TARANIS RESOURCES INC.

MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MONDAY, DECEMBER 7, 2026

This information is given as of October 26, 2026

I. SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of **TARANIS RESOURCES INC.** (the "Company") for use at the Annual General and Special Meeting (the "Meeting") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the 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.

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

II. PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company has advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

III. APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors and officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy.**

The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario M5H 4A6, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a

duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

IV. VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of 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 such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgment of the nominee.

V. ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

Only registered holders of common shares of the Company or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, common shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to NOBOs

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, "Communication with Beneficial Owners of Securities of a Reporting Issuer" ("**NI-54-101**"), the Company will have caused its agent to distribute copies of the Notice of Meeting and this Circular (collectively, the "**meeting materials**") as well as a Voting Instruction Form directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner ("**Non-Objecting Beneficial Owner**" or "**NOBO").**

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the 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.

By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for Voting Instruction Form enclosed with mailings to NOBOs.

The meeting materials distributed by the Company's agent to NOBOs include a Voting Instruction Form. Please carefully review the instructions on the Voting Instruction Form for completion and deposit.

Distribution to OBOs

In addition, the Company will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Shareholders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner ("**Objecting Beneficial Owner**" or "**OBO**").

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge Proxy Services to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

(a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with **Computershare Investor Services Inc.** in the manner set out above in this circular, with respect to the common shares beneficially owned by such OBO; **OR**

(b) more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code or other information. In order for the form of proxy to validly constitute a proxy authorization form, the OBO must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or proxy authorization form is to be delivered.

VI. VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

A. Voting Securities

On **October 26, 2026** there were **105,620,693** common shares of the Company issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he is the holder.

B. Record Date

Only shareholders of record at the close of business on **October 26, 2026** who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies", will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

C. Principal Holders

To the knowledge of the directors and executive officers of the Company, the only persons who beneficially own, directly or indirectly, or who exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company are as follows:

Name of Shareholder	Number of Shares Held	Percentage of Issued and Outstanding Shares
James W. Stuckert (Estate of)	14,904,098[(1)]	14.11%

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who has been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VIII. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, “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 subsidiary of the Company;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of the

(1) These shares are held by either the James W. Stuckert Revocable Trust, the Diane V. Stuckert Credit Shelter Trust or the Carolyn M. Stuckert TOD over each of which James W. Stuckert (deceased) had control or direction.

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

The Company was a party to the following material transactions with informed persons during the financial year ended **December 31, 2025**:

(a) the Company paid or accrued $131,762 for services including geological, engineering and claim staking costs, equipment rental and administrative services to John J. Gardiner & Associates, LLC (which is a private company owned 50% by John J. Gardiner, the President, the Chief Executive Officer and a director of the Company and 50% by his wife, Lyda Gardiner), each of 681 Conifer Lane, Estes Park, Colorado, 80517 (John J. Gardiner & Associates, LLC operates in British Columbia under Firm Permit Number 1002256);

(b) the Company paid or accrued accounting fees of $15,800 to director Gary R. McDonald, of Suite 1710 – 1177 West Hastings Street, Vancouver, B.C. V6E 2L3;

(c) the Company paid or accrued professional fees of $26,600 and share issue costs of $8,900 to Tupper Jonsson & Yeadon, of Suite 1710 – 1177 West Hastings Street, Vancouver, B.C. V6E 2L3 (a law firm in which a personal law corporation controlled by Company Secretary and director Glenn R. Yeadon is associated in the practice of law);

(d) the Company recognized $452,000 in stock-based compensation for incentive stock options granted to officers and directors;

(e) included in accounts payable and accrued liabilities is $510,111 due to directors and companies controlled by directors of the Company.

Other than as disclosed elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

IX. STATEMENT OF EXECUTIVE COMPENSATION

A. General Provisions

For the purposes of this Information Circular:

"CEO" of the Company means an 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" of the Company means an 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;

"closing market price" means the price at which the Company's security was last sold, on the applicable date:

(a) in the security's principal marketplace in Canada; or

(b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“equity incentive plan” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment;*

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"grant date" means a date determined for financial statement reporting purposes under IFRS 2 *Share-based Payment*;

“incentive plan” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“incentive plan award” means compensation awarded, earned, paid or payable under an incentive plan;

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

(a) a CEO;

(b) a CFO;

