



**NOTICE AND MANAGEMENT INFORMATION CIRCULAR FOR
THE ANNUAL MEETING OF SHAREHOLDERS**

To be held on
Monday, June 17, 2024 at 10:00 a.m. (Eastern Time)
At 800 Square Victoria, suite 3500, Montreal, Québec H4Z 1E9

Dated: May 10, 2024
Record Date: Friday, May 3, 2024

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of Critical Elements Lithium Corporation (the "**Corporation**") will be held at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, on June 17, 2024 (the "**Meeting**") at 10:00 a.m., local time, for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the financial year ended on August 31, 2023, as well as the auditors' report thereon;
2. to elect the directors of the Corporation;
3. to appoint the auditors of the Corporation and to authorize the Board of Directors to fix the auditors' remuneration;
4. consider, and if deemed advisable to adopt, a resolution in the form annexed as Schedule B to the accompanying management information circular of the Corporation dated May 10, 2024 (the "**Circular**"), ratifying, approving and confirming the Corporation's equity incentive compensation plan, as more particularly described in the Circular; and
5. to transact such other business that may properly come before the Meeting.

Additional information on the above matter can be found in the Circular as "Meeting Agenda", "Appointment of Auditors and Authorization of Directors to Determine the Remuneration of Auditors", "Approval of continuation of Omnibus Plan".

Shareholders of record at the close of business on May 3, 2024, (the "**Record Date**") are entitled to receive notice of the Meeting, to act at the Meeting and express their voting rights. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

If you are unable to attend the Meeting, please date and sign the form of proxy or voting instruction form accompanying this notice and return it. Proxies to be used at the meeting must be deposited with Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, prior to 5:00 p.m. (Eastern Time) on June 13, 2024, or with the Secretary of the Corporation prior to the commencement of the meeting or any adjournment thereof. The form of proxy or voting instruction form may also be provided over the Internet or by fax by following the instructions on the form of proxy.

Montreal, May 10, 2024

By order of the Board of Directors

(s) Jean-Sébastien Lavallée

Jean-Sébastien Lavallée,
Chief Executive Officer

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CRITICAL ELEMENTS LITHIUM CORPORATION

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at May 10, 2024, unless indicated otherwise)

This management information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management of Critical Elements Lithium Corporation (the "**Corporation**") for use at the annual meeting of the shareholders of the Corporation (the "**Shareholders**") to be held at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, on June 17, 2024 (the "**Meeting**") at 10:00 a.m., local time and at every adjournment thereof. It is expected that the solicitation will be made primarily by mail. However, officers, directors, employees or agents of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The Corporation does not expect to pay any compensation for the solicitation of proxies and the Corporation will bear all cost and expenses in connection with the solicitation of proxies. The Corporation has not retained the services of any third party to solicit proxies. Should it decide to do so, the fees payable to the proxy solicitor are expected to be nominal. Pursuant to Regulation 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**Regulation 54-101**"), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to certain beneficial owners of the shares.

If you are unable to attend the Meeting in person, you may complete and return the enclosed form of proxy following the instructions therein. The deadline for voting is 5:00 pm (Eastern time) on June 13, 2024, or, in the case of adjournment or postponement of the meeting, at least forty-eight (48) hours before the time of resumption or postponement (excluding Saturdays, Sundays and holidays). The chairperson of the meeting may waive the deadline for the filing proxies at his or her discretion without notice.

A- INTERNET AVAILABILITY OF PROXY-RELATED MATERIALS

NOTICE-AND-ACCESS

This year, in compliance with applicable securities requirements and an order of the Director under the Canada Business Corporations Act, the Corporation is using "notice-and-access" procedures for delivery of the Information Circular and related materials to both its registered and non-registered shareholders. Under notice-and-access, the Corporation is no longer required to distribute paper copies of certain annual meeting-related materials such as information circulars. Instead, electronic versions of such materials will be posted on a website for investor access and review. While shareholders will still receive by mail a form of proxy or voting instruction form so that they can vote their shares, instead of receiving a paper copy of the Notice and Information Circular, shareholders will receive a notice outlining the matters to be addressed at the meeting and, explaining how they can access the Information Circular electronically and how to request a paper copy. Notice-and-access is environmentally friendly and benefits the Corporation and its shareholders through a substantial reduction in the costs of paper, printing and postage.

If the shareholder's name appears on a share certificate, this shareholder is considered a "registered shareholder". Registered shareholders may request paper copies of the meeting materials at no cost by calling Computershare Investor Services Inc., toll-free within North America at 1-866-962-0498 or direct, from outside of North America at 514-982-8716 and entering the 15-digit control number as indicated on the form of proxy.

