

# TGX ENERGY & RESOURCES INC.

Suite 1600 – 409 Granville Street  
Vancouver, British Columbia  
V6C 1T2

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual General Meeting of the Shareholders of **TGX ENERGY & RESOURCES INC.** (hereinafter called the “**Corporation**”) will be held at the offices of Endeavor Trust Corporation at Suite 702 – 777 Hornby Street, Vancouver, British Columbia, on Friday, March 13, 2026 at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive and consider the report of the directors and the audited financial statements of the Corporation together with the auditors’ report thereon for the financial year ended December 31, 2024.
2. To elect directors for the ensuing year.
3. To appoint the auditors for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors.
4. To consider and, if thought advisable, to approve the Corporation’s 10% rolling stock option plan (“**Stock Option Plan**”) particulars of which are as set out in the accompanying Information Circular under “Particulars of Matters to be Acted Upon”.
5. To transact such other business as may properly come before the meeting or any adjournment thereof.

Accompanying this Notice is the Company’s Information Circular, a form of Proxy and a Financial Statement Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

**The Company intends to hold the Meeting in person. A Shareholder who is unable to attend the Meeting in person and who wishes to ensure that such Shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions and deposit deadlines set out in the form of proxy and in the Circular. The Company encourages Shareholders to vote their shares in advance of the Meeting via mail, facsimile or online. No management presentation will be made at the Meeting.**

In the event it is not possible or advisable to hold the Meeting in person or a decision is made to change the date, time or location of the Meeting, the Company will announce, by press release, alternative arrangements for the Meeting as promptly as practicable. The press release will be available under the Company’s profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). If you are planning to attend the Meeting, please check our press releases on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) before attending the Meeting.

### ***Registered Shareholders***

Every registered holder of Common Shares of the Company at the close of business on **January 12, 2026**, is entitled to receive notice of, and to vote such Common Shares at the Meeting.

Registered shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, sign and deliver the enclosed form of proxy to the Proxy Dept., Endeavor Trust Corporation (“**Endeavor**”), 702 - 777 Hornby Street, Vancouver, BC V6Z 1S4. In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the aforesaid address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. Further instructions with respect to voting by proxy are provided in the form of proxy and in the Information Circular accompanying this Notice.

### **Non-Registered Shareholders**

Shareholders may beneficially own Common Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (“**Non-Registered Shareholders**”). Without specific instructions, intermediaries are prohibited from voting shares for their clients. **If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by Endeavor, your broker, intermediary or its agent is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.**

### ***Notice-and-Access***

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of proxy-related materials to its registered and beneficial shareholders.

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (including management information circulars), financial statements of the Company and related management discussion and analysis (“**MD&A**”) via the System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) and one other website, rather than mailing paper copies of such materials to shareholders. Electronic copies of the Notice of Annual General Meeting, the Circular, the audited financial statements of the Company for the financial year ended December 31, 2024, together with the report of the auditors thereon, and the related MD&A may be found on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and the Company’s website at [tgxres.ca](http://tgxres.ca)

Shareholders may request a paper copy of the Circular and the above noted documents be sent to them by contacting the Company as set out under the heading *Notice-and-Access* in the accompanying Circular.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain shareholders with the notice package.

**Please see the section entitled *Notice-and-Access* in the accompanying Circular.**

**SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.**

DATED at Vancouver, British Columbia, this 12<sup>th</sup> day of January, 2026.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF TGX ENERGY & RESOURCES INC.**

\_\_\_\_\_  
“*M. Bilal Bhamji*”

M. Bilal Bhamji  
Chief Executive Officer

**TGX ENERGY & RESOURCES INC.**  
**Suite 1600 – 409 Granville Street**  
**Vancouver, British Columbia**  
**V6C 1T2**

**MANAGEMENT INFORMATION CIRCULAR**

(As at January 12, 2026, except as indicated)

This information circular is furnished in connection with the solicitation of proxies by the management of **TGX ENERGY & RESOURCES INC.** (the “Corporation”) for use at the annual general meeting (the “**Meeting**”) of the Corporation to be held on March 13, 2026, and at any adjournments thereof. The solicitation will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by officers and employees of the Corporation. The costs of solicitation will be borne by the Corporation.

This Information Circular is furnished in connection with the solicitation of proxies by the management of TGX Energy & Resources Inc. (the “Corporation”) for use at the Annual General Meeting (the “**Meeting**”) of the shareholders of the Company, to be held on **Friday, March 13, 2026** at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

Except as noted below, the Company has distributed or made available for distribution, copies of the Notice, the Information Circular and form of proxy or voting instruction form (“VIF”) (if applicable) (collectively, the “Meeting Materials”) to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “Intermediaries”) for distribution to Beneficial Shareholders (as defined below) whose common shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. . The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials. However, Management of the Company does not intend to pay for intermediaries to forward to objecting beneficial owners (“OBOs”) under NI 54-101 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. The Company is not relying on the notice-and-access provisions of securities laws for delivery of the Meeting Materials to registered shareholders or Beneficial Shareholders.

**APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the enclosed form of 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 such shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company’s transfer agent and registrar, Endeavor Trust Corporation, Proxy Department, by fax at 604-559-8908, or by mail, or by hand delivery at 702 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy must be executed by the registered shareholder or his, her or its attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the shareholder or by such shareholder’s attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:

- i. at the registered office, Suite 600-1090 West Georgia Street, Vancouver, BC V6E 3V7, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof; or
  - ii. with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (b) in any other manner permitted by law.

### EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the common shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. The common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted on, the common shares will be voted accordingly. **In the absence of such direction, where the management nominees are appointed as proxyholder, such common shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Information Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

### NOTICE-AND-ACCESS

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for distribution of proxy-related materials to Registered and Beneficial Shareholders.

Under the Notice-and-Access Provisions, instead of receiving printed copies of the Circular, Registered and Beneficial Shareholders will receive the Notice of Annual General Meeting with information on the Meeting date, location and purpose, as well as information on how they may access the Circular electronically and how they may vote. Electronic copies of the Notice of Annual General Meeting, the Circular, the audited financial statements of the Company for the financial year ended December 31, 2024, together with the report of the auditors thereon, and the related MD&A may be found on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [txres.ca](http://txres.ca)

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain Shareholders (defined below) with the notice package.

#### **Obtaining Paper Copies of Materials**

The Company anticipates that using the Notice-and-Access Provisions for delivery will directly benefit the Company through a substantial reduction in postage and material costs, and will also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about the Notice-and-Access Provisions can call Endeavor at +1-604-559-8880.

Shareholders may obtain paper copies of the Circular, the audited financial statements of the Company for the financial year ended December 31, 2024, together with the report of the auditors thereon, and the related MD&A free of charge by emailing Company at [info@txres.ca](mailto:info@txres.ca).