(c) each of the Company's three most highly compensated executive officers, including any of its 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 whose total compensation was, individually, more than $150,000 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 or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“non-equity incentive plan” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“option-based award” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“plan” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“replacement grant” means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

"repricing" means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

"share-based award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

B. Compensation Discussion and Analysis

COMPENSATION PROGRAM OBJECTIVES

The Company's compensation policies and programs are designed to be competitive with similar junior resource exploration companies and to recognize and reward executive performance consistent with the success of the Company. These policies and programs are intended to attract and retain capable and experienced people. The role and philosophy of the Company's Board of Directors (the "Board") is to ensure that the Company's goals and objectives, as applied to the actual compensation paid to the Company's President and Chief Executive Officer and other executive officers, are aligned with the Company's overall business objectives and with shareholders interests.

In addition to informal industry comparables from publicly available information, the Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and its shareholders, overall financial and operating performance of the Company, and the Board's assessment of each executive's individual performance and contribution toward meeting corporate objectives. Performance is also recognized through the Company's incentive option plan.

ROLE OF EXECUTIVE OFFICERS IN DETERMINING COMPENSATION

The Board reviews and recommends compensation policies and programs, as well as salary and benefit levels for the Company's executives. The Board also makes the final determination regarding the Company's compensation programs and practise.

ELEMENTS OF THE COMPENSATION PROGRAM FOR FISCAL YEAR 2025

The total compensation plan for the NEOs is comprised of two components: base salary or consulting fees and stock options. There is no policy or target regarding cash and non-cash elements of the Company's compensation program. The Board annually reviews the total compensation of the Company's executives against the backdrop of the compensation goals and objectives described above and make recommendations to the Board concerning the individual components of the executives' compensation.

BASE SALARY

As a junior exploration resource company with no ongoing cash flow or revenues from production, the Company establishes salaries to its executive officers at a minimal level, in keeping with the Company's available resources.

STOCK OPTIONS

The Company has a Stock Option Plan (the "Plan") in place for the granting of stock options to the directors, officers, employees and consultants of the Company. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating such persons and to closely align the personal

interest of such persons to that of the Company's shareholders, having regard to the fact that the Company has no ongoing cash flow or revenue from production and, as a result, there are limited funds available for the payment of salaries or consulting fees. The allocation of options under the Plan is determined by the Board which, in determining such allocations, considers such factors as previous grants to individuals, overall Company performance, share price, the role and performance of the individual in question, the amount of time directed to the Company's affairs and time expended in serving on the Company's committees.

RISK CONSIDERATIONS

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

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

The other element of compensation, salary, represents the remaining portion of an executive's total compensation. While salary is not "long term" or "at risk", as noted above, these components of compensation represent a relatively small part of total compensation, and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to the executive from the standpoint of the executive's short term compensation when his or her long term compensation might be put at risk from such actions.

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

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

C. Summary Compensation Table

John J. Gardiner, the Company's President and CEO and Gary R. McDonald, the Company's CFO, are the NEOs of the Company for the purposes of the following disclosure. The compensation for the NEOs, directly or indirectly, for the Company's three most recently-completed financial years is as follows:

Name and Principal Position	Year	Salary ($)	Share based awards ($)	Option-based awards ($)[2]	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
John J. Gardiner President, CEO and Director	December 31, 2025	Nil	Nil	90,400	Nil	Nil	Nil	131,762	222,162
	December 31, 2024	Nil	Nil	Nil	Nil	Nil	Nil	164,780	164,780
	December 31, 2023	Nil	Nil	66,800	Nil	Nil	Nil	134,983	201,783
Gary R. McDonald CFO and Director	December 31, 2025	Nil	Nil	90,400	Nil	Nil	Nil	15,600	106,000
	December 31, 2024	Nil	Nil	Nil	Nil	Nil	Nil	15,000	15,000
	December 31, 2023	Nil	Nil	Nil	Nil	Nil	Nil	14,000	80,800

D. Incentive Plan Awards

As disclosed under "B. Compensation Discussion and Analysis" of this Item IX ("Statement of Executive Compensation"), the Company has in place a Stock Option Plan (the "Plan") for the purpose of attracting and motivating Directors, Officers, Employees and Consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Plan to purchase shares of the Company. See "C. Renewal of Incentive Stock Option Plan" under "XV. Particulars of Matters to be Acted Upon" below for details of the Plan. (A copy of the Plan will also be available for review at the Meeting.)