If the shareholder's shares are listed in an account statement provided by an intermediary, this shareholder is considered a "nonregistered shareholder". Non-registered shareholders may request paper copies of the meeting materials from Broadridge at no cost up to one year from the date the circular was filed on SEDAR+, through the internet by going to www.proxyvote.com or by telephone at 1-877-907-7643 or direct, from outside of North America at 303-562-9305 and entering the 16-digit control number provided on the voting instruction form and following the instructions provided. Shareholders will not receive another form of proxy or voting instruction form. Shareholders must retain their current one to vote their shares. In any case, requests should be received at least ten (10) business days (June 3, 2024) prior to the meeting date in order to receive the meeting materials in advance of the meeting.

WEBSITES WHERE PROXY-RELATED MATERIALS ARE POSTED

The Proxy-Related Materials are available on the Corporation's website at <https://www.ceccorp.ca/en/annual-meeting-of-shareholders/> and under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

NOTICE PACKAGE

Although the Proxy-Related Materials have been posted on-line as noted above, Beneficial Shareholders will receive paper copies of a notice package ("**Notice Package**") via prepaid mail containing information prescribed by Regulation 54-101 such as: the date, time and location of the Meeting, the website addresses where the Proxy-Related Materials are posted, a VIF, and supplemental mail list return card for Beneficial Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Corporation's interim financial reports for the August 31, 2024 fiscal year.

HOW TO OBTAIN PAPER COPIES OF PROXY-RELATED MATERIALS

Beneficial Shareholders may obtain paper copies of this Circular free of charge by contacting: (i) for Beneficial Shareholders with a 15-digit Control Number: Computershare Investor Services Inc. toll free at 1-866-962-0498 (within North America) or 514-982-8716 (outside North America); or (ii) for Beneficial Shareholders with a 16 digit Control Number: Broadridge Financial Solutions, Inc. toll free at 1-877-907-7643. Any request for paper copies which are required in advance of the Meeting should be sent so that the request is received by the Corporation by June 3, 2024 in order to allow sufficient time for Beneficial Shareholders to receive their paper copies and to return their VIF by its due date.

B- VOTING INFORMATION

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's By-Laws provide that the quorum at a meeting of the Shareholders of the Corporation shall be constituted by the attendance of shareholders, present in person or represented by proxy, holding at least 10% of the votes attached to the outstanding voting shares.

APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time by sending an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of proxy was sent and within the delays mentioned therein, or two business days preceding the date the Meeting resumes if it is adjourned, or by modifying it online the day of the Meeting by following the instructions given per the Chairman of the Meeting.

EXERCISE OF DISCRETION BY PROXIES

The management undertakes to respect the holder's instructions.

In the absence of any indication by the mandator, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

ADVICE TO NON-REGISTERED SHAREHOLDERS

The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their shares in their own name should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares are listed in an account

statement provided to a shareholder by a broker, those shares will, in all likelihood, not be registered in the shareholder's name. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

If you are a non-registered shareholder who wishes to attend, participate or vote at the Meeting, insert your own name in the space provided in the voting instruction form sent to you by your intermediary, follow any applicable instructions provided by the intermediary AND register yourself as a proxyholder as described above. In doing so, you are instructing the intermediary to appoint yourself as proxyholder. It is important to follow the intermediary's instructions on how to sign and return the documents.

Regulation 54-101 of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

In Canada, the vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**BFSI**") in Canada. BFSI typically prepares a machine-readable VIF, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

This Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBOs**"). Subject to the provision of Regulation 54-101 issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation's OBOs can expect to be contacted by BFSI or their brokers or broker's agents, as set out above. The Corporation has agreed to pay the intermediaries for delivering the proxy-related materials and related voting instruction form to the OBOs.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or his or her broker's agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares as proxyholder for the registered shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker's agent) and return it to that broker (or that broker's agent) in accordance with the broker's instructions (or the agent's instructions).

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

QUESTIONS

If you have questions about the information contained in this Circular or require assistance in completing your form of proxy, please contact Computershare, the Corporation's transfer agent, toll-free at 1-800-564-6253, or by e-mail at service@computershare.com, or by mail at:

Computershare Investor Services Inc.
650 de Maisonneuve Blvd. W.
Montreal, Québec H3A 3T2

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting, other than the election of directors:

- (a) each 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;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share entitles its holder to one vote. On the date hereof, there are 217,835,300 common shares of the Corporation issued and outstanding.

The board of directors of the Corporation (the "**Board**") fixed the close of business on May 3, 2024, as the record date (the "**Record Date**") for determining which Shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act* (the "**CBCA**"), the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the Record Date that shows the number of shares held by each Shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of Shareholders is available for inspection during usual business hours at the head office of the Corporation and at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying more than 10% of the voting rights attached.

C- MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The Corporation's annual financial statements for the financial year ended August 31, 2023 and the auditors' report thereon will be presented at the Meeting but will not be subject to a vote.

ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of Shareholders or until his successor is elected or appointed.

The mandates of Jean-Sébastien Lavallée, Steffen Haber, Eric Zaunscherb, Marc Simpson, Matthew Lauriston Starnes, Marcus Brune, Ani Markova, Maysa Habelrih and Vanessa Laplante expire at the Meeting of June 17, 2024. Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his discretion unless the Shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

Name	Director since	Office held	Number of shares controlled	Present occupation
Eric Zaunserb ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Ontario, Canada	March 19, 2020	Chair and Director	250,000	Chair of the Board of Directors of Critical Elements Lithium Corporation, Chief Executive Officer and Chair of GR Silver Mining Ltd., independent Director of TriStar Gold Inc. and Outback Goldfields Corp
Jean-Sébastien Lavallée Québec, Canada	October 29, 2009	Chief Executive Officer and Director	7,269,500	Chief Executive Officer of the Corporation
Steffen Haber Bad Soden am Taunas, Germany	April 20, 2017	President and Director	1,000,000	Chairman of Advanced Inorganic@Ventures
Marcus Brune Leonberg, Germany	June 1, 2017	Vice-President Finance and Director	50,000	Vice-President Finance of Critical Elements Lithium Corporation
Marc Simpson ⁽¹⁾⁽²⁾⁽⁵⁾ British Columbia, Canada	March 21, 2013	Director	306,600	President and Chief Executive Officer of Vanadian Energy Corporation
Matthew Lauriston Starnes ⁽³⁾⁽⁴⁾⁽⁵⁾ Kamakura, Japan	August 7, 2014	Director	425,000	Consultant Lawyer with One Asia Lawyers
Ani Markova ⁽¹⁾⁽³⁾⁽⁴⁾ Ontario, Canada	September 16, 2021	Director	1,000	Independent Director of SilverCrest Metals and CEO, Investor View Advisory
Vanessa Laplante ⁽¹⁾⁽²⁾⁽³⁾ Québec, Canada	July 22, 2022	Director	969	Corporate Director and Specialist Advisor in Mining Taxation
Maysa Habelrih ⁽²⁾⁽⁴⁾⁽⁵⁾ Québec, Canada	July 22, 2022	Director	-	Independent Director of Polycor Inc., Forage FTE Drilling, Ressources Qualium Inc., Réseau 3S&E and LDV consultants

- 1) Member of the Audit Committee.
- 2) Member of the Compensation Committee.
- 3) Member of the Governance and Nominating Committee.
- 4) Member of the Environmental and Social Responsibility Committee.
- 5) Member of the Technical Committee.

Each nominee has supplied the information concerning the number of common shares over which he or she exercises control or direction.

All of the nominees, have previously been elected directors of the Corporation at a Shareholders' meeting for which an information circular was issued.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, other than disclosed below, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a Director, Chief Executive Officer or Chief Financial Officer of any company that:

- (i) was the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as Director, Chief Executive Officer, or Chief Financial Officer of such company; or
- (ii) was subject to an Order that was issued after the proposed director ceased to be a Director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as Director, Chief Executive Officer, or Chief Financial Officer of such company; or
- (b) is, as at the date of this Information Circular, or has been within the ten (10) years preceding the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the ten (10) years preceding 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 his assets.

Vanessa Laplante was a director of Nemaska Lithium Inc. (“**Nemaska**”), a reporting issuer in all provinces and territories of Canada, when on November 6, 2020, the securities commission in all the provinces and territories of Canada issued a cease trade order as a result of Nemaska’s failure to file its audited financial statements and the MD&A for the year ended June 30, 2020, prohibiting any person from trading in any security of Nemaska except that Nemaska could implement the transaction under the CCAA and a beneficial holder who was not on November 6, 2020, a person participating in the control or an insider of Nemaska may sell securities at certain conditions.

To the knowledge of the Corporation, other than disclosed below, none of the nominees for election as director of the Corporation has been subject to:

- (a) 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
- (b) any other 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.

Vanessa Laplante was, between December 18, 2018, and October 15, 2020, a director of Nemaska. Nemaska obtained, on December 23, 2019, an initial order under the *Companies’ Creditors Arrangement Act* (Canada) (“**CCAA**”) by the Superior Court of Québec. On November 25, 2020, Nemaska completed the exchange of its common shares for common shares of Residual Nemaska Lithium (the “**transaction**”) in accordance with and pursuant to the approval and vesting order of the Superior Court of Québec (Commercial Division) issued on October 15, 2020, in connection with the proceedings under the CCAA. As a result, and in the context of the CCAA proceedings, there was no residual value for shareholders of Residual Nemaska Lithium Inc. resulting from the transaction.

Unless otherwise instructed, the persons named in the accompanying form of proxy will vote IN FAVOUR of the election of each of the candidates described above as director of the Corporation.