Requests for paper copies of the Circular, the audited financial statements of the Company for the financial year ended December 31, 2024, together with the report of the auditors thereon, and the related MD&A which are required **in advance of the Meeting**, should be sent so that the request is received by the Company or Endeavor, as applicable, at least ten (10) days before the Meeting in order to allow sufficient time for Shareholders to receive the paper copies and to return their form of proxy or voting instruction forms to Intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournments or postponements thereof.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Corporation is authorized to issue an unlimited number of Common Shares, of which 11,192,450 Common Shares were issued and outstanding as at January 12, 2026. The holders of Common Shares are entitled to one vote for each Share held. The record date for the determination of shareholders entitled to receive notice of, and to vote at, the Meeting has been fixed as January 12, 2026. Holders of Common Shares of record at the close of business on January 12, 2026 will be entitled to receive notice of and vote at the meeting and will be entitled to one vote for each Share held. The Corporation has only one class of Common Shares.

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, controls or directs, directly or indirectly or exercised control or direction over, shares carrying 10% or more of the voting rights attached to the Corporation's issued and outstanding Common Shares.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

The Corporation is a venture issuer and is disclosing the compensation of its director and named executive officers in accordance with Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*.

#### **DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION, EXCLUDING COMPENSATION SECURITIES**

The following table provides information regarding compensation paid, payable, awarded to, or earned by the Corporation's Chief Executive Officer and Chief Financial Officer (together, the "**Named Executive Officers**") and any director who is not a Named Executive Officer for the financial years ended December 31, 2024 and 2023. There were no other executive officers of the Corporation who individually earned more than \$150,000 in total compensation.

**Table of Compensation Excluding Compensation Securities**

Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees(1) (\$)	Value of perquisites(2) (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Bilal Bhami <sup>(3)</sup> CEO & Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jacqueline Tucker <sup>(4)</sup> Chief Financial Officer	2024	120,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	120,000 <sup>(5)</sup>
	2023	120,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	120,000 <sup>(5)</sup>
Jordan C. Calvert <sup>(6)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
George Mendez Anderson <sup>(7)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Volodymyr Bonderenko <sup>(8)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Andre Gauthier <sup>(9)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Ralf Hillebrand <sup>(10)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Arif Merali <sup>(11)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Owen King <sup>(12)</sup> Former CEO and Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

1. Represents all fees awarded, earned, paid or payable in cash for services as a director and member of a Board committee.
2. The value of perquisites, if any, was less than the lesser of \$15,000 or 10% of the total annual salary or fee.
3. Mr. Bhamji was appointed CEO of the Corporation on July 2, 2024 and elected as a Director on May 3, 2024
4. Ms. Tucker has been the Chief Financial Officer of the Corporation since 2017.
5. Consulting fees have been recorded but remain unpaid that are payable to J.M. Tucker Professional Corporation, a company controlled by Ms. Tucker.
6. Mr. Jordan C. Calvert was first elected as a Director of the Corporation on May 3, 2024.
7. Mr. George Mendez Anderson was first elected as a Director of the Corporation on May 3, 2024.
8. Mr. Volodymyr was appointed Director of the Corporation on May 3, 2024.
9. Mr. Gauthier was elected Director of the Corporation on July 2, 2024.
10. Mr. Hillebrand's term as a director terminated on May 3, 2024.
11. Mr. Merali's term as a director terminated on May 3, 2024.
12. Mr. King was appointed CEO and Director of the Corporation on December 2, 2021. Mr. King resigned as CEO and Director on June 29, 2024.

**STOCK OPTIONS AND OTHER COMPENSATION SECURITIES**

The following table discloses all compensation securities granted or issued to Named Executive Officers or directors during the most recently completed financial years ended December 31, 2024 and 2023 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Bilal Bhamji <i>CEO and Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Jacqueline Tucker <i>Chief Financial Officer</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Jordan C. Calvert <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
George Mendez Anderson <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Volodymyr Bondarenko <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Andre Gauthier <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

\* During the most recently completed financial year, none of the Corporation’s compensation securities have been re-priced, cancelled and replaced, have had their terms extended or otherwise been materially modified. None of the Corporation’s compensation securities are subject to vesting, nor are they subject to any other restrictions or conditions for converting, exercising or exchanging the compensation securities (other than payment of the exercise price).

**Approval of New Equity Incentive Plan**

Material terms of the Corporation’s 10% Rolling Stock Option Plan is set out under “Particulars of Matters to be Acted Upon – Approval of the Corporation’s 10% Rolling Stock Option Plan”.

**EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS**

**Chief Financial Officer**

Ms. Jacqueline Tucker was appointed Chief Financial Officer of the Corporation on November 2, 2016. Ms. Tucker provides management and consulting services to the Corporation through J.M. Tucker Professional Corporation (“**J.M. Tucker**”), a company controlled by Ms. Tucker. There is no written contract between the Corporation and J.M. Tucker. Fees of \$120,000 were accrued during the years ended December 31, 2024 and December 31, 2023, for Ms. Tucker acting as the Corporation’s Chief Financial Officer.

**Estimated Incremental Payments on Change of Control and Termination Without Cause**

If a severance payment triggering event had occurred on December 31, 2024, the severance payments that would be payable to each of the Named Executive Officers would have been approximately as follows:

Name	Termination by the Corporation for any reason other than for cause and unrelated to a Corporate Transaction or Change of Control and Triggering Event	Termination resulting from a Corporate Transaction or Change of Control and Triggering Event

M. Bilal Bhamji	Not Applicable	Not Applicable
Jacqueline Tucker	Not Applicable	Not Applicable

### **Oversight and Description of Director and Named Executive Officer Compensation**

The Compensation Committee was responsible for making recommendations to the Board for compensation levels and considering the implications of the risks associated with the Corporation's compensation policies and practices. When determining compensation policies and individual compensation levels for the Named Executive Officers, the Compensation Committee took into consideration a variety of factors. These factors include the overall financial and operating performance of the Corporation and the Board's overall assessment of each executive's individual performance and his contribution towards meeting corporate objectives, levels of responsibility, length of service and industry comparables.

**Salary:** The salary for each Named Executive Officer is primarily determined having regard to his or her position, responsibilities, the assessment of such individual's performance and overall corporate performance as presented by management to the Board and the Compensation Committee. The base salaries of Named Executive Officers are reviewed annually and adjusted when considered appropriate. Base salary is intended to provide the Named Executive Officer with a compensation level competitive with base salaries within the mining industry. If the Named Executive Officer is contracted to the Corporation through a company controlled by the respective party, the consulting fee payable is determined based on the same criteria as salary.

**Bonuses:** There is no written contract between the Corporation and Mr. King for his services provided in 2024, and the Board did not award a bonus to Mr. King in 2024. Mr. King resigned on June 29, 2024 as a director and officer of the Corporation. There is no written contract between the Corporation and Mr. Bhamji for his services provided in 2024, and the Board did not award a bonus to Mr. Bhamji in 2024. Mr. Bhamji was appointed on July 2, 2024 as a director and officer of the Corporation.