Options are granted from time to time under the Plan as determined by the Board of Directors, including options granted to executive officers. Previous grants of options under the Plan are taken into account when the granting of new options is being considered.

The Company does not have any share-based awards in place.

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(2) The weighted average fair value of the incentive stock options granted during the financial year ended December 31, 2025 was $0.226 per option. There were no incentive stock options granted during the financial year ended December 31, 2024. The weighted average fair value of the incentive stock options granted during the financial year ended December 31, 2023 was $0.1336 per option. The Company calculated the compensation cost by using the Black-Scholes option pricing model as follows: for options granted in 2025 by assuming a risk-free interest rate of 3.13%, a dividend yield of nil, the expected annual volatility of the Company's share price of 124.97% and an expected life of the options of five years; and for options granted in 2023 by assuming a risk free interest rate of 0.25%, a dividend yield of nil, the expected annual volatility of the Company's share price of 160.5% and an expected life of the options of five years. There was no cash compensation actually paid to any of the NEOs disclosed in the above table in connection with the granting of the incentive stock options in respect of which these "Option-based awards" were calculated.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

The following table discloses the particulars of all awards for each NEO outstanding at the end of the Company's financial year ended **December 31, 2025**, including awards granted before this most recently completed financial year:

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($) [3]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
John J. Gardiner	200,000	0.10	September 13, 2026	24,000	N/A	N/A	N/A
	500,000	0.17	February 17, 2028	25,000	N/A	N/A	N/A
	400,000	0.26	July 15, 2030	Nil	N/A	N/A	N/A
Gary R. McDonald	200,000	0.10	September 13, 2026	24,000	N/A	N/A	N/A
	500,000	0.17	February 17, 2028	25,000	N/A	N/A	N/A
	400,000	0.26	July 15, 2030	Nil	N/A	N/A	N/A

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended **December 31, 2025**:

Name	**Option-based awards – Value vested during the year ($)[4]**	**Share-based awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)**
John J. Gardiner	Nil	N/A	N/A
Gary R. McDonald	Nil	N/A	N/A

(3) "In-the-Money Options" means the excess of the market value of the Company's shares on December 31, 2025 over the exercise price of the options. The last price of the Company's shares on the TSX Venture Exchange on December 31, 2025 (being the last day of the Company's shares traded on the TSX Venture Exchange in 2025) was $0.22.

(4) "Value vested during the year" means the aggregate dollar value that would have been realized if the options under the option-based sward had been exercised on the vesting date. This amount is calculated by determining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

OPTION REPRICINGS

There were no repricings of Stock Options under the Stock Option Plan or otherwise during the Company's completed financial year ended **December 31, 2025**.

E. Pension Plan Benefits

The Company has no defined benefit plans that provide for payments or benefits to any NEO at, following or in connection with retirement.

The Company also does not have any defined contribution or deferred compensation plans relating to any NEO.

F. Termination and Change of Control Benefits

Other than as disclosed herein, the Company does not have any pension or retirement plan which is applicable to the NEOs. The Company has not provided compensation, monetary or otherwise, during the most recently completed financial year, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company. The Company is not party to any compensation plan or arrangement with an NEO resulting from the resignation, retirement or termination of employment of any such person.

There are no compensatory plans or arrangements between the Company and an NEO with respect to the resignation, retirement or other termination of employment of the NEO, a change of control of the Company or a change in the NEO's responsibilities following a change of control of the Company involving an amount, including all periodic payments or instalments, exceeding $50,000.

G. Director Compensation

The Company has no pension plan or other arrangement for non-cash compensation for its directors who are not NEOs, except incentive stock options.

The following table discloses all amounts of compensation provided by the Company to its directors who are not NEOs for the financial year ended **December 31, 2025**:

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)[5]	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Glenn R. Yeadon	35,500	N/A	90,400	N/A	N/A	Nil	125,900
Richard D. McCloskey	Nil	N/A	90,400	N/A	N/A	Nil	90,400
Thomas Gardiner	Nil	N/A	90,400	N/A	N/A	Nil	90,400

Other than as set forth in the foregoing, no director of the Company who is not an NEO has received, during the most recently completed financial year, compensation pursuant to:

(a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;

(b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or

(c) any arrangement for the compensation of directors for services as consultants or experts.

X. SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company's compensation plans under which equity securities of the Company were authorized for issuance at the end of the Company's financial year ended **December 31, 2025**.

