

PROSPECT RIDGE RESOURCES CORP.

Suite 488 – 1090 West Georgia Street, Vancouver, BC V6E 3V7

INFORMATION CIRCULAR

for the Annual General Meeting of Shareholders to be held on Friday, December 13, 2024
(containing information as at November 4, 2024, unless indicated otherwise)

SOLICITATION OF PROXIES

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **Prospect Ridge Resources Corp.** (the "**Company**") for use at the annual general meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of the Company, to be held on **Friday, December 13, 2024** at the time and place and for the purposes set forth in the accompanying notice of annual general meeting and at any adjournment thereof. The enclosed instrument of proxy (the "**Proxy**") is solicited by the management of the Company. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy are directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for the Shareholder on the Shareholder's behalf at the Meeting other than the persons named in the Proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the Proxy and insert the name of the Shareholder's nominee in the blank space provided, or complete another instrument of proxy.** An instrument of proxy will not be valid unless (i) duly completed, signed and dated by the Shareholder or by the Shareholder's attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer; and (ii) deposited with the Company's registrar and transfer agent, Odyssey Trust Company (the "**Transfer Agent**") by hand or mail at United Kingdom Building, #350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, or by fax to the attention of the Proxy Department at 1.800.517.4553 (toll-free within Canada and the U.S.) or 416.263.9524 (international) or by such other means as may be specified in the Proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

A Shareholder who has given an instrument of proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, an instrument of proxy may be revoked by instrument in writing signed by the Shareholder or by the Shareholder's attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer, and deposited with the Transfer Agent, by hand or mail at United Kingdom Building, 350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, or by fax to the attention of the Proxy Department at 1.800.517.4553 (toll-free within Canada and the U.S.) or 416.263.9524 (international) or by such other means as may be specified in the Proxy, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the instrument of proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. The revocation of an instrument of proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the Proxy will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction. **In the absence of any instruction in the Proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Information Circular.** The Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the Proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority greater than one-half (1/2) of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds (2/3) of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder

approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name. Shareholders who do not hold their common shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only instruments of proxy deposited by Shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those common shares will not be registered in the Shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such common shares are registered under the name CDS & Co., the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms.

The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.** Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form ("**VIF**") provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder.

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the issuer of the securities ("**OBOs**" for "**Objecting Beneficial Owners**"), and those who do not object to the issuer of the securities knowing who they are ("**NOBOs**" for "**Non-Objecting Beneficial Owners**"). Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, issuers can obtain a list of their NOBOs from intermediaries for the distribution of proxy related materials to NOBOs. This year, the Company has decided to take advantage of those provisions of NI54-101 that permit it to directly deliver proxy related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from the Transfer Agent. These VIFs are to be completed and returned to the Transfer Agent in the envelope provided or by facsimile. In addition, the Transfer Agent provides for internet voting as described on the VIF itself which contains complete instructions. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company is not relying on the "notice-and-access" delivery procedures outlined in NI54-101 to distribute copies of the proxy related materials in connection with the Meeting. These securityholder materials are being sent to both registered and non-registered owners of the common shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send this Information Circular and accompanying Proxy to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering this Information Circular to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The Company does not intend to pay for intermediaries to forward to OBOs, under NI54-101, the proxy related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*, and in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

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

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

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

Except as otherwise disclosed herein, none of the directors or executive officers of the Company at any time since the beginning of the last financial year of the Company, the proposed nominees for election as a director of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors.

RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of the close of business on **November 4, 2024**, the record date for the Meeting (the "**Record Date**"), there were 83,292,830 common shares of the Company issued and outstanding, each carrying the right to one vote.

Only Shareholders of record as of the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered an instrument of proxy in the manner and subject to the provisions described under the heading "*Appointment and Revocation of Proxies*" above shall be entitled to vote, or have their common shares voted, at the Meeting or any adjournment thereof. On any poll, each Shareholder of record holding common shares of the Company on the Record Date is entitled to one vote for each common share registered in his or her name on the list of shareholders as of the Record Date.

To the knowledge of the directors and executive officers of the Company, based on registered shareholder information, no person(s) or companies beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company as of the Record Date.

EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"**named executive officer**" or "**NEO**" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) above but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation Excluding Compensation Securities

During the financial year ended August 31, 2023 (the "**Reporting Year**"), there were four named executive officers, namely (i) Michael Iverson, the Chief Executive Officer of the Company at the end of the Reporting Year, (ii) Jasmine Lau, the Chief Financial Officer and Corporate Secretary of the Company at the end of the Reporting Year, (iii) Stella Chen, the Chief Financial Officer and Corporate Secretary of the Company during a portion of the Reporting Year, and (iv) Yan Ducharme, the President of the Company at the end of the Reporting Year. During the Reporting Year, there were six non-NEO directors of the Company, namely Nicholas Luksha, Jacques Brunelle, Toby Lim, Allan Alper, Bradley Scharfe, and Michael Michaud.