There is no written contract between the Corporation and Ms. Tucker for her services provided in 2024, and the Board did not award a bonus to Ms. Tucker (J.M. Tucker) in 2024.

On behalf and at the discretion of the Board, the Compensation Committee would consider whether it is appropriate and in the best interests of the Corporation to award a discretionary cash bonus to the Named Executive Officers and if so, in what amount. A cash bonus may be awarded for extraordinary past performance that has led to increased value for shareholders through the formation of new strategic or joint venture relationships, capital raising efforts, property acquisitions or divestitures, or achieving satisfaction of predetermined and agreed performance criteria. Demonstrations of extraordinary personal commitment to the Corporation's interests, the community and the industry may also be rewarded through a cash bonus.

**Option-based awards:** To encourage the Corporation to achieve long term future growth, the Compensation Committee may from time to time recommend the grant of stock options to the Corporation's executive officers, directors, consultants and employees under the stock option plan. All grants of options are reviewed and approved by the Board. Grants of stock options are intended to encourage the executive officer's commitment to the Corporation's growth and the enhancement of share value and to reward executive officers for the Corporation's performance. The grant of stock options, as a key component of the executive compensation package, enables the Corporation to attract and retain qualified executives. The Compensation Committee reviews option balances and recommends to the Board grants to newly hired executive officers at the time of their employment and considers further grants to executive officers from time to time thereafter to such executive officers. The amount and terms of options previously granted to an executive officer are taken into account when determining whether and how new option grants should be made to the executive officer. The number of Common Shares, which may be subject to option in favour of any one individual, is limited under the terms of the option.

Since July 6, 2017 the Board has not had a Compensation Committee.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER THE STOCK OPTION PLAN

The following table sets forth details as to the Corporation's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders	Nil <sup>(1)</sup>	N/A	1,119,245 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	Nil	N/A	1,119,245

- (1) Represents the number of Common Shares reserved for issuance upon exercise of outstanding stock options granted under the Corporation's stock option plan as of December 31, 2024.
- (2) Represents the number of Common Shares remaining available for future issuance upon exercise of stock options that may be granted under the Corporation's stock option plan as of December 31, 2024 and based on the 10% of the number of Common Shares issued and outstanding as of December 31, 2024. The maximum number of Common Shares which may be issued pursuant to options granted under the option plan is 10% of the issued and outstanding Common Shares at the time of grant.

Material terms of the stock option plan is set out under "Particulars of Matters to be Acted Upon – Approval of the Corporation's 10% Rolling Stock Option Plan".

### MANAGEMENT CONTRACTS

No management functions of the Corporation or its subsidiary are performed to any substantial degree by a person other than the directors or executive officers of the Corporation.

### INDEBTEDNESS TO CORPORATION OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as disclosed herein, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Corporation or its subsidiaries which is owing to the Corporation or its subsidiaries or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, no proposed nominee for election as a director of the Corporation and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries,

in relation to a securities purchase program or other program.

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

Except as otherwise disclosed, no informed person or proposed director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which in either such case has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than directors and executive officers of the Corporation having an interest in the resolution regarding the approval of the Stock Option Plan as such persons are eligible to participate in such plan.

The following are the transactions or proposed transactions in which an informed person, a director or proposed director and executive officer of the Corporation has or has had a material interest since the commencement of the Corporation's most recently completed financial year which has materially affected or would materially affect the Corporation:

- During the most recently completed financial year, certain executive officers of the Corporation received consulting fees and salaries from the Corporation, which are disclosed under "Statement of Executive Compensation" above and in the notes to the audited financial statements of the Corporation, which document is incorporated herein by reference.

The address for all informed persons is c/o Suite 1600 – 409 Granville Street, Vancouver, British Columbia, Canada V6C 1T2. Each of the documents identified above as being incorporated herein by reference is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and, upon request, the Corporation will promptly provide a copy of such document free of charge to a securityholder of the Corporation.

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

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and the approval of the Corporation's Stock Option Plan.

## **AUDIT COMMITTEE**

### **THE AUDIT COMMITTEE'S CHARTER**

The following is the complete text of the Corporation's Audit Committee Charter.

#### **1. Mandate**

Financial reporting and disclosure by TGX Energy & Resources Inc. (the "Corporation") constitute a significant aspect of the management of the Corporation's business and affairs. The Corporation has established an audit committee (the "Committee") to assist the Board in fulfilling its financial reporting and disclosure responsibilities. To fulfill its mandate effectively, the Committee will:

- (a) review the Corporation's financial reporting process;
- (b) regularly assess the Corporation's internal financial controls for effectiveness and efficiency;
- (c) review the audit process; and,
- (d) review the Corporation's process for monitoring compliance with laws and regulations and its own code of business conduct.

In performing its duties, the Committee will maintain effective working relationships with the Board, management and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Corporation's business, operations and risks.

## **2. Authority**

The Board authorizes the Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of corporate officers at meetings as appropriate.

## **3. Organization**

- 3.1 The Committee shall be appointed annually by the Board and shall consist of at least three (3) members from among the directors of the Corporation. Each Committee member shall where possible be an independent director, free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.
- 3.2 The chair of the Committee (the "Chair") will be nominated by the Committee from time to time.
- 3.3 A quorum for any meeting will be two members.
- 3.4 The secretary of the Committee will be such person as is nominated by the Chair.
- 3.5 At each meeting, the Committee shall meet in private session and may meet with the external auditors, with management, other persons and such experts as it deems appropriate. "Experts" shall include lawyers, accountants, engineers, appraisers, geologists or other person whose profession lends credibility to a statement made in corporate documentation related to the duties of the Committee.
- 3.6 The external auditors should be available to attend, and if necessary at the request of the Committee, be present, at each quarterly Committee meeting and be expected to comment on the financial statements in accordance with best practices.
- 3.7 Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.
- 3.8 The proceedings of all meetings will be minuted, or where the context allows, may be in writing, if signed by all members of the Committee. Meetings may be held by telephone.

## **4. Limitations on Duties**

In contributing to the Committee's discharging of its duties, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in the Committee's mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the financial reporting and disclosure responsibilities of the Corporation are being conducted effectively, and where applicable, met and to enable the Committee to report thereon to the Board.

## **5. Statement of Policy**

The Committee shall fulfill its responsibilities within the context of the following principles:

- 5.1 The Committee expects the management of the Corporation to operate in compliance with the laws and regulations governing the Corporation and to maintain as strong a financial, reporting and control process as resources permit.

