enable him to carry out his duties to the Company under the service agreement but in any event devote not less than 40 hours per month to services required by the Company. Mr. Schabik is paid a salary at the rate of £24,000 per annum. Mr Schabik is not subject to any non-compete restrictions in relation to the Company.

Denham Eke was first appointed as the Finance Director of the Company on November 1, 2009. On June 8, 2021 Mr. Eke entered into a service agreement with the Company pursuant to which his appointment will continue for an initial term of twelve months from June 1, 2021 and thereafter until terminated upon six months' written notice by either party. Pursuant to the agreement, Mr. Eke is required to devote such time as may be reasonably required to enable him

to carry out his duties to the Company under the service agreement but in any event devote not less than 40 hours per month to services required by the Company. Since the admission of the Shares to AIM on July 19, 2021, Mr. Eke has been entitled to be paid a salary at the rate of £48,000 per annum. Mr. Eke’s service agreement includes a commitment by Mr. Eke to limit his outside interests (existing and any new roles he may consider), and to consult with Beaumont Cornish (the Company’s nominated adviser), to ensure he is able to perform his role effectively and commit the required time to the Company’s affairs while serving as Finance Director. Mr Eke is not subject to any non-compete restrictions in relation to the Company.

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company’s compensation plans under which equity securities are authorized for issuance as at February 28, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a) and (c))
Equity compensation plans approved by security holders	Options: 33,031,304 Shares	GBP0.0873	Options: 6,029,640 Shares
<b>Total:</b>	Options: 33,031,304 Shares	GBP0.0873	Options: 6,029,640 Shares

### STATEMENT OF CORPORATE GOVERNANCE

#### General

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 - *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but are to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The following statement of corporate governance practices sets out the Company’s governance practices relative to National Instrument 58-101 — *Disclosure of Corporate Governance Practices* (“NI 58-101”) and NP 58-201.

#### Board of Directors

The Board, which is responsible for supervising the management of the business and affairs of the Company, is comprised of five directors, two of whom are independent as such term is defined in NI 58-101 and in NI 52-110. The independent directors are Euan Jenkins and Alex Borrelli.

Denham Eke and John Stalker, Officers of the Company are not independent by virtue of them being members of the Company’s management, and with respect to James Mellon, by virtue of them owning approximately 18.71% of the Company’s Shares on an undiluted basis.

The independent directors will meet for in camera sessions without non-independent directors and members of management at the end of each regular meeting of the Board (unless such requirement is waived by the independent directors).

### Standing Committees of the Board

The Company has an Audit, Risk and Compliance Committee, and a Remuneration Committee. Alex Borrelli is Chair of the Audit Committee, and Euan Jenkins and John Stalker are members. Euan Jenkins is Chair of the Remuneration Committee, and Alex Borrelli is a member.

### Other Public Company Directorships

The following members of the Board currently hold directorships in other reporting issuers as set forth below:

Name of Director	Name of Reporting Issuer	Exchange	Position
Alex Borrelli	Greatland Gold Plc, UK Kendrick Resources PLC, UK	AIM Standard Listing of the Official List of the FCA	Chairman Director
	Tiger Royalties and Investments PLC, UK	AIM	Director
	Red Rock Resources PLC, UK	AIM	Director
Denham Eke	Manx Financial Group Plc	AIM	Executive Vice Chairman
	Agronomics Limited	AIM	Director
	Webis Holdings Plc	AIM	Director
	Condor Gold plc	AIM	Director
John Stalker	Condor Gold plc	AIM	Director
	Helium One Global Limited	AIM	Chairman
James Mellon	Manx Financial Group Plc	AIM	Executive Chairman
	Agronomics Limited	AIM	Director
	Condor Gold Plc	AIM	Director
	Portage Biotech Inc.	TSX	Director
	Endurance RP Limited	Hong Kong	Director
Euan Jenkins	None	None	None

### Orientation and Continuing Education of Board Members

At present, each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues with the Company. In addition, management of the Company takes steps to ensure that its directors and officers are regularly updated with respect to its operations, strategic initiatives, and latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole.

### Nomination of Directors

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual general meeting of shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

### **Director Term Limits**

The Company has not adopted term limits for the directors of the Board or other mechanisms of board renewal because term limits and other mechanisms reduce continuity and experience on the Board, and force valuable, experienced and knowledgeable directors to leave. The Company regularly assesses board members' effectiveness and annual elections are considered sufficient.

### **Diversity and Inclusion**

While the Company believes that nominations to the Board and appointments to senior management should be based on merit, the Company recognizes that diversity supports broader and balanced perspective, debate and discussion which, in turn, enhances decision-making.

The Board has not adopted a formal policy regarding the identification and nomination of directors who are women, Aboriginal peoples, persons with disabilities or members of visible minorities ("**Designated Groups**"). The Company recognizes the benefits of diversity within its Board, at the senior management level and all levels of the organization, but does not believe that a formal policy would enhance the representation of Designated Groups on the board beyond the current recruitment and selection process.

The Company evaluates the necessary competencies, skills, experience and other qualifications of each candidate as a whole and considers the representation of Designated Groups as one of many factors in the recruitment and selection of candidates for Board and senior management positions.