The following table sets forth, with respect to each NEO and non-NEO director of the Company for all or any part of the Reporting Year, all compensation (other than compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiaries to such NEOs and directors of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to such NEOs or directors for services provided and to be provided, directly or indirectly, to the Company or its subsidiaries in the Reporting Year and the prior financial year. Options and compensation securities are disclosed under the heading "Stock Options and Other Compensation Securities" of this Form. All amounts shown were paid in Canadian currency, the reporting currency of the Company.

| Table of Compensation Excluding Compensation Securities | | | | | | | |
|---|--------------|--|-------------------|---------------------------------------|----------------------------------|---|--------------------------------|
| Name and Position at end of Reporting Year | Year | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of all Other Compensation (\$) | Total Compensation (\$) |
| Michael Iverson ⁽¹⁾ CEO & Director | 2023 2022 | 200,000 ⁽²⁾ 200,000 ⁽²⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 200,000 200,000 |
| Jasmine Lau ⁽³⁾ CFO & Corporate Secretary | 2023 2022 | 40,000 ⁽⁴⁾ n/a | Nil n/a | Nil n/a | Nil n/a | Nil n/a | 40,000 n/a |
| Stella Chen ⁽⁵⁾ Former CFO & Former Corporate Secretary | 2023 2022 | 20,000 ⁽⁶⁾ 31,620 ⁽⁶⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 20,000 31,620 |
| Nicholas Luksha ⁽⁷⁾ Former President, Former Executive Vice-President and Former Director | 2023 2022 | 25,000 ⁽⁸⁾ 112,500 ⁽⁸⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 25,000 112,500 |
| Jacques Brunelle Director | 2023 2022 | 12,000 ⁽⁹⁾ 12,000 ⁽⁹⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 12,000 12,000 |
| Toby Lim ⁽¹⁰⁾ Director | 2023 2022 | 12,000 ⁽⁹⁾ 6,000 ⁽⁹⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 12,000 6,000 |
| Allan Alper ⁽¹¹⁾ Former Director | 2023 2022 | 4,000 ⁽⁹⁾ 4,000 ⁽⁹⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 4,000 4,000 |
| Bradley Scharfe ⁽¹²⁾ Director | 2023 2022 | 12,000 ⁽⁹⁾ 4,000 ⁽⁹⁾ | Nil Nil | Nil Nil | Nil Nil | Nil Nil | 12,000 4,000 |
| Yan Ducharme ⁽¹³⁾ President and a Director | 2023 2022 | 200,000 ⁽¹⁴⁾ n/a | Nil n/a | Nil n/a | Nil n/a | Nil n/a | 210,000 n/a |

| Table of Compensation Excluding Compensation Securities | | | | | | | |
|--|--------------|--|-------------------|---------------------------------------|----------------------------------|---|--------------------------------|
| Name and Position at end of Reporting Year | Year | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of all Other Compensation (\$) | Total Compensation (\$) |
| Michael Michaud ⁽¹⁵⁾ Director | 2023 2022 | Nil n/a | Nil n/a | Nil n/a | Nil n/a | Nil n/a | Nil n/a |

Notes:

- (1) *Mr. Iverson has served as the CEO and a director of the Company since August 26, 2021.*
- (2) *Paid to Triple K Ventures Ltd., a company controlled by Mr. Iverson, for management services provided to the Company.*
- (3) *Ms. Lau has served as the CFO and Corporate Secretary of the Company since January 2023.*
- (4) *Consulting fees paid to Red Fern Consulting Ltd., which retained Ms. Lau to provide services to the Company as the Chief Financial Officer and Corporate Secretary of the Company.*
- (5) *Ms. Chen served as the CFO and Corporate Secretary of the Company from November 2021 to January 2023.*
- (6) *Consulting fees paid to Red Fern Consulting Ltd., which retained Ms. Chen to provide services to the Company as the Chief Financial Officer and Corporate Secretary of the Company.*
- (7) *Mr. Luksha served as a director of the Company from September 15, 2020 to March 27, 2023. He also served as the President of the Company from October 7, 2021 to June 2022 and as the Executive Vice-President of the Company from June 2022 to March 27, 2023.*
- (8) *Paid to Island Runner Endeavor Inc., a company owned and controlled by Nicholas Luksha, which retained Nicholas Luksha to provide services to the Company as a director of the Company and as requested by the Company from time to time.*
- (9) *Director fees.*
- (10) *Mr. Lim has served as a director of the Company since February 24, 2022.*
- (11) *Mr. Alper served as a director of the Company from April 14, 2022 to January 11, 2023*
- (12) *Mr. Scharfe has served as a director of the Company since April 14, 2022.*
- (13) *Mr. Ducharme has served as the President of the Company since June 2022 and as a director of the Company since March 16, 2023.*
- (14) *Paid to Morane Solutions Inc., a company owned and controlled by Yan Ducharme, for exploration related and geological consulting fees.*
- (15) *Mr. Michaud has served as a director of the Company since March 16, 2023.*

External Management Companies

As at the end of the Reporting Year, the following individuals acting as NEOs were not employees of the Company: Michael Iverson, Jasmine Lau, Stella Chen and Yan Ducharme. None provided their services directly to the Company as independent contractors, but all of whom provided their services indirectly through external management companies.