- 5.2 The Committee shall have direct, open and frank communications throughout the year with management, the external auditors and such other persons it deems important or necessary.
- 5.3 The Committee expects that written materials will be received from management and the external auditors at least five (5) days in advance of meeting dates.
- 5.4 The Committee, through the Chair, shall report after each Committee meeting to the Board at the Board's next regular meeting.
- 5.5 The Committee expects that in discharging its responsibilities to the shareholders, the external auditors shall be accountable to the Board and to the Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

## **6. Duties and Responsibilities**

To fulfill its duties and responsibilities, the Committee shall:

### Financial Reporting

- 6.1 Review the Corporation's annual financial statements and interim financial reports including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to Committee members. The Committee shall meet with management and the external auditors as necessary to make such determinations and shall determine that the external auditors are satisfied that the annual financial statements and interim financial reports have been prepared in accordance with International Financial Reporting Standards. The Committee shall report thereon to the Board before the Board approves the annual financial statements and interim financial reports.
- 6.2 Receive from the external auditors reports on their audit of the annual financial statements and review of the interim financial reports.
- 6.3 Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee.

### Accounting Policies

- 6.4 Review with management and the external auditors the appropriateness of the Corporation's accounting policies and disclosures.
- 6.5 Review with management and the external auditors the Corporation's underlying accounting policies and any significant estimates, judgments and reserves.

### Risk and Uncertainty

- 6.6 Review with management the significant financial risks and principal business risks facing the Corporation and gain reasonable assurance that they are being effectively managed or controlled.
- 6.7 Review tax mitigation strategies and foreign currency, interest rate and commodity price risk strategies.
- 6.8 Ascertain that policies and procedures are in place to minimize environmental, occupational health and safety and other risks to asset value.
- 6.9 Review the adequacy of insurance coverage maintained by the Corporation.
- 6.10 Review with management, the external auditors and the Corporation's legal counsel any legal claim or other contingency that could have a material effect upon the financial position of the Corporation.

### Financial Controls

- 6.11 Review the plans of the external auditors to gain reasonable assurance that the review and evaluation of internal financial controls is comprehensive, coordinated and cost effective.
- 6.12 Review with the external auditors and management whether internal control recommendations made by external auditors have been implemented by management.

### Compliance with Laws and Regulations

- 6.13 Review regular reports from management and the external auditors with respect to the Corporation's compliance with laws and regulations having a material impact on the financial statements, environmental protection laws and regulations, various tax and other withholding accounts and other laws and regulations which expose directors to liability.
- 6.14 Obtain, when deemed necessary, updates from management or the Corporation's legal counsel as to compliance matters, as well as certificates from the Corporation's management as to required statutory payments, bank covenant compliance and permit compliance.

### Relationship with External Auditors

- 6.15 Recommend to the Board the nomination of external auditors.
- 6.16 Approve the remuneration and the terms of engagement of the external auditors as set out in the engagement letter.
- 6.17 Review the performance of the external auditors annually.
- 6.18 Receive a report annually from the external auditors with respect to their independence, such report to include a disclosure of all engagements (and fees related thereto) for any non-audit services provided to the Corporation.
- 6.19 Review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, the general overall audit plan and the materiality levels, which the external auditors propose to employ. Review the results of the external audit with the external auditors including the auditors' report, overall presentation of the financial statements, any adjustments needed or contemplated, areas of difficulty and any changes to the original audit plan.
- 6.20 Meet with the external auditors in the absence of management to determine that no management restrictions have been placed on the scope and extent of the audit examinations conducted by the external auditors or the reporting of their findings to the Committee.
- 6.21 Establish effective communication processes with management and the Corporation's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee.
- 6.22 After consultation with the external auditors, and management if necessary, gain reasonable assurance annually of the quality and sufficiency of the Corporation's accounting personnel.
- 6.23 Perform such other functions as may from time to time be reasonably assigned to the Committee, in its capacity as a Committee, by the Board.

## **7. Amendments and Corporate Governance**

- 7.1 The Committee will review and update this Charter, when appropriate, for approval by the Board.

7.2 The Committee will review the description of the Committee’s activities as set forth in any statement of corporate governance practices prepared by the Corporation.

**COMPOSITION OF THE AUDIT COMMITTEE**

The following are the members of the Committee:

M. Bilal Bhamji	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
George Mendez <sup>(3)</sup>	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Jordan C. Calvert <sup>(3)</sup>	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

- (1) As defined in NI 52-110.
- (2) Under NI 52-110, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.
- (3) Messrs., Calvert and Mendez are nominees for election and will join the Audit Committee for the ensuing year, subject to them being duly elected.

**RELEVANT EDUCATION AND EXPERIENCE**

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is contained in their respective biographies set out under “Particulars of Matters to be Acted Upon – Election of Directors – Director Biographies”.

**AUDIT COMMITTEE OVERSIGHT**

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

**RELIANCE ON CERTAIN EXEMPTIONS**

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

**PRE-APPROVAL POLICIES AND PROCEDURES**

The Committee has not adopted specific policies and procedures for the engagement of non-audit services.

**EXTERNAL AUDITORS SERVICE FEES (BY CATEGORY)**

The aggregate fees billed by the Corporation’s external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2024	\$16,000	Nil	Nil	Nil
December 31, 2023	\$15,000	Nil	Nil	Nil

**EXEMPTION IN SECTION 6.1 OF NI 52-110**

The Corporation is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Part 5 (*Reporting Obligations*).

## **CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Corporation's shareholders and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 Corporate Governance Guidelines establishes corporate governance guidelines which apply to all public companies. The Corporation has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Corporation's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 Disclosure of Corporate Governance Practices mandates disclosure of corporate governance practices which disclosure is set out below, in accordance with Form 58-101F2 Corporate Governance Disclosure (Venture Issuers).

### **INDEPENDENCE OF MEMBERS OF BOARD**

The Corporation's Board consists of four directors, two of whom are considered to be independent. George Mendez and Volodymyr Bondarenko are considered to be independent. M. Bilal Bhamji is not considered to be independent as he is the CEO of the Corporation.

### **MANAGEMENT SUPERVISION BY BOARD**

The Board as a whole is responsible for supervising the management of the business and affairs of the Corporation. The Board may hold sessions at any time without management being present and Board members may request a meeting restricted to independent members of the Board at any time. There were no meetings of independent directors during the last completed financial year. When there is a meeting of independent directors, one of the independent directors present will lead the meeting. Any member of a committee of the Board may retain external advisors as appropriate at the expense of the Corporation.

### **ROLE OF CHAIRMAN**

The role of the Chairman of the Board is to chair all meetings of the Board in a manner that promotes meaningful discussion, and to provide leadership to the Board to enhance the Board's effectiveness in meeting its responsibilities. The Chairman's responsibilities include ensuring that the Board works together as a cohesive team with open communication and that a process is in place by which the effectiveness of the Board, its committees and its individual directors can be evaluated on a regular basis. The Chairman also acts as a liaison between the Board and management to ensure that the relationship between the Board and management is professional and constructive and ensures that the allocation of responsibilities and the boundaries between Board and management are clearly understood. Subsequent to the resignation of the Chairman of the Board on July 6, 2017, the Board has not appointed a Chairman.