Plan Category	Number of securities to be issued upon exercise of outstanding incentive stock options	Weighted-average exercise price of outstanding incentive stock options	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	5,650,000	$0.19	4,592,148
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
3,650,000	**5,650,000**	**$0.19**	**4,592,148**

XI. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No

[5] The weighted average fair value of the incentive stock options granted during the financial year ended December 31, 2025 was $0.226 per option. The Company calculated the compensation cost by using the Black-Scholes option pricing model as follows: by assuming a risk-free interest rate of 3.13%, a dividend yield of nil, the expected annual volatility of the Company's share price of 124.97% and an expected life of the options of five years. There was no cash compensation actually paid to any of the directors disclosed in the above table in connection with the granting of the incentive stock options in respect of which these "Option-based award" were calculated.

guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

XII. MANAGEMENT CONTRACTS

By agreement between the Company and John J. Gardiner & Associates, LLC ("Gardiner", a private company owned 50% by John J. Gardiner, the President, Chief Executive Officer and a director of the Company and 50% by his wife Lyda Gardiner), the Company engages Gardiner to provide geological services to the Company, with the compensation to consist of US $375 per day per geologist supplied by Gardiner for work assignments in Canada and US $325 per day while working on office assignments.

During the Company's most recently completed financial year ended **December 31, 2025**, there were no management functions of the Company which were to any substantial degree performed by a person other than a Director or senior Officer of the Company.

XIII. CORPORATE GOVERNANCE

Pursuant to National Policy 58-101 – Disclosure of Corporate Governance Practices ("**NP 58-101**") the Company is required to and hereby discloses its corporate governance practices as follows:

1. Board of Directors

The Board of Directors of the Company facilitates its exercising of independent supervision over the Company's management through frequent meetings of the Board, both with and without members of the Company's management (including members of management that are also directors) being in attendance.

Richard D. McCloskey is an "independent" director in that he is independent and free from any interest, and any business or other relationship which could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholdings.

John J. Gardiner, Glenn R. Yeadon, Gary R. McDonald and Thomas Gardiner are members of management and/or provide services to the Company for which they are compensated, and are therefore not independent.

The mandate of the Board, as prescribed by the *Business Corporations Act (British Columbia)*, is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

2. Directorships

Certain of the directors of the Company (or nominees for director) are presently a director in one or more other reporting issuers, as follows:

Directors	Other Issuers
Glenn R. Yeadon	Strategic Metals Ltd. and Rockhaven Resources Ltd.

3. Orientation and Continuing Education

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director. The Company provides continuing education for its directors as such need arises and encourages open discussion at all meetings which format encourages learning by the directors.

4. Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance objectives and goals.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

5. Nomination of Directors

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President of the Company. The Board monitors but does not formally assess the performance of individual Board members or committee members on their contributions.

6. Compensation

The Company does not have a Compensation Committee per se. Compensation matters are dealt with by the full Board.

7. Other Board Committees

Other than the Audit Committee, the Company does not have any other Board committees.

8. Assessments

The Board will annually review its own performance and effectiveness as well as review annually the Audit Committee Charter and recommend revisions to the Board as necessary. Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Company feels its corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

XIV. AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

A. Audit Committee Charter

The Company's audit committee is governed by an audit committee charter, the text of which is attached as Schedule "A" to this Information Circular.

B. Composition of the Audit Committee

The Company's audit committee consists of three directors, Richard D. McCloskey, Gary R. McDonald and Glenn R. Yeadon. As defined in NI 52-110, Glenn R. Yeadon and Gary R. McDonald are not "independent" and Richard D. McCloskey is "independent".

A member of the audit committee is "independent" if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's board of directors, reasonably interfere with the exercise of the member's independent judgment.

C. Relevant Education and Experience

NI 52-110 provides that a member of the audit committee is considered to be "financially literate" if he 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 complexities of the issues that can reasonably be expected to be raised by the Company.

All of the members of the Company's audit committee are considered to be "financially literate", as that term is defined in NI 52-110.

Richard D. McCloskey is a professional engineer and mining executive, also holds a Masters of Business Administration degree and has been engaged as a director or officer at a senior level by a number of public and private companies in the natural resource industry for in excess of 50 years. He was a director of each of McChip Resources Inc. and Matachewan Consolidated Mines, Limited from 1975 to August 2026.