Each director elected will hold office effective until the earlier of the next annual general meeting of the Corporation or his/her successor is duly elected or appointed in accordance with the CBCA and the By-Laws of the Corporation, unless his/her office is vacated earlier.

D- COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Interpretation

“Named executive officer” (“NEO”) means:

- (a) A Chief Executive Officer (“CEO”);
- (b) a Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended August 31, 2023, the NEOs who are the subject of this Compensation Discussion and Analysis are Jean-Sébastien Lavallée, Chief Executive Officer, Steffen Haber, President, Marcus Brune, Vice-President Finance, Yves Perron, Vice-President Engineering, Construction, and Operations and Nathalie Laurin, Chief Financial Officer. See “Summary Compensation Table” below for details of the total compensation received by the NEO for the financial years ended August 31, 2023, 2022 and 2021.

Charter and Composition of the Compensation Committee

The Compensation Committee has a written charter that sets out the Compensation Committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Compensation Committee at least three directors that are “independent” within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. The chair of the Compensation Committee is designated by the Board. Decisions at Committee meetings are decided by a majority of votes cast. The mandate also grants the Compensation Committee access to officers, employees and information of the Corporation and the authority to engage, external legal counsel or other advisors as it deems necessary to perform its duties and responsibilities. The Compensation Committee Charter is available on the Corporation's website at www.cecorp.ca.

As of the date of this Circular, the Compensation Committee is composed of Marc Simpson, Vanessa Laplante, Maysa Habelrih and Eric Zaunscherb. All members of the Compensation Committee are independent directors of the Corporation. All members of the Compensation Committee have a working knowledge of compensation issues.

The training and related experience of each Compensation Committee member that is relevant to the performance of their duties as a member of the Compensation Committee is described below.

Marc Simpson is a professional geologist who works in the mining and exploration industry for over thirty-three (33) years. He has worked for junior, mid-tier and senior mining companies on projects both in Canada and worldwide, including Bema Gold (sold to Kinross for \$3.5 billion in 2007), B2Gold, and Echo Bay Mines. Mr. Simpson is President, CEO and Director of Vanadian Energy Corporation. He received B.Sc. from the University of Manitoba is a member of both Engineers and Geoscientists British Columbia and Engineers and Geoscientists Manitoba.

Vanessa Laplante has over thirty-two (32) years of experience in management, finance, and taxation, including eighteenth (18) years in the mining industry. She is a leader in her specialized field, mining taxation. From 2021 to 2023, she served as the President of the Board of Directors for the Quebec Mining Association, becoming the second woman in the history of QMA to hold this position. During her tenure, she chaired the taxation committee for over 10 years. As an independent director at Azimut Exploration Inc. since February 2024, Mrs. Laplante has developed her expertise within major Canadian gold producers. Most recently, she held the position of Director of Tax and the Montreal office as well as Treasurer for the Canadian Malartic Partnership, a company formerly owned by Agnico Eagle Mines Limited and Yamana Gold Inc. and operating the Canadian Malartic and Odyssey mines from 2014 to 2023. She has also held similar roles and made significant contributions at Osisko Mining Corporation from 2010 to 2014, Iamgold Corporation, and Cambior Inc. from 2006 to 2010. From 2019 to 2020, Mrs. Laplante served as a board member and Chair of the Audit Committee at Nemaska Lithium Inc. She was a member of the advisory committee on the simplification of the mining

royalty regime formed by the Quebec Ministry of Natural Resources from 2015 to 2019. Vanessa Laplante holds the ASC, C.Dir. designation - Certified Corporate Director of the University Laval Certification Program in Corporate Governance. She also holds a bachelor's degree in business administration from the University of Sherbrooke and is a member of the Ordre des comptables professionnels agréés du Québec (CPA designation).

Maysa Habelrih is a results-oriented executive and board director who leverages her global experience and track record of operational excellence, transformation of organizations, and growth. She has expertise in international joint venture and boards management, in complex environments. Presently, she is an independent Director of: Polycor Inc., Ressources Qualium Inc., Forage FTE Drilling, LDV consultants and Réseau 3S&E. From 2021 to March 2023 Maysa acted as the CEO of the Mouvement Québécois de la Qualité, a non-profit organization focused on increasing the competitiveness and productivity of Québec organizations. From 1989 to 2019, she worked at Alcan, which became Rio Tinto Aluminium in 2007. Maysa finished as General Manager/Vice President of Joint Ventures responsible for nine joint venture operations worldwide. Maysa holds a bachelor's and master's degree in chemical engineering from McGill University in Montreal, as well as the International Masters Program for Managers (IMPM).