The Board has not adopted formal targets regarding members of Designated Groups being represented on the Board or holding senior management positions. The representation of Designated Groups is one of many factors considered in the overall recruitment and selection process in respect of Board and senior management positions at the Company. The Board does not believe that formal targets would enhance the representation of Designated Groups on the board or in senior management positions beyond the current recruitment and selection process.

### **Ethical Business Conduct**

The Board has approved a written code of ethics which provides for an obligation for each director to: (i) promote honest and ethical conduct, (ii) ensure compliance with laws, rules and regulations and policies of the Company, (iii) avoid conflicts of interest that may arise, and (iv) protect confidential information, in accordance with the Company's Corporate Disclosure and Insider Trading Policy. The Board is of the view that this, in addition to the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, has been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

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

Pursuant to the Company's Corporate Disclosure and Insider Trading Policy, the Company observes blackout periods prior to quarterly and annual financial statement announcements. Regular blackout periods commence on the last day of each quarterly or annual financial period and end at the close of business on the second full trading day following the date of the public disclosure of the applicable financial statements. In addition, the Company may deem it appropriate to apply an extraordinary blackout period by issuing notice instructing specified individuals not to trade in the securities of the Company or any other publicly-owned company under special circumstances and until otherwise notified.

## **Assessment of Directors, the Board and Board Committees**

The Board has begun and intends to continue to monitor the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee, to satisfy itself that the Board, its committees and its individual directors are performing effectively.

## **AUDIT COMMITTEE**

### ***Audit Committee Charter***

The Company's Audit Committee is governed by the Audit Committee Charter. A copy of the Company's Audit Committee Charter is attached hereto as Schedule "B".

### ***Composition of the Audit Committee***

The Company's Audit Committee is comprised of three directors: Alex Borrelli (Chair), Euan Jenkins and John Stalker. The Board has determined that Alex Borrelli and Euan Jenkins meet the independence requirements applicable to audit committee members under National Instrument 52-110 — *Audit Committees* ("NI 52-110") and that each of Alex Borrelli, Euan Jenkins and John Stalker meet the requirements for being "financially literate" within the meaning of NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

John Stalker is not considered an independent member of the Audit Committee at this time as a result of holding both shares and share options in the Company.

The Audit Committee is responsible for the review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

### ***Relevant Education and Experience***

Every member in the Audit Committee has sufficient education and experience to perform their responsibilities in relation to the Audit Committee, including:

- understanding the accounting principles used by the Company to prepare its financial statements;
- having the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- experience preparing, auditing, analyzing, or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

See "*Matters to be Considered at the Meeting – Biographies of Directors*" above.

### ***Pre-Approval Policies and Procedures***

The Audit Committee is subject to the specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company. A copy of the Company's Audit Committee Charter is attached hereto as Schedule "B".

### ***External Auditor Service Fees***

The following table summarizes the fees paid by the Company to KPMG for external audit and other services during the periods indicated. KPMG resigned as auditor of the Company on June 13, 2023 and PKF Littlejohn LLP was appointed on the same day. In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

<b>Fiscal Year Ending</b>	<b>Audit Fees</b>	<b>Audit-Related Fees</b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees</b>
February 28, 2023	\$78,474	-	-	-

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

No director, executive officer or proposed director of the Company or any associate of the foregoing is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company, 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 Company, including under any securities purchase or other program.

### **MANAGEMENT CONTRACTS**

Except as otherwise disclosed in this Information Circular, there are no management functions of the Company that are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company or its subsidiaries.

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

Other than as disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

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

Except as disclosed herein (see “*Executive Compensation – Basis of Presentation*”), the Company is not aware of any material transaction involving any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any of informed person or proposed director.

There are potential conflicts of interest to which the directors and officers of the Company may be subject in connection with the operations of the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other companies, and situations may arise where such directors and officers will be in competition with the Company. Individuals concerned shall be governed in any conflicts or potential conflicts by applicable law and internal policies of the Company.

For the purposes of the above, “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the

person or company as underwriter in the course of a distribution; and (d) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found under the Company's profile on SEDARplus at <https://www.sedarplus.ca/landingpage/>. Financial information for the Company's last financial year is provided in its comparative financial statements and management's discussion and analysis, and is also available on the SEDARplus website. To request copies of the Company's financial statements and management's discussion and analysis and any document to be approved at the Meeting, shareholders may contact the Company as follows:

**Contact:**

**Bradda Head Lithium Limited** +44 (0) 1624 639 396  
John Stalker, Executive Chairman  
Denham Eke, Finance Director

**DATED** this 18<sup>th</sup> day of October, 2023

**BY ORDER OF THE BOARD OF DIRECTORS OF  
Bradda Head Lithium Limited**

(signed) "*John Stalker*"  
Executive Chairman

**SCHEDULE "A"**  
**STOCK OPTION PLAN**

See attached.