Gary R. McDonald is a retired chartered accountant. From 1970 to 1983, he was employed by Coopers & Lybrand, Chartered Accountants, specializing in resource and mining audits and consulting work through exploration, development and commercial production stages for various clients. From 1983 to 1987, he was the Chief Financial Officer for Blackdome Mining Corporation, and its Corporate Secretary from 1985 to 1987. Since 1987, he has been the Office Administrator for Tupper Jonsson & Yeadon, Barristers & Solicitors, of Vancouver, British Columbia.

Glenn R. Yeadon is a barrister and solicitor in British Columbia, practicing mainly in the field of securities law. He has been associated in the practice of law with Tupper Jonsson & Yeadon and predecessor firms since 1980. He obtained a Bachelor of Commerce degree from the University of British Columbia in 1975, and a Bachelor of Laws degree from the University of British Columbia in 1976. He has been a director and an officer of a number of reporting issuers for many years.

The board of directors believes that the audit committee members have the relevant education and experience to comply with NI 52-110.

Since the commencement of the Company's most recently completed financial year, the Company's Board of Directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

D. External Auditor Service Fees

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 during 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 or 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.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fee[6]	Audit Related Fees[7]	Tax Fees[8]	All Other Fees[9]
December 31, 2025	$36,700	Nil	$9,800	Nil
December 31, 2024	$30,366	Nil	$29,700	Nil

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

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

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

(9) "All Other Fees" include all other non-audit services.

E. Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

XV. PARTICULARS OF MATTERS TO BE ACTED UPON

A. Election of Directors

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at **five (5)**.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation	Director Since	Number of Shares Beneficially Owned or Controlled
JOHN J. GARDINER Colorado, United States of America President, Chief Executive Officer and Director	Geologist and President of John J. Gardiner & Associates, LLC, Consulting Exploration Geologists; President and CEO of Taranis Resources Inc. since 2001	November 27, 2001	6,565,598
GLENN R. YEADON(10) British Columbia, Canada Secretary and Director	Barrister and Solicitor; associated in the practice of law (through a professional law corporation) with Tupper Jonsson & Yeadon, Barristers & Solicitors	November 27, 2001	2,693,514
RICHARD D. McCLOSKEY(10) Ontario, Canada Director	Retired Professional engineer and mining executive; President, Chief Executive Officer and a Director of each of McChip Resources Inc. and Matachewan Consolidated Mines, Limited from 1975 to August 2026	December 16, 2002	3,648,702

(10) Denotes member of the Audit Committee.

GARY R. McDONALD[(10)] British Columbia, Canada Chief Financial Officer and Director	Retired Chartered Accountant; Office Administrator for Tupper Jonsson & Yeadon, Barristers & Solicitors, since 1987	December 16, 2002	598,810
THOMAS GARDINER Colorado, United States of America Director	Business Administrator, ESG Program Director, Corporate Communications, Field Work and Exploration Supervisor for Taranis Resources Inc. since 2006	March 30, 2021	4,610,142

The terms of office of those nominees who are presently Directors will expire as of the date of the Meeting. All of the Directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company.

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(b) 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 that 30 consecutive days; or

(c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by management of the Company.

B. Appointment of Auditors

Management proposes that **Davidson & Company LLP**, Chartered Professional Accountants, of Vancouver, B.C. be reappointed as Auditors of the Company for the ensuing year at a remuneration to be negotiated between the Auditors and the Directors.

Directors' Recommendation

Management has determined that the reappointment of Davidson & Company LLP as Auditors of the Company for the ensuing year at a remuneration to be negotiated between the Auditor and the Directors is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution in respect of same.

Shareholder Approval

As disclosed above, the reappointment of Auditors at a remuneration to be negotiated between the Auditors and the Directors is subject to the Company receiving shareholder approval therefor.

The form of resolution to be placed before shareholders at the Meeting is as follows:

"Be it Resolved that, as an Ordinary Resolution, with or without amendment:

1. the reappointment of Davidson & Company LLP as Auditors of the Company for the ensuing year, at a remuneration to be negotiated between the Auditors and the Directors, is hereby approved, ratified and confirmed.

2. The board of directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing."

The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the reappointment of Auditors at a remuneration to be negotiated between the Auditors and the Directors, unless a shareholder has specified in its proxy that its common shares are to be withheld in respect of such resolution. If no choice is specified by the shareholder to vote for or to withhold in respect of the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution.