Eric Zaunscherb is a Canadian mining executive focused on building strong management teams for the responsible exploration and development of quality mineral assets. He is the Chair of the Board of Directors of Critical Elements Lithium Corp. since 2020 and the Chief Executive Officer and Chair of GR Silver Mining Ltd. since March 2022. He is an independent director of TriStar Gold Inc. and Outback Goldfields Corp. Originally an exploration geologist, Mr. Zaunscherb spent thirty-four (34) years as a mining analyst, most recently serving as Managing Director, Research - Metals and Mining Analyst at a leading investment bank where he coordinated the global mining equity research team. He welcomes new technologies and industry initiatives in diversity and socially responsible investing, ensuring that local communities receive sustainable benefits from mineral resource development.

Compensation Program Objectives

The Board, assisted by the Compensation Committee, reviews and takes decisions on issues related to compensation of executive officers and directors, while ensuring that policies are sufficiently competitive to attract and retain talented individuals, and that executive compensation is in line with industry standards. The Compensation Committee and Board recognize that the NEOs are essential to the Corporation's vision and mission and that compensation plays an important role in achieving the Corporation's short and long-term objectives, which ultimately supports its success.

Employment contracts were signed with several executives in July 2016 and amended in January 2017 and some amended in August 2021 and in June 2023 to bring their compensation in line with comparable positions in companies with activities similar to those of the Corporation. Executive compensation is designed to reflect the Corporation's performance and objectives.

Purpose of the Compensation Program

The Compensation Committee has the specific responsibility of supporting the Board in: a) developing a compensation strategy and policy; b) reviewing and approving the compensation objectives and targets for the CEO, assessing the CEO's performance against the above objectives and targets and making recommendations to the Board regarding the CEO's compensation in light of its assessment; c) reviewing the compensation of executive officers other than the CEO and taking certain decisions with respect to their compensation; d) make recommendations to the Board regarding how the directors are compensated; and e) reviewing the disclosure on executive compensation.

The Compensation Committee has developed compensation policies that have been reviewed and approved by the Board. These policies are used by the Compensation Committee and the Board to guide compensation-related decisions, and reflect the Corporation's approach to executive compensation, which aims to:

- Offer compensation that is sufficiently competitive to attract, retain and motivate high-calibre executives with the skills required to implement the Corporation's strategy;
- Match compensation to the achievement of performance targets arising from the approved strategy;
- Encourage the achievement of goals and objectives in a way that fits with the Corporation's vision, mission and values; and
- Align the executive officers' interests with those of the Corporation's Shareholders.

Elements of the Compensation Program

The executive compensation program consists of a combination of base salary, short- and long-term incentives and equity compensation.

Base salary

The base salary is aimed at compensating NEOs for their duties and responsibilities, and thus takes into account the NEO's position and responsibilities, experience, performance and expected contribution.

Incentives

In addition to their base salary, NEOs are eligible for an annual bonus based on the achievement of certain performance targets. The Compensation Committee is responsible for establishing annual targets for the CEO based on the Corporation's strategy and milestones. The performance targets for the other NEOs are based, notably, on those of the CEO, as well as the Corporation's strategy and milestone, and take into account the NEO's position and related responsibilities. The CEO reviews the targets with the Compensation Committee. Each NEO's target bonus is expressed as a percentage of the base salary.

Omnibus Incentive Plan – Long Term Incentive Granting Process

On July 6, 2022, the Board adopted the Corporation's omnibus equity compensation plan (the "**Omnibus Plan**"), which was approved by the disinterested shareholders of the Corporation at the annual meetings of Shareholders of the Corporation held on September 13, 2022 and July 13, 2023. The Board determined it was in the best interests of the Corporation to adopt the Omnibus Plan, in order to provide the Board with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, executives, employees, consultants and service providers.

Under the Omnibus Plan, the Board is authorized to grant Options, Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**") and Deferred Share Units ("**DSUs**") to directors, officers, employees and consultants of the Corporation, who are eligible to receive such grants, ("**Eligible Participants**", and when such Eligible Participants are granted Awards, the "**Participants**") in order to attract, retain and motivate such persons as individuals whose skills, performance and loyalty to the objectives and interests of the Corporation are necessary to the Corporation's success, to incentivize them to continue their services for the Corporation, and to align their interests with those of the Corporation.

Stock options

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hiring aligns NEOs' rewards with an increase in shareholder value over the long term.

During the year ended August 31, 2023, the Board granted 539,332 Stock Options under the Corporation's Omnibus Plan. As of the date of this Circular, there were 3,139,332 Stock Options outstanding.

Deferred Share Units

Directors are eligible to receive grants of DSUs. Directors may elect to receive any part or all of their base retainer fees of their position as a director as DSUs. Each holder of a DSU is entitled to receive one Common Share for each DSU. The Board believes the granting of DSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of DSUs is intended to reward directors who are responsible for oversight of the management and growth of the Corporation and to encourage such directors to maintain a long-term vision for the Corporation to operate in a manner to maximize Shareholder value.