## BRADDA HEAD LITHIUM LIMITED. STOCK OPTION PLAN

As approved by the Board on 15 December 2022, subject to receipt of Shareholder Approval

### ARTICLE 1 PURPOSE AND INTERPRETATION

#### 1.1 Purpose

The purpose of this Plan is to provide for the acquisition of Shares by Participants for the purpose of advancing the interests of the Corporation by aligning their interests with those of the Corporation's shareholders. The Plan enables the Corporation to attract, retain and motivate Participants by providing them with the opportunity to acquire an equity interest in the Corporation. It is the intention of the Corporation that this Plan will at all times be in compliance with the TSX-V Policies and any inconsistencies between this Plan and the TSX-V Policies whether due to inadvertence or changes will be resolved in favour of the TSX-V Policies.

#### 1.2 Definitions

For the purposes of this Agreement (including the recitals and the Schedules hereto), unless the context otherwise requires, the capitalized following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "Acceleration Event" means
  - (i) the acquisition by any "offeror" (as defined in Part XX of the *Securities Act* (Ontario)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
  - (ii) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
  - (iii) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation; or
  - (iv) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.
- (b) "Act" means the *Business Corporations Act* (Ontario), or its successor legislation and the regulations made thereunder;
- (c) "Affiliate" includes any company in which the Corporation has an equity or voting interest of more than 50%;
- (d) "Associate", where used to indicate a relationship with any person or company, means: (i) any company of which such person or company beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of the company for the time being outstanding; (ii) any partner of that person or company; (iii) any trust or estate in which such person or company has a substantial beneficial interest or as to which such person or company serves as trustee or in a similar capacity; (iv) any relative of that person who resides in the same home as that person; (v) any person who resides in the same home as that person and to whom that person is married, or any person of the opposite sex or the same sex who resides in the same home as that person and with whom that person is living in a conjugal relationship

outside marriage; or (vi) any relative of a person mentioned in clause (v) who has the same home as that person;

- (e) **“Blackout Period”** means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation in accordance with its trading policies affecting trades by employees in the Corporation’s securities;
- (f) **“Board”** means the board of directors of the Corporation as constituted from time to time and any committee of the board of directors duly authorized to grant Options under this Plan;
- (g) **“Cashless Exercise Right”** has the meaning ascribed thereto in Section 3.10(c)‘
- (h) **“Consultant”** has the meaning given to such term in Policy 4.4;
- (i) **“Corporation”** means Bradda Head Lithium Limited;
- (j) **“Director”** means a director of the Corporation;
- (k) **“Disinterested Shareholder Approval”** means approval by a majority of the votes cast by the Corporation’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to Shares beneficially owned by Insiders and their Associates;
- (l) **“Effective Date”** for an Option means the date of grant thereof;
- (m) **“Employee”** means:
  - (i) a Person who is considered an employee under the Income Tax Act (Canada) (i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);
  - (ii) a Person who works full-time for the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
  - (iii) a Person who works for the Corporation on a continuing and regular basis for a minimum of 20 hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions need not be made at source;
- (n) **“Exercise Price”** means the amount payable per Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (o) **“Expiry Date”** means the day on which an Option lapses in accordance with its terms;
- (p) **“Insider”** has the meaning given to such term in Policy 1.1 of the TSX-V and any amendment thereto or replacement thereof;
- (q) **“Investor Relations Activities”** has the meaning given to such term in Policy 1.1 of the TSX-V and any amendment thereto or replacement thereof;
- (r) **“Investor Relations Service Providers”** has the meaning given to such term in Policy 1.1 of the TSX-V and any amendment thereto or replacement thereof;

- (s) “**Officer**” means a duly appointed officer of the Corporation;
- (t) “**Option**” means the right to purchase Shares granted hereunder to a Participant;
- (u) “**Option Plan**” means the share option plan, the terms of which are set out at Article 2 herein or as may be amended;
- (v) “**Optioned Shares**” means Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (w) “**Optionee**” means the recipient of an Option hereunder;
- (x) “**Outstanding Shares**” means at the relevant time, the number of outstanding Shares from time to time;
- (y) “**Participant**” means a Person entitled to become an Optionee hereunder, namely a Director, Officer, Employee or Service Provider, or any individual employed by a Service Provider who is the primary party providing the services, or any personal holding corporation controlled by a Participant or any registered retirement savings plans established by a Participant of the Corporation, and any Person engaged to provide ongoing management or consulting services for the Corporation, whether or not they have a written employment contract with the Corporation, determined by the Board as being eligible for participation in the Plan;
- (z) “**Person**” has the meaning given to such term in the *Securities Act* (Ontario) Section 1(1);
- (aa) “**Plan**” means the Option Plan, the terms of which are set out herein or as may be amended;
- (bb) “**Policy 4.4**” means Policy 4.4 of the TSXV and any amendment thereto or replacement thereof;
- (cc) “**Regulatory Approval**” means the approval of the TSX and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder;
- (dd) “**Securities Act**” means the *Securities Act* (Ontario), as amended from time to time;
- (ee) “**Security Based Compensation**” has the meaning given to such term in TSX-V Policy 4.4;
- (ff) “**Service Provider**” means a Person engaged by the Corporation to provide services for an initial, renewable or extendable period of 12 months or more;
- (gg) “**Share Compensation Arrangements**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism of the Corporation involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (hh) “**Shareholder Approval**” means approval by a majority of the votes cast by the Corporation’s shareholders at a duly constituted shareholders’ meeting, or otherwise as permitted by the Act and the articles and by-laws of the Corporation;
- (ii) “**Shares**” means the shares in the capital of the Corporation;
- (jj) “**Stock Exchange**” means the TSX-V, and any other stock exchange on which the Shares are listed or traded;
- (kk) “**Tax Act**” means the Income Tax Act (Canada) and its regulations thereunder, as amended from time to time;

- (ll) “**TSX-V**” means the TSX Venture Exchange; and
- (mm) “**TSX-V Policies**” means the rules and policies of the TSX-V as amended from time to time.