During the Reporting Year, the following external management companies employ or retain one or more individuals who are NEOs or non-NEO directors of the Company and the Company has entered into an understanding, arrangement or agreement with the external management company to provide executive management services to the Company, directly or indirectly:

- Triple K Ventures Ltd., which provides management services to the Company which are to be provided by Michael Iverson including his holding the office and fulfilling the duties of CEO. No compensation was paid by the Company directly to Mr. Iverson. To the Company's knowledge, the majority of the fees paid by the Company to Triple K was paid by Triple K (less its overhead and expenses) to Mr. Iverson as compensation attributable to the services he provided to the Company.
- Morane Solutions Inc., which provides management and geological services to the Company which are to be provided by Yan Ducharme including his holding the office and fulfilling the duties of President and

qualified person under the 43-101 National Instrument. No compensation was paid by the Company directly to Mr. Ducharme. To the Company's knowledge, the majority of the fees paid by the Company to Morane Solutions was paid by Morane Solutions (less its overhead and expenses) to Mr. Ducharme as compensation attributable to the services he provided to the Company.

- Red Fern Consulting Ltd., which provides accounting and financial services to the Company, and which retained Stella Chen and then Jasmine Lau to provide services to the Company including their holding the office and fulfilling the duties of CFO. No compensation was paid by the Company directly to Ms. Chen or to Ms. Lau. To the Company's knowledge, a significant portion of the fees paid by the Company to Red Fern was paid by Red Fern (less its overhead and expenses) to Ms. Chen and Ms. Lau, respectively, as compensation attributable to the services provided to the Company.
- Island Runner Endeavor Inc., which provided management and corporate advisory services to the Company which were provided by Nick Luksha including his holding the office and fulfilling the duties of President. No compensation was paid by the Company directly to Mr. Luksha. To the Company's knowledge, the majority of the fees paid by the Company to Island Runner was paid by Island Runner (less its overhead and expenses) to Mr. Luksha as compensation attributable to the services he provided to the Company.

See also "Employment, Management and Consulting Agreements", below.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued by the Company to each NEO and non-NEO director of the Company in the Reporting Year for services provided or to be provided, directly or indirectly, to the Company:

| Compensation Securities | | | | | | | |
|--|--------------------------------------|---|--|---|---|--|--------------------|
| Name and Position at end of Reporting Year ⁽¹⁾⁽⁵⁾ | Type of compensation security | Number of compensation securities, number of underlying securities and percentage of class ⁽²⁾⁽³⁾ | Date of issue or grant ⁽⁴⁾ | 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 |
| Michael Iverson CEO & Director | Stock Options | 500,000 (0.96%) | March 1, 2023 | \$ 0.20 | \$ 0.15 | \$ 0.16 | March 1, 2028 |
| Jasmine Lau CFO & Corporate Secretary | Stock Options | Nil | n/a | n/a | n/a | n/a | n/a |
| Stella Chen Former CFO & Former Corporate Secretary | Stock Options | Nil | n/a | n/a | n/a | n/a | n/a |
| Nicholas Luksha Former President, Former Executive Vice-President and Former Director | Stock Options | 100,000 (0.19%) | March 1, 2023 | \$ 0.20 | \$ 0.15 | \$ 0.16 | March 1, 2028 |
| Jacques Brunelle Director | Stock Options | 300,000 (0.58%) | March 1, 2023 | \$ 0.20 | \$ 0.15 | \$ 0.16 | March 1, 2028 |
| Toby Lim Director | Stock Options | 300,000 (0.58%) | March 3, 2023 | \$ 0.20 | \$ 0.14 | \$ 0.16 | March 3, 2028 |
| Allen Alper Former Director | Stock Options | Nil | n/a | n/a | n/a | n/a | n/a |

| Compensation Securities | | | | | | | |
|--|-------------------------------|--|---------------------------------------|--|--|---|---------------|
| Name and Position at end of Reporting Year ⁽¹⁾⁽⁵⁾ | Type of compensation security | Number of compensation securities, number of underlying securities and percentage of class ⁽²⁾⁽³⁾ | Date of issue or grant ⁽⁴⁾ | 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 |
| Bradley Scharfe Director | Stock Options | 300,000 (0.58%) | March 1, 2023 | \$ 0.20 | \$ 0.15 | \$ 0.16 | March 1, 2028 |
| Yan Ducharme President and a Director | Stock Options | 500,000 (0.96%) | March 1, 2023 | \$ 0.20 | \$ 0.15 | \$ 0.16 | March 1, 2028 |
| Michael Michaud Director | Stock Options | 300,000 (0.58%) | March 3, 2023 | \$ 0.20 | \$ 0.14 | \$ 0.16 | March 3, 2028 |

Notes:

- (1) See notes in preceding table entitled "Table of Compensation Excluding Compensation Securities".
- (2) Each option entitles the holder to acquire one common share of the Company.
- (3) Percentage of class based on the number of underlying securities in relation to the number of common shares issued and outstanding on the last day of the Reporting Year, being 52,027,048 common shares issued and outstanding as at August 31, 2023.
- (4) Options vest as to 100% on the date of grant.
- (5) On the last day of the Reporting Year, the total amount of compensation securities held (and the number and type of underlying securities) by each NEO and non-NEO director of the Company is as follows:
 - Michael Iverson: 500,000 stock options (500,000 common shares)
 - Jasmine Lau: none
 - Stella Chen: none
 - Nicholas Luksha: 100,000 stock options (100,000 common shares), which options were subsequently cancelled after the last day of the Reporting Year
 - Jacques Brunelle: 300,000 stock options (300,000 common shares)
 - Toby Lim: 300,000 stock options (300,000 common shares)
 - Allen Alper: none
 - Bradley Scharfe: 300,000 stock options (300,000 common shares)
 - Yan Ducharme: 500,000 stock options (500,000 common shares)
 - Michael Michaud: 300,000 stock options (300,000 common shares)
- (7) During the Reporting Year, no compensation securities were re-priced, replaced, had its term extended, or otherwise been materially modified.