During the year ended August 31, 2023, the Board granted 78,602 DSUs under the Corporation's Omnibus Plan. As of the date of this Circular, there were 78,602 DSUs outstanding.

Performance Share Units

Participants are eligible to receive grants of PSUs, entitling the holder to receive one Share for each PSU, subject to the achievement or attainment of specific performance criteria ("**Performance Criteria**") within a specific period ("**Performance Cycle**"). The number of PSUs and the Performance Criteria which must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable award agreement. The Board believes the granting of the PSUs incentivizes the attainment of specific goals which support the overall strategies of the Corporation and creates a sense of ownership and an alignment of the recipients' interests with those of the

Shareholders. The granting of PSUs is intended to reward those Participants who are responsible for the management and growth of the Corporation and to encourage such executives to develop a long-term vision for the Corporation to operate in a manner to maximize Shareholder value. By using vesting periods for PSUs in addition to other restrictions, this compensation element is also designed to support long-term retention of valuable Participants as well as provide an incentive for the achievement of specific milestones, if applicable.

During the year ended August 31, 2023, the Board granted 148,134 PSUs under the Corporation's Omnibus Plan. As of the date of this Circular, there were 148,134 PSUs outstanding.

Restricted Share Units

Participants are eligible to receive grants of RSUs, entitling the holder to receive one Share for each RSU, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement. The Board believes the granting of RSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of RSUs is intended to reward those Participants who are responsible for the management and growth of the Corporation and to encourage such Participants to develop a long-term vision for the Corporation to operate in a manner to maximize Shareholder value. By using vesting periods for RSUs in addition to other restrictions, this compensation element is also designed to support long term retention of valuable Participants as well as provide an incentive for the achievement of specific milestones, if applicable.

During the year ended August 31, 2023, the Board granted 320,089 RSUs under the Corporation's Omnibus Plan. As of the date of this Circular, there were 320,089 RSUs outstanding.

Indirect benefits

The Corporation does not offer a pension. A group insurance plan is offered to certain NEOs (see "Summary Compensation Table") of this Circular. NEOs are subject to provisions in the event of termination and change of control of their employment contracts. or benefits plan. See section "Termination and Change of Control Benefits" of this Circular.

Performance targets

The main objectives of the NEOs for the period from September 1, 2022, to August 31, 2023, were focused, among other things, on obtaining the authorizations, recruitment of owner's team, advancing the engineering and execution plan for the Rose Lithium-Tantalum project, responsible financial management and reporting, superior share price performance, the environmental, social and governance process and financing for the Rose Lithium-Tantalum project.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board

Compensation of the NEOs of the Corporation other than the CEO is reviewed annually by the CEO, who makes recommendations to the Compensation committee. The Board reviews the recommendations of the CEO and approves the compensation of the NEOs based on the recommendations of the CEO. The CEO's compensation is reviewed annually by the Board.

Base Salary

The base salary review of each NEO takes into consideration the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings. Base salary is evaluated against a formal comparison group (as defined below) as mentioned in the section on Compensation Program Objectives. The Board relies on the general experience of its members in setting base salary amounts.

External Compensation Consultants

During the year ended August 31, 2023, the Compensation Committee retained PCI-Perrault Conseil Inc. to provide it with a board benchmarking analysis and recommendations, as appropriate. The Corporation's salary range and compensation practices were compared with those of ten Canadian companies, one U.S. company, one Australian company and one Brazilian company (the "Comparator Group"), as listed below.

American Lithium Corp. E3 Metals Corp. Electra Battery Materials Corp. Frontier Lithium Inc. Lithium Americas Corp. Nano One Materials Corp. Neometals Ltd	NextSource Materials Inc. Nouveau Monde Graphite Inc. Piedmont Lithium Inc. Rock Tech Lithium Inc. Sigma Lithium Corporation Standard Lithium Ltd.
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Compensation Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. On June 14, 2021, the Corporation adopted an insider trading and blackout policy (the "**Insider Trading and Blackout Policy**") that prohibits, among other things, directors and officers from purchasing financial instruments that are designed to hedge, short sell or offset a decrease in market value of the Corporation's securities granted as compensation or held, directly or indirectly, by directors or officers. The Insider Trading and Blackout Policy was revised and adopted by the Board of Directors in October 2023 and is available on the Corporation's website at www.ceccorp.ca. As of the date of this Circular, the Corporation is not aware of any directors or officers having entered into this type of transaction.