### **1.3 Rules of Construction**

- (a) **Sections and Headings, Etc.** The division of this Plan into Articles and Sections, the insertion of headings and the inclusion of a table of contents are for reference purposes only and shall not affect the interpretation of this Plan.
- (b) **Currency.** Unless otherwise indicated, all dollar amounts referred to in this Plan are expressed in Canadian currency.
- (c) **Number and Gender.** In this Plan, words importing the singular number only shall include the plural and *vice versa* and words importing any gender shall include all genders.

## **SHARES AVAILABLE, ELIGIBILITY, AND PLAN ADMINISTRATION**

### **2.1 Maximum Plan Shares**

The maximum aggregate number of Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time of reservation of a grant of Options, less the number of Shares reserved for issuance under any other share compensation arrangements of the Corporation (including, for greater certainty, Shares already reserved for issuance under the Plan).

### **2.2 Eligibility**

Options may be granted hereunder to Participants from time to time subject to the provisions hereof.

### **2.3 Reservation of Shares**

The Corporation, during the term of this Plan, shall at all times reserve and keep available such numbers of Shares as required to satisfy the requirements of this Plan.

### **2.4 Administration of the Plan**

- (a) The Plan shall be administered by the Board or any duly authorized committee thereof, and the Board shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Board may deem necessary in order to comply with the requirements of the Plan. All actions taken and all interpretations and determinations made by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation.
- (b) All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Board, including any compensation committee of the Board. Such committee shall be empowered to determine the conditions upon which any Options shall be issued under the Plan.
- (c) The appropriate Officers are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan.

## **2.5 Limits with Respect to Certain Persons**

- (a) The maximum number of Options which may be issued to:
  - (i) Any Consultant in any twelve (12) month period under this Plan may be no more than two percent (2%) of the outstanding Shares of the Corporation;
  - (ii) All Persons conducting Investor Relations Activities for the Corporation in any twelve (12) month period may be, in aggregate, no more than two percent (2%) of the outstanding Shares of the Corporation,  
  
less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation.
- (b) Investor Relations Service Providers may not receive any Security Based Compensation other than Options.
- (c) Options granted to Consultants conducting Investor Relations Activities of 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.
- (d) Options granted to Insiders are subject to Section 5.1(e)(ii);
- (e) The maximum aggregate number of Options that are issuable pursuant to this Plan together with all Share Compensation Arrangements granted or issued to Insiders (as a group) must not exceed 10% of the issued and outstanding Shares of the Corporation at any point in time;
- (f) The maximum aggregate number of Shares that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any twelve (12) month period to Insiders (as a group) must not exceed 10% of the Shares, calculated as at the date any Share Compensation Arrangement is granted or issued to any Insider;
- (g) 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-V has been obtained.
- (h) Unless disinterested approval is obtained and except as otherwise may be permitted by the policies of the TSX-V, the maximum aggregate number of Shares that are issuable pursuant to the Plan together with all Share Compensation Arrangements granted or issued in any 12 month period to any one Participant must not exceed 5% of the Shares, calculated as at the date any Security Based Compensation is granted or issued to the Participant.

## **2.6 Non-Assignability and Non-Transferability**

All Security Based Compensation issued pursuant to this Plan is non-assignable and non-transferable.

## **2.7 Grants to Employees, Consultants or Management Company Employees**

For Options granted to employees of the Corporation, Consultants or individuals employed by a company or individual providing management services to the Corporation, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide employee of the Corporation, Consultant or individual employed by a company or individual providing management services to the Corporation, as the case may be.

## SHARE OPTION PLAN

### 3.1 Establishment of Option Plan

There is hereby established a share option plan to recognize contributions made by Participants and to create an incentive for their continuing assistance to the Corporation. All share options granted by the Corporation under Share Compensation Arrangements that predate the date of this Option Plan shall be subject to the provisions of this Option Plan and to the extent legal to do so, shall be deemed to have been granted under this Option Plan.

### 3.2 Grants of Options to Corporate Optionees

Optionees that are corporate entities are required to undertake in writing not to effect or permit any transfer of ownership or option of any of such corporate Optionee's shares, nor issue more shares (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless Shareholder Approval and the written permission of the TSX-V are obtained.