### **MEETINGS OF THE BOARD**

The Board meets as frequently as necessary depending on the nature of the business and affairs which the Corporation faces from time to time. For the last completed financial year, the Board met 5 times.

### **PARTICIPATION OF DIRECTORS IN OTHER REPORTING ISSUERS**

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

### **ORIENTATION AND CONTINUING EDUCATION**

While the Corporation does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board, committees and copies of the Corporation's corporate governance policies;
2. access to recent, publicly filed documents of the Corporation; and
3. access to management.

Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance, to attend related industry seminars and visit the Corporation's operations. Board members have full access to the Corporation's records.

### **ETHICAL BUSINESS CONDUCT**

The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to shareholders. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to employees, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

### **NOMINATION OF DIRECTORS**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mining industry are consulted for possible candidates.

### **COMPENSATION OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER**

Disclosure of the person who determines the compensation and process of determining compensation for the directors and CEO is set out under "Statement of Executive Compensation – Oversight and Description of Director and Named Executive Officer Compensation".

### **BOARD COMMITTEES**

The Corporation has one committee of the Board at present, being the Audit Committee.

The Audit Committee is comprised of the Corporation's current three directors: George Mendez, M. Bilal Bhamji and Jordan C. Calvert.

### **ASSESSMENTS**

The Board does not consider that formal assessments would be useful at this stage of the Corporation's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual directors and its committees. To assist in its review, the Board conducts informal surveys of its directors.

### **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 amongst Board members and the CEO.

### **EXPECTATIONS OF MANAGEMENT**

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

## FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the year ended December 31, 2024 (the “**Financial Statements**”) together with the Auditors' Report thereon, will be presented to the shareholders of the Corporation at the Meeting. A form that shareholders may use to request a copy of the Financial Statements, together with the Auditors' Report thereon and management's discussion and analysis of the Financial Statements, as well as the interim financial statements and management's discussion and analysis of the interim financial statements, is being mailed to the shareholders with this Information Circular.

### PARTICULARS OF MATTERS TO BE ACTED UPON

#### ELECTION OF DIRECTORS

The Corporation’s Articles of Incorporation provide that the number of directors consist of a minimum of one and a maximum of 15 directors. The Board currently consists of three directors and the Board has fixed the number of directors to be elected at the Meeting at three. At the Meeting, the three persons named hereunder will be proposed for election as directors of the Corporation (the “**Nominees**”). Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve. Each director elected will hold office until the close of the first annual meeting of shareholders of the Corporation following the director’s election or until their successor is duly elected or appointed, unless their office is earlier vacated in accordance with the bylaws of the Corporation.

The following table sets forth certain information with respect to each Nominee. Such information is as of January 12, 2026 and based upon information furnished by the respective Nominee.

Name, jurisdiction and present position with the Corporation	Principal occupation	Date first became a director of the Corporation	Number of Shares beneficially owned, controlled or directed, directly or indirectly
JORDAN C. CALVERT <sup>(1)</sup> Manitoba, Canada Director	Self-employed businessman and letter carrier – delivery agent with Canada Post	May 3, 2024	Nil
GEORGE MENDEZ ANDERSON <sup>(1)</sup> Cabos San Lucas, Mexico Director	Attorney in private practice since 2001	May 3, 2024	Nil
M. BILAL BHAMJI <sup>(1)</sup> British Columbia, Canada Director	CEO of the Company since July 2, 2024 and Director of Bhamji Taxation Services Inc. since November 2005	May 3, 2024	Nil
VOLODYMYR BONDARENKO British Columbia, Canada Director	Deep Sea Captain	July 2, 2024	Nil
ANDRE GAUTHIER Quebec, Canada Director	Consulting geologist. Principal of Eval Minerals Ltd. a private mineral consulting business.	August 20, 2024	Nil

(1) Member of the Audit Committee.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Corporation acting solely in such capacity.

### **Director Biographies**

The principal occupations, businesses or employments of each of the Nominees within the past five years are as disclosed in the brief biographies set forth below.

### **Director Biographies**

The principal occupations, businesses or employments of each of the Nominees within the past five years are as disclosed in the brief biographies set forth below.

**Jordan C. Calvert – Director Nominee.** Mr. Calvert, is a self-employed businessman. His primary occupation is a letter carrier – delivery agent with Canada Post.

**George A. Mendez Anderson, M.Sc. (LSE) and Bachelor of Law –Director Nominee.** Mr. Mendez, has over 23 years of experience practicing law in Mexico. Subsequent to obtaining his law degree in 1997, Mr. Mendez joined London School of Economics and Politics where he obtained a Masters of Science in Comparative Politics in 2002. Mr. Mendez has extensive experience in the practice of corporate and business law.

**M. Bilal Bhamji – Director Nominee.** Mr. Bhamji, is a graduate and class valedictorian of Vancouver Community College BC, became a Chartered Professional Accountant in 2015, has over 20 years of experience in accounting and finance. He is also the President of Bhamji Taxation Services Inc. a private company offering personal and corporation management and accounting services since 2006. Mr. Bhamji has extensive experience working with publicly listed companies.

**Volodymyr Bondarenko – Director Nominee.** Mr. Bondarenko, received a Diploma in Navigation and Engineering from Naval Academy of St. Petersburg, Russia in 1993. He holds a Certificate for International Deep Sea Captain. Mr. Bondarenko is a director of various public companies.

**Andre Gauthier – Director Nominee.** Mr. Gauthier, has over 48 years of experience in the Mining Exploration field and has worked in over 35 countries. His work experience includes entities such as: SOQUEM, Falconbridge Ltd., Noramco and Cambior Inc. Mr. Gauthier has been president of Maxy Gold Corp. (China), INCA Pacific Resources Inc. and Lara Exploration Ltd. Mr. Gauthier also served as a Director of Vena Resources Inc., Maxy Gold Corp., Lara Exploration Ltd., and Western Union Peru. He has a BSC in Geology Eng. and MSC from UQAC (Chicoutimi, Quebec) and is active member and leader of many mining and professional organizations (Canada, Peru, UAE, and China). Mr. Gauthier was also involved in many Gold and Copper discoveries and acquisitions, namely, “Lac Shortt” (Canada), “La Arena” (Peru), “Anabi (Minaspata)” (Peru), “Luchun” (China); “Metates” gold (Mexico), “La Granja” copper, “La Virgen” gold (Peru) and “Pachon” copper (Argentina). He was also involved in the creation of the Lima Venture Capital Exchange. Since 2020, Andre has been leading Eval Minerals, his private company involved in mineral investments and advisory services.

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

The following information, not being within the knowledge of the Corporation, has been furnished by the respective nominee.