The Omnibus Plan restricts recipients of awards from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director. As of the date of this Circular and to the knowledge of the Corporation, none of the Named Executive Officer or directors has purchased such financial instruments.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary and long- and short-term incentives of each NEO, combined with the granting of Awards under the Omnibus Plan has been designed to provide overall compensation that the Board believes to be competitive.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation and its subsidiaries for services in all capacities to the Corporation during the three (3) most recently completed financial year:

Name and principal position	Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation ⁽⁹⁾ (\$)
					Annual incentive plans	Long-term incentive plans			
Jean-Sébastien Lavallée Chief Executive Officer	2023	427,237	79,999	119,999	-	381,500 ⁽³⁾	-	673,009 ⁽⁷⁾⁽⁸⁾	1,681,744
	2022	404,061	-	-	-	236,250 ⁽⁴⁾	-	887,413 ⁽⁷⁾	1,527,724
	2021	472,683 ⁽⁶⁾	-	-	-	50,000 ⁽⁵⁾	-	130,221 ⁽⁷⁾	652,904
Nathalie Laurin Chief Financial Officer	2023	196,754	39,999	60,000	-	128,313 ⁽³⁾	-	6 448 ⁽⁸⁾	431,514
	2022	173,169	-	-	-	82,500 ⁽⁴⁾	-	-	255,669
	2021	116,727	-	-	-	15,000 ⁽⁵⁾	-	-	131,727

Name and principal position	Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation ⁽⁹⁾ (\$)
					Annual incentive plans	Long-term incentive plans			
Steffen Haber President	2023	400,173	79,999	119,999	-	187,306 ⁽³⁾	-	-	787,477
	2022	378,103	-	-	-	-	-	-	378,103
	2021	479,592 ⁽⁶⁾	-	-	-	-	-	-	479,592
Marcus Brune Vice-President, Finance	2023	175,726	39,999	60,000	-	59,938 ⁽³⁾	-	-	335,663
	2022	105,941	-	-	-	-	-	-	105,941
	2021	-	-	-	-	-	-	-	-
Yves Perron Vice-President Engineering, Construction, and Operations	2023	387,981	399,999	286,398	-	300,000 ⁽³⁾	-	3,074 ⁽⁸⁾	1,377,452
	2022	25,962	-	-	-	-	-	-	25,962

- (1) This amount corresponds to the number of RSUs multiplied by the market price of the Corporation's common shares on the stock exchange on the grant date, November 8, 2022 (\$2.29). The terms and conditions of the agreements governing the RSUs, and the Omnibus Plan provide the terms and conditions of the grant and vesting of RSUs.
- (2) This column discloses the total value of option at the time of grant. **These figures do not reflect the current value of the Stock Options or the value, if any, that may be realized if and when the Stock Options are exercised.** Fair value at the time of grant calculated using the Black-Scholes option pricing model with the following weighted-average assumptions: dividend yield of 0%, expected volatility of 75.3%, risk-free interest rate of 3.67% and an expected life of 5 years.
- (3) Discretionary and annual bonus earned in the year ended August 31, 2023.
- (4) Discretionary bonus earned in the year ended August 31, 2022.
- (5) Discretionary bonus earned in the year ended August 31, 2020 and paid in the year ended August 31, 2021.
- (6) In an effort to preserve its cash flow in the uncertain period created by the COVID-19 pandemic, the Corporation's Named Executive Officers have agreed that a portion of their salaries earned in the fiscal year ending August 31, 2020 will be paid in the fiscal year ending August 31, 2021: (i) \$77,194 for Jean-Sébastien Lavallée; (ii) \$82,034 for Steffen Haber.
- (7) A total amount of \$666,758 (\$887,413 in 2022 and \$130,221 in 2021) was paid to Consul-Teck Mining Exploration Inc. a private company of which Jean-Sébastien Lavallée is a shareholder. The amounts represent exploration and/or development work on the Corporation's properties.
- (8) A group insurance plan is offered to certain NEOs.
- (9) **The total compensation value does not represent the real cash compensation earned by the NEOs during these fiscal years.** This column discloses the total value of compensation and includes the value of Stock Options and RSUs at the grant date.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jean-Sébastien Lavallée	82,340 350,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 84,000	34,934	79,999	-
Steffen Haber	82,340 350,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 84,000	34,934	79,999	-
Marcus Brune	41,170 300,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 72,000	17,467	39,999	-
Nathalie Laurin	41,170 150,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 37,500	17,467	39,999	-
Yves Perron	300,000	1.53	August 2, 2027	-	174,672	399,999	-

(1) Based on the closing price of the Corporation's common shares on August 31, 2023 (\$1.49).

(2) In accordance with the terms of the Omnibus Plan, the expiry date of such Stock Options is extended to a date that is no later than 10 business days after the expiry of the blackout period imposed by the Corporation pursuant to its internal trading policies.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jean-Sébastien Lavallée	188,559	-	-
Steffen Haber	188,559	-	-
Marcus Brune	94,279	-	-
Nathalie Laurin	94,279	-	-
Yves Perron	459,000	-	-

Pension Plan Benefits

The Corporation does not have a Defined Benefits Pension Plan or a Defined Contribution Pension Plan.