### 3.3 Amount of Options

- (a) The number of Options to be granted to a Participant shall be at the discretion of the Board, having regard for the Participant's present and potential contribution to the success of the Corporation.
- (b) In no event shall the number of Shares reserved for issuance pursuant to the Option Plan exceed 10% of the Outstanding Shares at the time of the grant.

### 3.4 Options Exercised or Lapsed

In the event an Option is exercised, expires unexercised, or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Option Plan and will be eligible for re-issue.

### 3.5 Terms and Conditions of Options

- (a) **Exercise Price.** The Exercise Price for Options shall be determined by the Board in its discretion at the time the Options are granted, but in any case shall be no less than the Discounted Market Price (as that term is defined in Policy 1.1 of the TSX-V Corporate Finance Manual). If the Corporation does not issue a news release to announce the grant and exercise price of an Option, the Discounted Market Price is the last closing price of the Shares before the date of the grant of the Option, less the applicable discount.
- (b) **Term.** The period during which Options may be exercised shall be determined by the Board in its discretion at the time the Options are granted, but in any case shall be no more than five years from the date of grant, subject to Section 3.13.
- (c) **Vesting.** Vesting of any Options issued under the Option Plan shall be at the discretion of the Board.
- (d) Acceleration of Vesting.
  - (i) The vesting as determined by the Board in accordance with this Option Plan shall be automatically and immediately accelerated such that all remaining Options will then be available for exercise upon the occurrence of a "take-over bid" which is a "formal bid", as those terms are defined under the Securities Act.

### **3.6 Cessation of Provision of Services**

No Option may be exercised after the Optionee has ceased to be a Participant, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of up to one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) Subject to the TSX-V Policies, and unless otherwise approved by the Board, Options granted to any Participant must expire within 60 days after the date the Optionee ceases to be employed by or provide services to the Corporation; and
- (c) in the case of an Optionee who is an Employee or Service Provider being dismissed from employment or service for cause, or an employee of a Service Provider whose services are terminated for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

### **3.7 No Assignment or Transfer**

Options granted under the Option Plan shall be non-assignable and non-transferrable by an Optionee otherwise than by will or by the laws of succession and distribution, and such Options may only be exercised by the Optionee to which they were granted during that Optionee's lifetime. No Option granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of, and if any attempt is made to do so, it will automatically become null and void.

### **3.8 Adjustment to the Number of Optioned Shares**

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

- (a) in the event of a subdivision of Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Shares, the Corporation will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Shares, the Corporation will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Shares as result from the consolidation;
- (c) subject to the prior approval of the TSX-V, in the event of any change of the Shares as constituted on the date hereof, at any time while an Option is in effect, the Corporation will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Shares so purchased had the right to purchase been exercised before such change;
- (d) subject to the prior approval of the TSX-V, in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Corporation, a consolidation, merger or amalgamation of the Corporation with or into any other company or a sale of the property of the Corporation as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise

of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Corporation for the purposes of this Subsection;

- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this Section are cumulative;
- (f) the Corporation will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a security that would, except for the provisions of this Subsection, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Corporation; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this Section, such questions will be conclusively determined by the Board its sole discretion.

### 3.9 Evidence of Options

Options granted under the Plan shall be embodied in a written option agreement between the Corporation and the Optionee which shall give effect to the provisions of the Plan. Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of such option agreements.

### 3.10 Exercise of Options

- (a) Subject to the provisions of the Plan and the particular Option, an Option may be exercised from time to time by delivering to the Corporation at its registered office a written notice of exercise specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in cash or certified cheque for the full amount of the purchase price of the Shares then being purchased.
- (b) Upon receipt of a certificate of an authorized officer directing the issue of Shares purchased in connection with the exercise of Options, the Corporation's transfer agent is authorized and directed to issue and countersign certificates representing the Optioned Shares in the name of such Optionee or the Optionee's legal personal representative or as may be directed in writing by the Optionee's legal personal representative. Any share certificate issued pursuant to the exercise of Options shall bear all applicable legends required under applicable securities laws.
- (c) Subject to the rules and policies of the TSXV, the Board may, in its discretion and at any time, determine to grant a Participant the alternative, when entitled to exercise an Option, to deal with such Option on a "net exercise" or "cashless exercise" basis, on such terms as the Board may determine in its discretion (the "**Net Exercise Right**" or the "**Cashless Exercise Right**"). Without limitation, the Board may determine in its discretion that such Net Exercise Right or Cashless Exercise Right, if any, grant a Participant the right to terminate such Option in whole or in part by notice in writing to the Corporation and in lieu of receiving Optioned Shares pursuant to the exercise of the Option, receive, without payment of any cash other than pursuant to Section 5.9:
  - (i) Pursuant to the Net Exercise Right: that number of Shares, disregarding fractions, which when multiplied by the VWAP (as that term is defined in Policy 1.1 of the TSX-V) on the day immediately prior to the exercise of the Net Exercise Right, have a total value equal to the product of that number of Shares subject to the Option multiplied by the difference

between the VWAP on the day immediately prior to the exercise of the Net Exercise Right and the Exercise Price; or

- (ii) Pursuant to the Cashless Exercise Right: a cash payment equal to the difference between the market value on the day immediately prior to the date of the exercise of the Cashless Exercise Right, and the Exercise Price, less applicable withholding taxes as determined and calculated by the Corporation, excluding fractions. This shall be a broker-assisted sale in accordance with Section 4.8(d(i)) of TSXV Policy 4.4.