Disposition of Compensation Securities by NEOs and Directors

During the Reporting Year, an aggregate of 650,000 stock options held by the NEOs and the non-NEO directors of the Company were cancelled or expired and no stock options were exercised by the NEOs and the non-NEO directors. As at the end of the Reporting Year, the NEOs and non-NEO directors held an aggregate of 2,300,000 stock options (each exercisable to acquire one common share).

Stock Option Plans and Other Incentive Plans

Incentive stock options are granted under and governed by the Company's stock option plan (the "**Plan**") approved by the Company's directors on March 29, 2021. The purpose of the Plan is to offer to the Company's directors,

officers, employees, consultants and other service providers (and those of its affiliates) the opportunity to acquire a proprietary interest in the Company, thereby providing an incentive to such persons to promote the best interests of the Company, and to provide the Company with the ability to attract qualified persons as directors, officers and employees. The Plan is administered by the Company's directors. The material terms of the Plan are as follows:

1. The aggregate maximum number of options which may be granted under the Plan at any one time is 10% of the number of Common Shares outstanding at the time of grant.
2. If an option expires or terminates for any reason without having been exercised in full, the un-purchased Common Shares subject thereto shall again be available for the purposes of the Plan.
3. The board of directors shall not grant options to any one person in a 12 month period which will, when exercised, exceed 5% of the issued and outstanding Common Shares (calculated at the date such options are granted); or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding Common Shares, calculated at the date such options are granted.
4. The board of directors may impose vesting periods on any options granted.
5. Options granted to persons who perform investor relations services shall vest in stages over not less than 12 months and no more than one-quarter (1/4) of such options may be vested in any three month period.
6. The exercise price of any options granted under the Plan will be determined by the board of directors, in its sole discretion, but shall not be less than the greater of: (i) the closing price of the Common Shares on the trading day preceding the day on which the directors grant such options; and (ii) the closing price of the Common Shares on the date of grant of such options.
7. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years, with the exception of any options extended due to a Blackout Period (as defined in the Plan).
8. If the option holder ceases to be a service provider of the Company (other than by reason of death, disability or termination for just cause), then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a service provider of the Company, subject to the terms and conditions set out in the Plan. If the option holder's position as a director, officer, employee or consultant is terminated for just cause, then the option granted shall expire on the date of termination for just cause.
9. Options will be subject to adjustment in the event of any consolidation, subdivision, conversion or exchange of the Common Shares.
10. All options will be non-assignable and non-transferable (except upon the death of an option holder, in which case any outstanding options may be exercised by the option holder's successors).
11. Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the option holder is an insider; (ii) any grant of options to insiders or any increase in the number of Common Shares reserved for issuance pursuant to options previously granted, within a 12 month period, exceeding 10% of the issued Common Shares at the time of the grant of the options; (iii) any grant of options to any one individual, within a 12 month period, exceeding 5% of the issued Common Shares; and (iv) any individual option event that would result in the limitations set out in items (ii) or (iii) being exceeded.

As of the date hereof, the Company does not have any incentive plans other than the Stock Option Plan.

Employment, Consulting and Management Agreements

The material terms of each agreement or arrangement under which compensation was provided during the Reporting Year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a NEO or director, or performed by any other party but are services typically provided by a NEO or director, is as follows:

- The Company has an unwritten consulting arrangement with Triple K Ventures Ltd. for the provision of CEO services, for which Triple K retained Michael Iverson to act as CEO of the Company. The agreement provides for consideration of \$16,667 per month.