Other than as noted below, to the best of management’s knowledge, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within ten years before the date of the Information Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that:
  - (i) was the subject, while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such corporation, of a cease trade or similar order or an order

that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

- (ii) was subject to a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer but which resulted from an event that occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such corporation; or
- (b) is, as at the date of this Information Circular, or has been within ten years before the date of the Information Circular, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the ten 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; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
M. Bilal Bhamji	Tajiri Resources Corp.
Volodymyr Bondarenko	Clydesdale Resources Inc.
Andre Gauthier	Esgold Corp., 1844 Resources Inc. and Windfall Geotek Inc.

#### APPOINTMENT OF AUDITORS

Shareholders are being asked to approve an ordinary resolution reappointing Saturna Group Chartered Professional Accountants LLP, Chartered Accountants, of Vancouver, British Columbia, as auditors of the Corporation to hold office until the close of the next annual general meeting of the shareholders, at a remuneration to be fixed by the board of directors. In order to be effective, the ordinary resolution requires the approval of the majority of the votes cast at the Meeting in respect of the resolution. **Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of Saturna Group Chartered Professional Accountants LLP as the auditors of the Corporation to hold office for the ensuing year at remuneration to be fixed by the directors.**

Saturna Professional Group Chartered Accountants LLP, Chartered Accountants, were first appointed as auditors in 2022.

The directors recommend that shareholders vote in favour of the resolution reappointing Saturna Professional Group Chartered Accountants LLP.

## APPROVAL OF 10% ROLLING STOCK OPTION PLAN

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving and ratifying the Corporation's Stock Option Plan (the "**Plan**"). It is a condition of the TSX Venture Exchange (the "**TSXV**") approval of the Plan that shareholder approval be obtained annually. The purpose of the Plan is to assist the Corporation in attracting, retaining and motivating directors, officers and employees of the Corporation and to closely align the personal interests of such directors, officers and employees with the interests of the Corporation and its shareholders. The Plan is a rolling stock option plan which reserves, for issuance pursuant to exercise of stock options, a maximum of 10% of the Corporation's issued Common Shares at the time of the stock option grant. As at January 12, 2026, there were Nil stock options outstanding under the Plan. Options granted under the Plan are non-assignable and may be granted for a term not exceeding ten years. A summary of the material aspects of the Plan are as follows:

A summary of the material aspects of the Plan are as follows:

1. the Plan will be administered by the Corporation's Board or, if the Board so designates, a committee of the Board appointed in accordance with the Plan to administer the Plan;
2. 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 Corporation at that time;
3. the Plan contains no vesting requirements, but stock options granted to consultants performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period;
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. in the event any option expires during, or within 48 hours after, a self-imposed blackout period on trading securities of the Corporation as a result of the bona fide existence of undisclosed "material fact" or "material change" (as defined in the British Columbia *Securities Act*), such expiry date will become the tenth business day following the end of the blackout period;
6. 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;
7. as long as required by TSXV policy, no one individual may receive options on more than 5% of the issued and outstanding shares of the Corporation (the "**Outstanding Shares**") in any 12 month period unless disinterested shareholder approval is obtained, 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;
8. options may not be granted at prices that are less than the Discounted Market Price as defined in TSXV policy which, subject to certain exceptions, generally means the most recent closing price of the Corporation's shares on the TSXV, less a discount of from 15% to 25%, depending on the market price of the Corporation's shares;
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 Corporation or the amalgamation, merger or consolidation of the shares of the Corporation, the Board of Directors shall make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

At the Meeting, shareholders will be asked to pass an ordinary resolution in the following form:

“BE IT RESOLVED that:

1. subject to regulatory approval if applicable, the Corporation’s Stock Option Plan, pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Corporation and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Corporation’s issued and outstanding shares being reserved for granting to any one person on a 12-month basis, be approved, confirmed and ratified; and
2. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer be necessary or desirable to carry out the foregoing resolution.”

**Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the approval, confirmation and ratification of the Plan.**

The full text of the Corporation 10% Rolling Stock Option Plan is attached as Schedule “A” hereto. The directors recommend that shareholders vote in favour of the resolution to approve the Plan.

#### **OTHER MATTERS**

Management of the Corporation is not aware of any other matter to come before the meeting other than as set forth in the notice of meeting. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

#### **ADDITIONAL INFORMATION**

Financial information is provided in the Corporation’s audited financial statements and related Management’s Discussion and Analysis for its most recently completed financial year (collectively, the “**Annual Financial Statements and MD&A**”), which are filed on SEDAR.

Additional information relating to the Corporation is on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Corporation at Suite 1600 – 409 Granville Street, Vancouver, British Columbia V6C 1T2, Tel: (403) 999-1393 to request copies of the Annual Financial Statements and MD&A.

DATED this 12th day of January, 2026

**BY ORDER OF THE BOARD OF DIRECTORS  
OF TGX ENERGY & RESOURCES INC.**

“M. Bilal Bhamji”  
M. Bilal Bhamji  
Chief Executive Officer

Schedule "A"

Stock Option Plan

**TGX ENERGY AND RESOURCES INC.**

**STOCK OPTION PLAN**

This stock option plan has been adopted by the directors of TGX Energy and Resources Inc. Notwithstanding anything herein to the contrary, the terms of this stock option plan and the terms of all options granted pursuant to this stock option plan shall include all terms, conditions and restrictions provided by Policy 2.4 as if such terms, conditions and restrictions were reproduced herein. In the event of any inconsistency between Policy 2.4 and this stock option plan, Policy 2.4 shall prevail.

**1. INTERPRETATION**

1.1. Definitions. In this Plan the following words and phrases shall have the following meanings, namely:

- (a) "Associate" means, where used to indicate a relationship with any person:
  - (i) a partner, other than a limited partner, of that person;
  - (ii) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity;
  - (iii) a company in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the company; or
  - (iv) a relative, including the spouse or child, of that person or a relative of that person's spouse, where the relative has the same home as that person;

and for the purpose of this definition, "spouse" includes an individual who is living with another individual in a marriage-like relationship.

- (b) "Board" means the Board of Directors of the Company or, if applicable, the Committee.
- (c) "Committee" means a committee of the Board appointed in accordance with this Plan or, if no such committee TGX Energy and Resources Corp.
- (d) "Consultant" means, in relation to an Issuer, an individual (other than an Employee or a Director of the Issuer) or Company that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a Distribution;
  - (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Company, as the case may be;
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and
  - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

- (e) "Director" means any director of the Company or of any of its subsidiaries.
- (f) "Discounted Market Price" means the Market Price less the discount set forth below, subject to a minimum price of \$0.10:

<u>Closing Price</u>	<u>Discount</u>
up to \$0.50	25%
\$0.51 to \$2.00	20%
above \$2.00	15%

- (g) "Disinterested Shareholder Approval" means that the proposal must be approved by a majority of the votes cast at the shareholders' meeting other than votes attaching to securities beneficially owned by Insiders and their Associates to whom shares may be issued pursuant to this Plan and, for purposes of this Plan, holders of non-voting and subordinate voting securities (if any) will be given full voting rights on a resolution which requires disinterested shareholder approval.
- (h) "Employee" means:
  - (i) an individual who is considered an employee of the Company or any of its subsidiaries under the *Income Tax Act* (i.e. for whom deductions (income tax, UIC and CPP) must be made at source);
  - (ii) an individual who is a full-time (i.e. 35 - 40 hours per week) dependent contractor, that is one who works full-time for the Company or any of its subsidiaries providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the detail and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source; or
  - (iii) a part-time dependent contractor, that is an individual who works for the Company or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or its subsidiary, but for whom income tax deductions are not made at source; and includes Management Company Employees and Consultants.
- (i) "Exchange" means the TSX Venture Exchange.
- (j) "Insider" means:
  - (i) a director or senior officer of the Company;
  - (ii) a director or senior officer of a person that is itself an insider or subsidiary of the Company; or
  - (iii) a person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company; or
  - (iv) the Company itself if it holds any of its own securities.
- (k) "Management Company Employee" means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations activities.