### **3.11 No Rights Prior to Exercise**

An Optionee shall have no rights whatsoever as a shareholder in respect of any of the Optioned Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Optioned Shares in respect of which the Optionee shall have duly exercised the Option to purchase hereunder.

### **3.12 Options Expiring during Blackout Period**

Should the Expiry Date for an Option fall within a Blackout Period such Expiry Date shall be the second (2nd) business day after the end of the Blackout Period, such 2nd business day to be considered the expiration date for such Option for all purposes under the Option Plan.

### **3.13 No Options Grants During Blackout Period**

Notwithstanding anything to the contrary herein contained, no Option shall be granted hereunder during a Blackout Period.

### **3.14 Notice of Sale of All or Substantially All Shares or Assets**

If at any time when an Option granted under this Plan remains unexercised with respect to any Optioned Shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
- (b) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the Optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the Board has determined that no adjustment shall be made pursuant to Section 3.10 hereof, (i) the Board may permit the Optionee to exercise the Option as to all or any of the Optioned Shares in respect of which such Option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the Option), so that the Optionee may participate in such transaction, offer or proposal; and (ii) the Board may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise.

## **GENERAL**

### **4.1 Plan Amendments**

- (a) 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 the prior approval, if required, of the TSX-V or any other regulatory body having authority over the Corporation, the Plan or the shareholders; and

- (ii) In the case of an amendment or revision, if it materially adversely affects the rights of any Participant, without the consent of the Participant.
- (b) If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of the termination will continue in effect as long as any Option, or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board will remain able to make such amendments to the Plan or the Options as they would have been entitled to make if the Plan were still in effect.
- (c) Subject to any applicable rules of the TSX-V, the Board may from time to time, in its absolute discretion and without the approval of shareholders, make the following amendments to the Plan or any Option:
  - (i) Amend the vesting provisions of any certificate (subject to Section 2.5(c) and (g) and Section 4.4 hereof);
  - (ii) Amend the plan, an Option or as necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body having authority over the Corporation, the Plan or the shareholders;
  - (iii) Any amendment of a “housekeeping” nature, including, without limitation, to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan regarding administration of the Plan; and
  - (iv) Any amendment respecting the administration of the Plan.
- (d) Shareholder approval is required for the following amendments to the Plan:
  - (i) Any change that would materially modify the eligibility requirements for participation in the Plan.
- (e) Disinterested Shareholder Approval is required for the following amendments to the Plan;
  - (i) Any individual stock option grant that would result in any of the limitations set forth in Section 2.5 being exceeded;
  - (ii) Any individual grant that would result in the grant to Insiders (as a group), at any point in time or within a twelve (12) month period, of an aggregate number of Options exceeding ten percent (10%) of the issued Shares, calculated on the date an Option, as applicable, is granted to any Insider;
  - (iii) Any individual grant that would result in the number of Shares issued to any individual in any twelve (12) month period under this Plan exceeding five percent (5%) of the issued Shares of the Corporation, less the aggregate number of shares reserved for issuance or issuable under any other Share Compensation Arrangement of the Corporation;
  - (iv) Any amendment to Options held by Insiders that would have the effect of decreasing the exercise price of the Options;
  - (v) Any extension of the Expiry Date of an Option held by an Insider.

For the purposes of the limitations set forth in items (ii) (iv), and (v) Options held by an Insider at any point in time that were granted to such Participant prior to it becoming an Insider shall be

considered Options granted to an Insider irrespective of the fact that the Participant was not an Insider at the time of grant.

#### **4.2 Limits with Respect to Insiders**

The aggregate number of Shares reserved for issuance to Insiders under this Plan and all Share Compensation Arrangements of the Corporation, in the aggregate, shall not exceed 10% of the number of Outstanding Shares, and the number of Shares issued to Insiders, within any one year period, under this Plan and all Share Compensation Arrangements of the Corporation, in the aggregate, shall not exceed 10% of the Outstanding Shares (on a non-diluted basis), unless Disinterested Shareholder Approval is received.

#### **4.3 Adjustments in Shares Subject to Plan**

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation.

#### **4.4 Employment and Services**

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with the Corporation or any Affiliate, or interfere in any way with the right of the Corporation or any Affiliate to terminate the Optionee's office, employment, or provision of consulting services at any time. Participation in any of the Plan by a Participant shall be voluntary.

#### **4.5 Effective Date and Continuation of Plan**

This Plan shall come into force and be effective on December 15, 2022, subject to Shareholder Approval. All options granted under the Corporation's prior option plan shall continue in full force and effect until their expiry, but shall be deemed to be granted and governed by the terms of the Option Plan. The Plan shall, subject to the requirements of the TSX-V regarding Shareholder Approval from time to time, remain in full force and effect until such time as the Board terminates the Plan, and, in respect of the Option Plan, for so long thereafter as Options remain outstanding in favour of any Participant.