C. Renewal of Incentive Stock Option Plan

At the Meeting, shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution approving the renewal of the Company's Stock Option Plan (the "Plan"), as approved by shareholders at the Company's 2024 Annual General and Special Meeting held on November 3, 2025. The terms of the Plan have been revised to specifically address the current Policies of the Exchange applicable to Stock Option Plans. The purpose of the Plan will be to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants to the Company and to closely align the personal interests of such directors, officers, employees and consultants with the interests of the Company and its shareholders. Options granted under the Plan will be non-assignable and may be granted for a term not exceeding that permitted by the Exchange (currently ten years). A summary of the material aspects of the Plan is as follows:

1. the adoption and implementation of the Plan is subject to shareholder approval and acceptance by the TSX Venture Exchange;
2. the Plan will be administered by the Company's Board of Directors or, if the Board so designates, a Committee of the Board appointed in accordance with the Plan to administer the Plan;
3. the maximum number of shares in respect of which options may be outstanding under the Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company at that time, less the number of shares, if any, subject to existing options;
4. following termination of an optionee's employment, directorship, consulting agreement or other qualified position, the optionee's option shall terminate upon the expiry of such period of time following termination, not to exceed 90 days (30 days if the optionee is engaged in providing investor relations services), as has been determined by the directors;
5. an option granted under the Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option which would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
6. as long as required by Exchange policy, no one individual may receive options on more than 5% of the issued and outstanding shares of the Company (the "Outstanding Shares") in any 12 month period, no one consultant may receive options on more than 2% of the Outstanding Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period;
7. options may not be granted at prices that are less than the Discounted Market Price as defined in Exchange policy which, subject to certain exceptions, generally means the most recent closing price of the Company's shares on the Exchange, less a discount of from 15% to 25%, depending on the trading value of the Company's shares;
8. for any option which would otherwise expire during the period during which the Optionee was prohibited from trading in the Company's securities (a "Blackout Period"), the term of such option shall be extended such that the option shall expire at the close of business on the tenth business day subsequent to the date the Blackout Period has been terminated;
9. any amendment of the terms of an option shall be subject to any required regulatory and shareholder approvals; and
10. in the event of a reorganization of the Company or the amalgamation, merger or consolidation of the shares of the Company, the Board of Directors shall make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

A copy of the Plan will be available for review at the Meeting.

Directors' Recommendation

The Board has determined that the renewal of the Plan is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution approving the renewal of the Plan.

Shareholder Approval

As disclosed above, the renewal of the Plan is subject to the Company receiving shareholder approval therefor.

The form of resolution to be placed before shareholders at the Meeting is as follows:

"Be it Resolved that, as an Ordinary Resolution, with or without amendment:

1. The renewal by the Company of the Stock Option Plan (the "Plan") as described in the management information circular dated October 26, 2026, prepared in connection with this annual general and special meeting of shareholders, is hereby approved, ratified and confirmed, with or without amendment.

2. The form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without acquiring further approval of the shareholders of the Company.

3. The board of directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing."

The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the renewal of the Plan, unless a shareholder has specified in its proxy that its common shares are to be voted against the resolution. If no choice is specified by the shareholder to vote for or against the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution. (In the event the resolution to approve the renewal of the Plan is approved, the continuation of the Plan will be subject to the Company receiving shareholder approval for the renewal thereof at subsequent Annual General Meetings.)

XVI. OTHER MATTERS TO BE ACTED UPON

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

XVII. ADDITIONAL INFORMATION

Additional information concerning the Company is available on SEDAR at www.sedarplus.ca. Financial information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended **December 31, 2025**.

Shareholders wishing to obtain a copy of the Company's financial statements and Management's Discussion and Analysis may obtain them free of charge on SEDAR at www.sedarplus.ca, or may contact the Company as follows:

TARANIS RESOURCES INC.
681 Conifer Lane
Estes Park, Colorado, USA 80517
Cell: (720) 209-3049
E-Mail: johnjgardiner@earthlink.net

XVIII. BOARD APPROVAL

The content and sending of this Information Circular has been approved by the Company's Board of Directors. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED the **26th** day of **October, 2026.**

ON BEHALF OF THE BOARD

"John J. Gardiner"

JOHN J. GARDINER
President and Chief Executive Officer

SCHEDULE "A"

TARANIS RESOURCES INC.

(the "Company")

AUDIT COMMITTEE CHARTER

PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of the Company is to provide an open avenue of communication between management, the Company's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- the Company's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company's independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Company's articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. A majority of the members of the Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with generally accepted accounting principles ("GAAP"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Company's financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with GAAP.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
    - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
    - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.