- (l) "Market Price" means, subject to the exceptions prescribed by the Exchange from time to time, the last closing price of the Company's shares before the issuance of the required news release disclosing the grant of options (but, if the policies of the Exchange provide an exception to such news release, then the last closing price of the Company's shares before the grant of options).
- (m) "Officer" means any senior officer of the Company or of any of its subsidiaries as defined in the *Securities Act* (British Columbia).
- (n) "Plan" means this stock option plan as from time to time amended.
- (o) "Shares" means common shares without par value in the capital of the Company.
- (p) "Tier 1 Issuer" and "Tier 2 Issuer" have the meanings prescribed by the TSX Venture Exchange.

1.2. Gender. Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

## 2. PURPOSE OF PLAN

2.1. The purpose of this Plan is to attract and retain Employees, Officers and Directors and to motivate them to advance the interests of the Company by affording them the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares. The Plan is expected to benefit the Company's shareholders by enabling the Company to attract and retain personnel of the highest caliber by offering to them an opportunity to share in any increase in the value of the Shares to which they have contributed.

## 3. GRANTING OR AMENDING OF OPTIONS

3.1. Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (consisting of not less than two (2) of its members) appointed by the Board. Any Committee shall administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and either appoint new members in their place or decrease the size of the Committee, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan. A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Part 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of options pursuant to the Plan, except that no such member shall act upon the granting of an option to himself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to granting options to him).

3.2. Committee's Recommendations. The Board may accept all or any part of the recommendations of the Committee or may refer all or any part thereof back to the Committee for further consideration and recommendation. Such recommendations may include, but not be limited to, the following:

- (a) resolution of questions arising in respect of the administration, interpretation and application of the Plan;
- (b) reconciliation of any inconsistency or defect in the Plan in such manner and to such extent as shall reasonably be deemed necessary or advisable to carry out the purpose of the Plan;
- (c) determination of the Employees, Officers and Directors (or their wholly-owned corporations) to whom, and when, options should be granted, as well as the number of Shares subject to each option;

- (d) determination of the terms and conditions of the option agreement to be entered into with any optionee, consistent with this Plan; and
  - (e) determination of the duration and purpose of leaves of absence from employment which may be granted to optionees without constituting a termination of employment for purposes of the Plan.
- 3.3. Grant by Resolution. The Board, on its own initiative or, if a Committee of the Board shall have been appointed for the purpose of administering this Plan, upon the recommendation of such Committee, may by resolution designate those Employees, Officers and Directors to whom options should be granted (unless the Committee has been authorized by the Board to pass such resolution in which case they may do as so authorized).
- 3.4. Terms of Options. The resolution of the Board, or the Committee if applicable, shall specify the number of Shares that should be placed under option to each optionee, the price per Share to be paid upon exercise of the options, and the period during which such options may be exercised.
- 3.5. Written Agreements. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the optionee and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.
- 3.6. Regulatory Approvals. The Board shall obtain all necessary regulatory approvals, which may be required under applicable securities laws or the rules or policies of the Exchange. The Board shall also take reasonable steps to ensure that no options granted under the Plan, or the exercise thereof, shall violate the securities laws of the jurisdiction in which any optionee resides.
- 3.7. Amendment of Options. Options may also be amended under this Plan, whether granted under this Plan or otherwise, and the terms of this Plan shall apply mutatis mutandis.

#### **4. CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS**

- 4.1. Exercise Price. The exercise price of an option granted under this Plan shall not be less than the Discounted Market Price, provided that:
- (a) until the Company has received a Final Exchange Bulletin for a Qualifying Transaction, the exercise price of an option granted under this Plan shall not be less than the greater of the IPO share price and the Discounted Market Price of the Company's common shares;
  - (b) if options are granted within 90 days of a distribution by a prospectus, the minimum exercise price of those options will be the greater of the Discounted Market Price and the per share price paid by the public investors for Shares acquired under the distribution;
  - (c) the 90-day period begins on the date a final receipt is issued for the prospectus;
  - (d) for unit offerings, the minimum option exercise price will be the "base" (or imputed) price of the shares included in the unit; and
  - (e) for all other financings, the minimum exercise price will be the average price paid by the public investors.
- 4.2. Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years.
- 4.3. Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting options under this Plan, specify different time periods following the dates of granting the options during which the optionees may exercise their options to purchase Shares and may designate different exercise prices

and numbers of Shares in respect of which each optionee may exercise his option during each respective time period.

4.4. Number of Shares. Until the Company has completed a Qualifying Transaction, the number of Shares reserved for issuance to any one director or officer pursuant to options granted under this Plan shall not exceed 5% of the issued and outstanding Shares at the closing of the Company's initial public offering and, thereafter, the number of Shares reserved for issuance to any one person pursuant to options granted under this Plan, together with any Shares reserved for issuance pursuant to options granted to that person during the previous 12 months in the case that the Company is a Tier 2 Issuer, shall not exceed 5% of the issued and outstanding Shares at the time of granting of the options, provided that the aggregate number of options granted to each of the following categories of optionee:

- (a) Consultants; and
- (b) persons employed in investor relations activities on behalf of the Company;

must not exceed 2% of the outstanding Shares at the closing of the CPC initial public offering unless the Exchange permits otherwise. Notwithstanding the foregoing, until the Company completes a Qualify Transaction, no options may be granted to Consultants, other than Technical Consultants, or persons employed in investor relations activities on behalf of the Company.

4.5. Death of Optionee. If an optionee dies prior to the expiry of his option, his legal representatives may, by the earlier of:

- (a) one year from the date of the optionee's death (or such lesser period as may be specified by the Board at the time of granting the option); and
- (b) the expiry date of the option; exercise any portion of such option.

4.6. Expiry on Termination or Cessation. If an optionee ceases to be a director, officer, technical consultant or employee of the Company for any reason other than death, his options shall terminate on the later of 12 months after the Completion of the Qualifying Transaction and 90 days after the optionee ceases to become a director, officer, technical consultant or employee of the Resulting Issuer, and all rights to purchase Shares under such option shall cease and expire and be of no further force or effect.