#### **4.6 Inability to Obtain Authority**

The inability of the Corporation to obtain Regulatory Approval, which Regulatory Approval is deemed by the Corporation to be necessary to the lawful issuance of any Shares hereunder, shall relieve the Corporation of any liability in respect of the failure to issue such Shares.

#### **4.7 Limitation of Liability**

No member of the Board shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Board shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made pursuant to the Plan.

#### **4.8 Costs of Plan Administration**

All costs incurred in connection with the Plan shall be for the account of the Corporation.

#### **4.9 Withholding Taxes**

For certainty and notwithstanding any other provision of the Plan, the Corporation may take such steps as it considers necessary or appropriate for the deduction or withholding of any income taxes or other amounts which the Corporation

is required by any law or regulation of any governmental authority whatsoever to deduct or withhold in connection with any Share issued pursuant to the Plan, including, without limiting the generality of the foregoing, (a) withholding of all or any portion of any amount otherwise owing to an Optionee; (b) the suspension of the issue of Shares to be issued under the Plan, until such time as the Optionee has paid to the Corporation an amount equal to any amount which the Corporation is required to deduct or withhold by law with respect to such taxes or other amounts; and/or (c) withholding and causing to be sold, by it as an agent on behalf of an Optionee, such number of Shares as it determines to be necessary to satisfy the withholding obligation. By participating in the Plan, an Optionee consents to such sale and authorizes the Corporation to effect the sale of such Shares on its behalf and to remit the appropriate amount to the applicable governmental authorities. The Corporation shall not be responsible for obtaining any particular price for the Shares nor shall the Corporation be required to issue any Shares under the Plan unless the Optionee has made suitable arrangements with the Corporation to fund any withholding obligation.

#### **4.10 Governing Law**

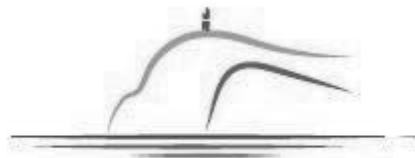
This Plan shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

#### **4.11 Termination of Plan**

The Board reserves the right in its absolute discretion to discontinue the Plan at any time with respect to all Shares in respect of Options which have not yet been granted hereunder, except that such discontinuance may not alter or impair any Option previously granted to an Optionee under the Plan.

**SCHEDULE "B"**

**AUDIT COMMITTEE CHARTER**



**BRADDA HEAD**

**AUDIT, RISK  
AND COMPLIANCE COMMITTEE**

**Terms of Reference**

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## **1. Definitions**

- 1.1 Reference to the "Committee" shall mean the Audit, Risk and Compliance Committee.
- 1.2 Reference to the "Board" shall mean the Board of Directors of Bradda Head Holdings Limited.
- 1.3 Reference to the "Company" shall mean Bradda Head Holdings Limited.

## **2. Membership**

- 2.1 Members of the Committee shall be appointed by the Board, in consultation with the Chairman of the Committee. The Committee shall be made up of at least 2 members.
- 2.2 All members of the Committee shall be non-executive directors and at least one of whom shall have recent and relevant financial experience.
- 2.3 Only members of the Committee have the right to attend Committee meetings. However other individuals may be invited by the Chairman of the Committee to attend all or part of any meeting as and when appropriate.
- 2.4 The Chairman of the Committee will invite the external auditors to attend meetings of the Committee on a regular basis.
- 2.5 Appointments to the Committee shall be for a period of up to 3 years, which may be extended by the Board for a further 3-year period (or, in exceptional circumstances, two further 3-year periods). The Board may approve annual extensions to any director who has served 3 consecutive terms.

- 2.6 The Board shall appoint a Chairman of the Committee who shall be a non-executive director. In the absence of the Chairman of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

### **3. Secretary**

- 3.1 The Chief Financial Officer of the Company, being a member of the Committee, or his or her nominee shall act as the Secretary to the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

### **4. Quorum**

- 4.1 The quorum necessary for the transaction of business shall be 2 members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. Committee members may attend by telephone.

### **5. Frequency of Meetings**

- 5.1 The Committee shall meet at least twice per year. These will be held to review the annual and interim financial statements.
- 5.2 Outside of the formal meeting programme, the Chairman of the Committee will maintain a dialogue with key individuals involved in the Company's governance.

### **6. Notice of Meetings**

- 6.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any of its members or at the request of external auditors if they consider it necessary.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than 5 working days before the date of the meeting.

## **7. Minutes of Meetings**

- 7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 The Secretary shall record any conflicts of interest divulged at the meeting.
- 7.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes will be circulated to all other members of the Board unless in the opinion of the Chairman of the Committee it would be inappropriate to do so.

## **8. Annual General Meeting**

- 8.1 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

## **9. Duties**

- 9.1 The Committee shall carry out the duties below for the Company as appropriate:
  - i. Financial Reporting:
    - a) Monitor the integrity of the financial statements of the Company, including annual and half-yearly reports, interim management statements, and any other formal announcement relating to financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee shall also review summary financial statements, significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of price sensitive nature.
  - ii. Review and challenge where necessary:
    - a) The consistency of, and any change to, accounting policies both on a year on year basis and throughout the Company's activities.
    - b) The methods used to account for significant or unusual transactions where different approaches are possible.
    - c) Whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditors.
    - d) The clarity and completeness of disclosure in the Company's financial report and the context in which statements are made.
    - e) All material information presented with the financial statements, such as the operating and financial review and the corporate governance statement.
    - f) Compliance with stock exchange and other legal requirements.