- The Company has an unwritten consulting arrangement with Morane Solutions Inc. for the provision of President and geological services, for which Morane Solutions retained Yan Ducharme to act as President and qualified person under the 43-101 National Instrument of the Company. The agreement provides for consideration of \$16,667 per month.
- The Company has an unwritten consulting arrangement with Red Fern Consulting Ltd. for the provision of CFO and accounting services, for which Red Fern Consulting Ltd. retained Stella Chen and then Jasmine Lau to act as CFO and Corporate Secretary of the Company. The arrangement provides for consideration of \$2,500 per month, and has no specified term or termination provisions.
- The Company had a written consulting agreement with Nick Luksha dated June 1, 2021, for acting as a director and for the provision of corporate development services. The agreement was assumed by Island Runner Endeavor Inc. which retained Nick Luksha to provide the services. The agreement provided for consideration of \$1,000 per month (subsequently amended to \$8,333 and again to \$12,500 per month in consideration of additional executive management services for which Island Runner retained Nick Luksha to act as President of the Company), had a term ending on June 30, 2022, renewable on an annual basis by mutual consent, and may be terminated by the Company immediately upon the occurrence of certain events and on 30 days written notice. In the event of termination, the consultant is entitled to all amounts accrued and unpaid up to the date of termination. The agreement was subsequently terminated in March 2023.
- The Company has a written consulting agreement with Jacques Brunelle dated June 1, 2021, for acting as a director and for the provision of corporate development services. The agreement provides for consideration of \$1,000 per month, has a term ending on June 30, 2022, renewable on an annual basis by mutual consent, and may be terminated by the Company immediately upon the occurrence of certain events and on 30 days written notice. In the event of termination, the consultant is entitled to all amounts accrued and unpaid up to the date of termination.
- The Company has a written employment agreement with Toby Lim dated March 1, 2022 for Toby Lim acting as a director and for the provision of corporate development services in consideration of \$1,000 per month. The agreement has a term commencing on March 1, 2022 and continuing on a month to month basis thereafter, may be terminated by the Company at any time by providing all of the minimum entitlements required by the British Columbia *Employment Standards Act*, and may be terminated by Mr. Lim upon providing a minimum of two weeks written notice to the CEO.
- The Company had a written independent contractor agreement with Allen Alper dated May 1, 2022 for acting as a director and for the provision of corporate development services. The agreement provided for consideration of \$1,000 per month, had a term commencing on May 1, 2022 and continuing on a month to month basis thereafter, may be terminated by either party for any reason whatsoever upon two weeks notice in writing to the other, and may be terminated by the Company without notice upon occurrence of any material breach of the agreement. The agreement was subsequently terminated in January 2023.
- The Company has a written independent contractor agreement with Scharfe Holdings Inc. dated May 1, 2022 for Bradley Scharfe acting as a director and for the provision of corporate development services. The agreement provides for consideration of \$1,000 per month, has a term commencing on May 1, 2022 and continuing on a month to month basis thereafter, may be terminated by either party for any reason whatsoever upon two weeks notice in writing to the other, and may be terminated by the Company without notice upon occurrence of any material breach of the agreement.

None of the above agreements, except as noted therein, has any material provisions with respect to a change in control of the Company, severance, termination or constructive dismissal.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

The Company has no standard arrangement pursuant to which the directors were compensated by the Company for their services in their capacity as directors or for committee participation, involvement in special assignments or for services as consultants or experts during the Reporting Year, although directors may be compensated on an ad hoc basis, subject to the approval of the other board members, for certain services provided to the Company. Directors

may however receive stock options for their role as directors or committee members with the Company, in such amounts and upon such terms as may be approved by the Board from time to time. The number of stock options granted will depend upon the performance of each director. Previous grants of stock options also provide a basic guideline in determining new stock option grants.

Compensation of Named Executive Officers

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

The Board as a whole determines NEO compensation as needed from time to time based on the Company's activity, financial resources and other circumstances. Executive compensation levels are established, on a largely subjective basis, with a view to attracting and retaining personnel critical to the Company's short and long term success, and to provide incentives and reward for performance.

NEO compensation is typically comprised of a base salary, stock options, and as circumstances permit, pre-set or discretionary bonuses. Base salary seeks to provide a competitive and fair level of base compensation. Stock option awards seek to incentive executives and align the executives' interests with increases in shareholder value and short and long term corporate growth and success. Bonuses seek to incentivize executives to satisfy particular corporate goals or objectives, to improve financial performance and to achieve other milestones or are awarded on a discretionary basis as a result of exemplary performance. No bonuses were set or otherwise awarded during the Reporting Year.

Risks Associated with Compensation Practises

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Hedging by Executive Officers or Directors

The Company does not have a policy that would prohibit a NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. Management, however, is not aware of any NEO or director purchasing or holding such an instrument.

Pension Plan Benefits and Deferred Compensation Plans

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out particulars of the compensation plans under which equity securities of the Company are authorized for issuance as of the last day of the Reporting Year, being August 31, 2023.

| EQUITY COMPENSATION PLAN INFORMATION | | | |
|---|--|--|--|
| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ | Weighted average exercise price of outstanding options, warrants and rights ⁽¹⁾ | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A) ⁽¹⁾ |
| Equity compensation plans approved by securityholders | 3,000,000 | \$ 0.20 | 2,202,704 |
| Equity compensation plans not approved by securityholders | Nil | Nil | Nil |

| EQUITY COMPENSATION PLAN INFORMATION | | | |
|---|--|--|--|
| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ | Weighted average exercise price of outstanding options, warrants and rights⁽¹⁾ | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A)⁽¹⁾ |
| TOTALS: | 3,000,000 | | 2,202,704 |

Note:

(1) Represents the 10% Rolling Option Plan of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, since September 1, 2022, being the commencement of the Reporting Year, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, and which was not entirely repaid on or before the date of this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "**Informed Person**" means (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed elsewhere in this Information Circular or in the Notes to the Company's financial statements, none of:

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

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

NI52-110 AUDIT COMMITTEE DISCLOSURE

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

NI58-101 CORPORATE GOVERNANCE DISCLOSURE

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

PRESENTATION OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal year ended August 31, 2023, together with the Auditor's Report thereon, and the Company's Management Discussion and Analysis for said period (collectively, the "**Financial Reporting Documents**") will be presented to Shareholders at the Meeting. Copies of the Financial Reporting Documents are available on the SEDAR+ website at www.sedarplus.ca under the Company's profile.