4.7. Leave of Absence. Employment shall be deemed to continue intact during any sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the optionee's right to reemployment is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the optionee's reemployment is not so guaranteed, then his employment shall be deemed to have terminated on the ninety-first day of such leave.

4.8. Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an optionee shall have the right to assign any option granted to him hereunder to a trust or similar legal entity established by such optionee.

4.9. Notice. Options shall be exercised only in accordance with the terms and conditions of the agreements under which they are respectively granted and shall be exercisable only by notice in writing to the Company at its principal place of business.

4.10. Payment. Subject to any vesting requirements described in each individual option agreement, options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an optionee on exercise of an option shall be paid for in full in cash or cash equivalent only at the time of their purchase (i.e. concurrently with the giving of the requisite notice). Any Shares issued upon options exercised prior to the Company completing a Qualifying Transaction must be deposited into escrow with the Company's transfer agent by the Optionee.

- 4.11. Share Certificate. As soon as practicable after due exercise of an option, the Company shall issue a share certificate evidencing the Shares with respect to which the option has been exercised. Until the issuance of such share certificate, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the share certificate is issued, except as provided in Part 6 hereof.
- 4.12. Vesting. Subject to the discretion of the Board, the options granted to an optionee under this Plan shall fully vest on the date of grant of such options. In accordance with the policies of the Exchange, and subject to their approval to the contrary, options issued to Consultants providing investor relations services must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than 1/4 of the options vesting in any 3-month period.
- 4.13. Hold Period. In addition to any resale restrictions under applicable legislation, all options granted hereunder and all Shares issued on the exercise of such options will, if applicable under the policies of the Exchange, be subject to a four month TSX Venture Exchange hold period from the date the options are granted, and the stock option agreements and the certificates representing such Shares will bear the following legend:

"Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date]."

- 4.14. Individuals. Options may be granted only to an individual or to a company that is wholly-owned by an individual who is eligible for an option grant. Only individuals who are Directors, Officers, Consultants, Employees or Management Company Employees may be granted stock options. If the optionee is a company, it must agree not to effect or permit any transfer of ownership or option of shares of the company nor to issue further shares of any class in the company to any other individual or entity as long as the incentive stock option remains outstanding, except with the written consent of the Exchange.
- 4.15. Bona Fide Employee, Consultant or Management Company Employee. Options granted to Employees, Consultants or Management Company Employees may only be granted to bona fide Employees, Consultants or Management Company Employees, and the Company and the optionee are responsible for ensuring and confirming that the optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

## **5. RESERVE OF SHARES FOR OPTIONS**

- 5.1. Maximum Number of Shares Reserved Under Plan. Subject to adjustment as provided in PART 6, the aggregate number of Shares which may be subject to issuance pursuant to options granted under this Plan shall not exceed 10% of the issued and outstanding Shares of the Company on completion of the Company's Initial Public Offering until completion of the Company's Qualifying Transaction and thereafter up to 10% of the issued and outstanding Shares of the Company at the time the option is granted. The aggregate number of shares to be delivered upon the exercise of all options granted under this Plan shall not exceed the maximum number of shares permitted under the rule of any stock exchange on which Shares are then listed or other regulatory body having jurisdiction. In addition, all options granted outside of this Plan, which are in existence on the effective date of this Plan, shall be counted as if granted under this Plan. The terms of this Plan shall not otherwise govern such pre-existing options.
- 5.2. Sufficient Authorized Shares to be Reserved. Whenever the Memorandum or Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of options granted under this Plan or otherwise. Shares that were the subject of options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.

- 5.3. Disinterested Shareholder Approval. Unless Disinterested Shareholder Approval is obtained, under no circumstances shall this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, result in or allow at any time:
- 5.4. the number of Shares reserved for issuance pursuant to options granted to Insiders exceeding 10% of the outstanding Shares at the time of granting the options;
- 5.5. the issuance to Insiders, within a one-year period, of a number of Shares exceeding 10% of the outstanding Shares at the time of granting the options; or
- 5.6. except in the case of a Tier 1 Issuer (or equivalent), the issuance to any one Insider and such Insider's Associates, within a one-year period, of a number of Shares exceeding 5% of the outstanding Shares at the time of granting the options; or
- 5.7. any reduction in the exercise price of options granted to any person who is an Insider at the time of the proposed reduction.

## **6. CHANGES IN SHARES**

- 6.1. Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.
- 6.2. Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.
- 6.3. Reorganization. Subject to any required action by its shareholders, if the Company shall be a party to an reorganization, merger, dissolution or sale or lease of all or substantially all of its assets, whether or not the Company is the surviving entity, the option shall be adjusted so as to apply to the securities to which the holder of the number of shares of capital stock of the Company subject to the option would have been entitled by reason of such reorganization, merger or sale or lease of all or substantially all of its assets, provided however that the Company may satisfy any obligations to an optionee hereunder by paying to the said optionee in cash the difference between the exercise price of all unexercised options granted hereunder and the fair market value of the securities to which the optionee would be entitled upon exercise of all unexercised options, regardless of whether all conditions of exercise relating to continuous employment have been satisfied. Adjustments under this paragraph or any determinations as to the fair market value of any securities shall be made by the Board, or any committee thereof specifically designated by the Board to be responsible therefor, and any reasonable determination made by the said Board or committee thereof shall be binding and conclusive.
- 6.4. Rights Offering. If at any time the Company grants to the holders of its capital stock rights to subscribe for and purchase pro rata additional securities of the Company or of any other corporation or entity, there shall be no adjustments made to the number of shares or other securities subject to the option in consequence thereof and the said stock option of the optionee shall remain unaffected.

## **7. EXCHANGE'S RULES AND POLICIES APPLY**

- 7.1. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in the rules and policies on stock options of the Exchange and any securities commission having jurisdiction and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern.

## **8. AMENDMENT OF PLAN**

- 8.1. Board May Amend. Subject to Part 5 the Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the optionees concerned, affect the terms and conditions of options previously granted under this Plan which have not then been exercised or terminated.
- 8.2. Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until accepted for filing by the Exchange.

**9. MISCELLANEOUS PROVISIONS**

- 9.1. Other Plans Not Affected. This Plan shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers and Employees.
- 9.2. Use of Proceeds. Proceeds from the sale of Shares pursuant to the options granted and exercised under the Plan shall constitute general funds of the Company and shall be used for general corporate purposes.
- 9.3. Headings. The headings used in this Plan are for convenience of reference only and shall not in any way affect or be used in interpreting any of the provisions of this Plan.
- 9.4. No Obligation to Exercise. Optionees shall be under no obligation to exercise options granted under this Plan.
- 9.5. Termination of Plan. This Plan shall only terminate pursuant to a resolution of the Board or the Company's shareholders.