- g) Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.
- iii. Internal Controls and Risk Management Systems:
- a) Keep under review the effectiveness of the Company's internal controls and risk management systems.
  - b) Review and approve the statements to be included in the annual report concerning internal controls and risk management.
  - c) Conduct an annual review of any changes to the risk policy statements.
  - d) Review reports on any breaches of risk limits and the adequacy of the proposed action.
  - e) Review and assess the annual compliance plan.
- iv. Compliance, Whistle blowing and Fraud:
- a) Review the Company's arrangements for all stakeholders to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
  - b) Review the Company's procedures for detecting fraud.
  - c) Review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance.
  - d) Review the adequacy and effectiveness of the Company's anti-money laundering systems and controls.
- v. External Audit
- a) Consider and make recommendations to the Board, to be put to the Company for approval at the Annual General Meeting, in relation to the appointment, re-appointment and removal of the Company's external auditors.
  - b) The Committee shall oversee the selection process for new auditors and if the auditors resign the Committee shall investigate the issues leading to this and decide whether any action is required.
  - c) Oversee the relationship with the external auditors including (but not limited to):
  - d) Approval of their remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted.
  - e) Approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit.
  - f) Assess their independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the auditors as a whole, including the provision of any non-audit services.

- g) Satisfy itself that there are no relationships (such as family, employment, investment financial or business) between the auditors and the Company (other than in the ordinary course of business) which could adversely affect the auditors' independence and objectivity.
- h) Agree with the Board a policy on the employment of former employees of the Company's auditors, then monitoring the implementation of this policy.
- i) Monitor the auditors' compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements.
- j) Assess annually their qualifications, expertise and resources and the effectiveness of the audit process which shall include a report from the auditors on their own internal quality procedures.
- k) Evaluating the risks to the quality and effectiveness of the financial reporting process and consideration of the need to include the risk of the withdrawal of the Company's auditor from the market in that evaluation.
- l) Meet regularly with the external auditors, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditors at least once a year, without management being present, to discuss their remit and any issues arising from the audit.
- m) Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.
- vi. Review the findings of the audit with the external auditors (including but not limited to):
  - a) A discussion of any major issues which arose during the audit.
  - b) Any key accounting and audit judgements.
  - c) Levels of errors identified during the audit.
  - d) The effectiveness of the audit.
  - e) Any representation letters requested by the external auditor before they are signed by management.
  - f) The management letter and management's response to the auditors' findings and recommendations.
  - g) Develop and implement a policy on the supply of non-audit services by the auditors; taking into account any relevant ethical guidance on the matter.

## 10. Reporting Responsibilities

- 10.1 The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities. This report should include:
- i. The significant issues that it considered in relation to the financial statements and how these were addressed.
  - ii. Its assessment of the effectiveness of the external audit process and its recommendation on the appointment and reappointment of the external auditors.
  - iii. Any other issues on which the Board has requested the Committee's opinion.
- 10.2 The Committee shall:
- i. Make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
  - ii. Compile a report to shareholders on its activities to be included in the Company's Annual Report. The report should include an explanation of how the Committee has addressed the effectiveness of the external audit process, the significant issues that the Committee considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditors and all other information requirements set out in the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies.

- iii. In compiling the reports the Committee should exercise judgement in deciding which of the issues it considers in relation to the financial statements are significant, but should include at least those matters that have informed the Board's assessment of whether the Company is a going concern. The report to shareholders need not repeat information disclosed elsewhere in the annual report and accounts.
- iv. Make these Terms of Reference available to shareholders by placing them on the Company's website.

## **11. Other**

### 11.1 The Committee shall:

- i. Have access to sufficient resources in order to carry out its duties, including access to the CFO for assistance as required.
- ii. Be provided with appropriate and timely training both in the form of an induction programme for new members and on an ongoing basis for all members.
- iii. Give due consideration to laws and regulations and the provisions of the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies and the requirements of the UK Listing Authority's Listing Rules, as appropriate.
- iv. Oversee any investigation of activities which are within its Terms of Reference and act for internal purposes as a Committee of last resort.
- v. Work and liaise as necessary with all other Board committees.
- vi. Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## **12. Authority**

12.1 The Committee is authorised to:

- i. Seek any information it requires from any officer of the Company in order to perform its duties.
- ii. Obtain, at the Company's expense, outside legal or other professional advice on any matter within its Terms of Reference.
- iii. Subject to the constitutional documents of the Company to determine its own procedures. The frequency and timing of meetings will differ according to the needs of the Company. Meetings should be organised so that attendance is maximised (for example by timetabling them to coincide with Board meetings).
- iv. Have the right to publish in the Company's Annual Report details of any issues that cannot be resolved between the Committee and the Board.