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

FIXING NUMBER AND ELECTION OF DIRECTORS

The Company is proposing to fix the number of directors for the ensuing year at seven (7). **The independent Directors RECOMMEND**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of, fixing the number of directors at three.

The following table sets out certain information as at the Record Date for management's nominees for election as a director, which, other than date(s) serving as a director, has been provided by the nominees themselves. Management does not contemplate that any of its nominees will be unable to serve as a director. **The independent Directors RECOMMEND**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of, the election of management's nominees herein listed.

| Name, Province or State and Country of Residence, and Position with the Company | Period(s) Serving as a Director⁽¹⁾ | Present Principal Occupation, Business or Employment of each Director; Principal Occupations, Businesses or Employments Within the Five Preceding Years of each Proposed Director that is not a Current Director | No. of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly |
|--|--|---|---|
| Michael Iverson BC, Canada CEO and a Director | Since August 26, 2021 | President of Triple K Ventures Ltd., a private investment and consulting company; director and executive officer of numerous public companies since January 1998. | 1,774,143 ⁽³⁾ |
| Jacques Brunelle ⁽²⁾ Quebec, Canada Director | Since September 15, 2020 | President, Chief Executive Officer and a director of Knick Exploration Inc. since December 2008. | Nil |
| Toby Lim ⁽²⁾ BC, Canada Director | Since February 24, 2022 | Lawyer practicing in the area of corporate and securities law since 1998. | Nil |
| Bradley Scharfe BC, Canada Director | Since April 14, 2022 | Founder and Partner of Scharfe Group of Companies. | 1,145,741 ⁽⁴⁾ |
| Yan Ducharme Quebec, Canada President and a Director | Since March 16, 2023 | M. Sc., Professional Geoscientist; President of the Company since June 2022. | 815,000 |
| Michael Michaud ⁽²⁾ Ontario, Canada Director | Since March 16, 2023 | B. Sc.; M. Sc.; Professional Geoscientist; Vice President, Exploration at Wesdome Gold Mines Ltd., a Canadian focused gold producer whose shares trade on the Toronto Stock Exchange (the "TSX") and on the OTCQX. | 88,500 |

| Name, Province or State and Country of Residence, and Position with the Company | Period(s) Serving as a Director ⁽¹⁾ | Present Principal Occupation, Business or Employment of each Director; Principal Occupations, Businesses or Employments Within the Five Preceding Years of each Proposed Director that is not a Current Director | No. of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly |
|---|--|--|--|
| Simon Ridgway BC, Canada Nominee | Since December 14, 2023 | CEO and a director of Rackla Metals Inc., a Vancouver, Canada based mineral exploration company whose shares are listed on the TSX Venture Exchange (the "TSXV"), since September 2011; CEO, President and a director of Volcanic Gold Mines Inc., a Vancouver, Canada based company principally engaged in the acquisition and exploration of gold and silver properties and whose shares are listed on the TSXV, since August 2017; Director and Chairman of the Board of Radius Gold Inc., a Vancouver, Canada based company engaged in the acquisition and exploration of mineral properties and investment in companies which hold mineral property interests and whose shares are listed on the TSXV, since July 2004. | 442,500 |

Notes:

- (1) *Each director of the Company is elected annually and holds office until the next annual general meeting and his or her successor is duly elected, or until his or her earlier resignation as a director.*
- (2) *Audit committee members.*
- (3) *Of these, 1,218,429 common shares are held indirectly through Triple K Ventures Ltd., a company controlled by Mr. Iverson. The remaining 555,714 common shares includes common shares held in joint tenancy with right of survivorship.*
- (4) *Of these, 430,000 common shares are held by Bradley Scharfe personally and the remaining 715,741 common shares are held by Scharfe Holdings Inc., a company 100% owned and controlled by Mr. Scharfe.*

Orders, Penalties and Sanctions

Except as disclosed below, none of the proposed nominees for director have been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) while that person was acting in that capacity, was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (c) 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
- (d) has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000, the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Mr. Toby Lim was a director of Wasco Capital Inc. ("Wasco"), an unlisted reporting issuer with no active operations searching for a new business, when, on October 7, 2013, the Ontario Securities Commission issued a temporary cease trade order against Wasco for failure to file audited financial statements and accompanying management's discussion and analysis ("MD&A") for the fiscal year ended May 31, 2013. At the time, Wasco was faced with an acute working capital shortage and, as a consequence, was unable to complete its audit for said fiscal year. On October 18, 2013, the cease trade order was subsequently extended and is still in effect. As at the date hereof, Mr.

Lim remains a director of Wasco, and Wasco remains without active operations, has been unable to raise capital and complete the outstanding audit, and the cease trade order remains in force.

Mr. Jacques Brunelle was a director of Knick Exploration Inc. ("Knick") when cease-trade orders on its securities were issued in 2015 and 2016 by the Autorité des marchés financiers against the directors of Knick, on the basis that Knick had not filed in due time its annual financial statements and related documents for the years ended December 31, 2014 and 2015. Knick thereafter complied with its obligations and such orders were revoked. Mr. Brunelle was still a director of Knick on May 7, 2019 when the Autorité des marchés financiers subsequently issued a cease-trade order prohibiting the trading of Knick's securities due to its failure to file in due time its annual financial statements and related documents for the year ended December 31, 2018, which cease-trade order is still in effect.

Mr. Scharfe was a director of HIRE Technologies Inc. ("HIRE") when the Ontario Securities Commission issued a cease trade order on May 5, 2023 against HIRE for failure to file audited financial statements and accompanying MD&A and certification thereof for the year ended December 31, 2022, which cease-trade order is still in effect.

Mr. Michaud was formerly an officer of San Gold Corporation ("San Gold") from September 2012 to June 2015. On December 22, 2014, San Gold filed a Notice of Intention to Make a Proposal under the Bankruptcy and Insolvency Act (Canada) (the "BIA"). On December 23, 2014, trading of the common shares and subordinated unsecured convertible debentures of San Gold was suspended by the Investment Industry Regulatory Organization of Canada and the TSX. On June 22, 2015, San Gold sold substantially all of its assets and did not have the ability to make a proposal to its creditors. Accordingly, San Gold became bankrupt upon the expiration of its stay period under its proposal proceedings under the BIA. Following the bankruptcy, the common shares of San Gold were delisted from the TSXV.

Mr. Ridgway was a director of Fortuna Silver Mines Inc. ("Fortuna") when a management cease trade order was issued by the British Columbia Securities Commission (the "BCSC") on April 3, 2017 against the CEO and CFO of Fortuna in connection with Fortuna's failure to timely file financial statements, related management discussion and analysis and an annual information form for its financial year ended December 31, 2016. The delay in the filing of these documents was due to pending resolution of a regulatory review of certain of Fortuna's filings by the United States Securities and Exchange Commission. On May 25, 2017, the BCSC revoked the management cease trade order after Fortuna filed the required records.

APPOINTMENT AND REMUNERATION OF AUDITOR

Shareholders will be asked to re-approve the appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the auditors of the Company to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board of Directors. **The Board of Directors RECOMMENDS**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of such appointment and authority.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

A. RE-APPROVAL OF STOCK OPTION PLAN

The Company currently has a stock option plan (previously defined as the "Option Plan") which reserves a number of common shares for issue pursuant to options equal to 10% of the issued and outstanding common shares. For a summary of the key provisions of the Option Plan, please see "Stock Option Plans and Other Incentive Plans", above.

At the Meeting, Shareholders will be asked to approve an ordinary resolution approving the Option Plan and ratifying all acts taken and other matters in connection therewith. **The Board of Directors RECOMMENDS**, and in the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of, the approval of the Option Plan.

B. OTHER MATTERS

As of the date of this Information Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Financial information relating to the Company is provided in the Company's comparative financial statements and MD&A for the financial year ended August 31, 2023. Shareholders may contact the Company to request copies of financial statements and MD&A at its Vancouver office, Suite 488 – 1090 West Georgia Street, Vancouver, BC.

APPROVAL OF THE DIRECTORS

The directors of the Company have approved the content and the sending of this Information Circular.

DATED at Vancouver, British Columbia, this 4th day of November, 2024.

PROSPECT RIDGE RESOURCES CORP.

"Michael Iverson"

Michael Iverson
Chief Executive Officer and a Director

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

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Prospect Ridge Resources Corp. (the "**Company**") will assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company's financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company's independent external auditor (the "**Auditor**"); and
4. The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee will be comprised of three members, a majority of whom will be independent.

B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee will not be officers or employees of the Company or of an affiliate of the Company.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

C. Appointment and Removal

The members of the Committee will be appointed annually by the Board at the Board's first meeting following the annual general meeting. Each member will serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board selects a Chair, the members of the Committee will designate a Chair by the majority vote of all of the members of the Committee. The Chair will call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval will be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee will meet at least four times in each fiscal year, or more frequently as circumstances dictate. The Auditor will be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair will call a meeting of the Committee to consider any

matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum will consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions will be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee will also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee will be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee will have all the authority of, but will remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee will:

Independence of Auditor

- 1) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard 1.
- 2) Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
- 3) Require the Auditor to report directly to the Committee.
- 4) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

- 5) Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
- 6) Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.

- 7) Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
- (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
 - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (c) are promptly brought to the attention of the Committee by management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Internal Financial Controls & Operations of the Company

- 8) Establish procedures for:
- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

- 9) Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
- 10) Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
- 11) Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
- 12) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- 13) Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
- (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor or management.
 - (b) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

- 14) Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A), annual information form, and management information circular before the Board approves and the Company publicly discloses this information.
- 15) Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

- 16) Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

- 17) Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- 18) Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- 19) Meet, to the extent it deems necessary or appropriate, with management and the Auditor in separate executive sessions at least quarterly.
- 20) Have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other consultants to advise the Committee advisors.
- 21) Make regular reports to the Board.
- 22) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- 23) Annually review the Committee's own performance.
- 24) Provide an open avenue of communication among the Auditor and the Board.
- 25) Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE

The current members of the Committee are Jacques Brunelle, Michael Michaud and Toby Lim. Under National Instrument 52-110 (the "Instrument") of the Canadian Securities Administrators, members are considered "independent" if free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgment. The Instrument also considers a member "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All of the members of the Committee are considered independent and financially literate.

ITEM 3: RELEVANT EDUCATION AND EXPERIENCE

All of the current members of the Committee have extensive experience in financial matters, and each has a broad understanding of accounting principles used by the Company to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of its internal controls and procedures for financial reporting. In addition to each member's general business experience, the education and experience of each Committee member relevant to the performance of his responsibilities as a Committee member is as follows:

Toby Lim holds a Bachelor of Commerce Degree with honors from the University of British Columbia, and a Bachelor of Laws Degree from Osgoode Hall Law School. He has been a lawyer practicing corporate and securities law since 1998, and during that time has served as a director or officer of several public companies, including serving on the audit committee of Niogold Mining Corp.

ITEM 4: AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS

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

ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES

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

ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

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

| | FYE 2022 | FYE 2023 |
|--------------------------|---------------------|---------------------|
| Audit fees | \$ 27,500 | \$ 27,500 |
| Audit related fees | \$ 336 | Nil |
| Tax fees | Nil | Nil |
| All other fees (non-tax) | Nil | Nil |
| Total Fees: | \$ 27,836 | \$ 27,500 |

ITEM 8: EXEMPTION

In respect of the financial year ended August 31, 2023, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to the independence requirements of the audit committee and the reporting obligations.

SCHEDULE "B"

FORM 58-101F2 CORPORATE GOVERNANCE DISCLOSURE

ITEM 1. BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of **Prospect Ridge Resources Corp.** (the "**Company**") is comprised of Michael Iverson, Jacques Brunelle, Toby Lim, Bradley Scharfe, Yan Ducharme, Michael Michaud and Simon Ridgway. The Board facilitates the exercise of independent supervision over the Company's management through frequent meetings of the Board and communication with senior management.

A director is considered "independent" if free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Jacques Brunelle, Toby Lim, Bradley Scharfe, Michael Michaud and Simon Ridgway are considered independent. Mr. Michael Iverson is not considered independent as he is currently acting in the capacity of CEO. Mr. Yan Ducharme is not considered independent as he is currently acting in the capacity of President.

ITEM 2. DIRECTORSHIPS

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

| Name of Director | Name of Reporting Issuer | Primary Exchange/Market |
|------------------|--|--|
| Michael Iverson | NanoSphere Health Sciences Inc. Pathfinder Ventures Inc. Volcanic Gold Mines Inc. | Canadian Securities Exchange TSX Venture Exchange TSX Venture Exchange |
| Jacques Brunelle | Knick Exploration Inc. | unlisted |
| Toby Lim | NanoSphere Health Sciences Inc. Wasco Capital Corp. | Canadian Securities Exchange unlisted |
| Bradley Scharfe | Fibre-Crown Manufacturing Inc. Kenadyr Metals Corp. Must Capital Inc. Uniserve Communications Corporation | NEX board of the TSX Venture Exchange TSX Venture Exchange NEX board of the TSX Venture Exchange TSX Venture Exchange |
| Yan Ducharme | None | |
| Michael Michaud | Red Pine Exploration Inc. | TSX Venture Exchange |
| Simon Ridgway | Radius Gold Inc. Rackla Metals Inc. Volcanic Gold Mines Inc. | TSX Venture Exchange TSX Venture Exchange TSX Venture Exchange |

ITEM 3. ORIENTATION AND CONTINUING EDUCATION

The Board does not currently have a formal program or procedures for the orientation of new board members or the continuing education of Board members. Inquiries are handled by the Board on a case by case basis with outside consultation, if required. The Company makes continuing education available to the Board as the need or the opportunity arises, and encourages open discussion at all meetings to foster communication and encourage critical thinking, understanding and learning.

ITEM 4. ETHICAL BUSINESS CONDUCT

The Board has not adopted a written code of ethics for its directors, officers, employees and consultants. Board members, however, are expected to maintain the highest standards of integrity and to lead by example.

The Board has concluded that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, are sufficient to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders.

ITEM 5. NOMINATION OF DIRECTORS

The Board as a whole is responsible for identifying, as needed, new candidates for the Board and recommending director nominees for the next annual meeting of the shareholders.

ITEM 6. COMPENSATION

The Company does not have a compensation committee. The Board as a whole is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to directors, officers, employees and consultants of the Company. The Board is also responsible for reviewing recommendations for compensation of the Chief Executive Officer and other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the board of directors will consider: (i) recruiting and retaining officers critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. In making its decisions, the Board relies upon the general experience of the directors, but as needed may retain and otherwise consult with outside consultants to provide independent reports on compensation paid by comparable companies.

ITEM 7. OTHER BOARD COMMITTEES

The Board of Directors has no other committees other than the Audit Committee.

ITEM 8. ASSESSMENTS

The Board of Directors as a whole assesses its performance, committee performance and the contribution of individual members on an ongoing and as needed basis. The Board monitors and discusses from time to time the adequacy of information given to directors, the effectiveness of communications between Board members and with management, and the processes of the Board and its committees. Directors are encouraged to discuss any perceived issues or weaknesses that they feel impair the effective operation of the Board.