Termination and Change of Control Benefits

The Corporation may terminate the employment contract of an employee, including an employee who is an NEO, for a serious reason under Section 2094 of the Civil Code of Québec at any time, without notice or compensation. If the Corporation terminates the contract without a serious reason within the meaning of Section 2094 of the Civil Code of Québec, the Corporation shall give the employee, including an employee who is an NEO, notice of termination or compensation in lieu of such notice, the whole in accordance with the following terms and conditions:

Years of service to the Corporation	Lump sum
1 to 3 years	6 months of salary
More than 3 and up to 5 years	18 months of salary
More than 5 years	24 months of salary

In the event that an employment contract is terminated within a period of sixty (60) days before or three hundred sixty-five (365) after a change of control, or the Corporation amends an employment contract in such a way that an employee, is unable to fulfill the duties and responsibilities assigned to him or her during that period, the employee shall be entitled

to a lump sum on termination of the contract, as follows:

- The employee's full salary at the date of termination, including expenses, unused annual vacation and any other amounts owed to the employee; and
- The following lump sum:

Years of service to the Corporation	Lump sum
1 to 3 years	6 months of salary
More than 3 and up to 5 years	18 months of salary
More than 5 years	24 months of salary

- Options that have vested as at the date of termination of the contract shall remain exercisable until the expiration date or as per the terms of the stock option plan in effect at that date.
- A payment equal to the greater of 100% of the employee's base salary and twice the average of the two highest bonuses paid to the employee over the three most recent years under the Corporation's bonus plan.

DIRECTORS' COMPENSATION

Directors' Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Corporation for the most recently completed financial year terminated on August 31, 2023:

Name	Annual compensation (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Eric Zaunscherb	47,250	39,999	89,999	-	-	-	177,248
Marc Simpson	26,250	28,000	66,999	-	-	-	121,249
Matthew Lauriston Starnes	24,000	28,000	66,999	-	-	-	118,999
Ani Markova	25,500	28,000	66,999	-	-	-	120,499
Vanessa Laplante	26,250	28,000	42,000	-	-	-	96,250
Maysa Habelrih	24,750	28,000	42,000	-	-	-	94,750

(1) On November 8, 2022, the Corporation granted 78,602 deferred share units to independent directors at a fair value of \$2.29 per unit based on the share price at grant. These deferred share units were vested on November 8, 2023, but the value will not be distributed until the time specified in the Omnibus Plan.

(2) Fair value at the time of grant calculated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 75.3%, risk-free interest rate of 3.67%, and an expected life of 5 years.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have not vested (\$)
Eric Zaunscherb	61,755 200,000	2.29 0.24	November 8, 2027 March 19, 2025	- 250,000	17,467	39,999	-
Marc Simpson	45,973 150,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 36,000	12,227	28,000	-
Matthew Lauriston Starnes	45,973 150,000	2.29 1.25	November 8, 2027 February 27, 2023 ⁽²⁾	- 36,000	12,227	28,000	-
Ani Markova	45,973 200,000	2.29 1.35	November 8, 2027 September 16, 2026	- 28,000	12,227	28,000	-
Vanessa Laplante	28,819 200,000	2.29 1.35	November 8, 2027 July 22, 2027	- 28,000	12,227	28,000	-
Maysa Habelrih	28,819 200,000	2.29 1.35	November 8, 2027 July 22, 2027	- 28,000	12,227	28,000	-

(1) Based on the closing price of the common shares of the Corporation on August 31, 2023 (\$1.49).

(2) In accordance with the terms of the Omnibus Plan, the expiry date of such Stock Options is extended to a date that is no later than 10 business days after the expiry of the blackout period imposed by the Corporation pursuant to its internal trading policies.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Corporation during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Eric Zaunscherb	141,419	39,999	-
Marc Simpson	105,278	28,000	-
Matthew Lauriston Starnes	105,278	28,000	-
Ani Markova	105,278	28,000	-
Vanessa Laplante	65,996	28,000	-
Maysa Habelrih	65,996	28,000	-

AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at August 31, 2023, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,339,332	\$1.40	39,670,903
Equity compensation plans not approved by security holders	-	-	-

TERMS AND CONDITIONS OF THE OMNIBUS PLAN

The Board adopted the Omnibus Plan as of July 6, 2022, which was approved by the disinterested shareholders at the Corporation's annual and special meeting of its shareholders of September 13, 2022. The Omnibus Plan replaced the Corporation's stock option plan adopted on November 29, 2016. The Board determined that it is desirable to have a wide range of incentive awards, including Options, RSUs, PSUs and DSUs, (individually, an "Award" and collectively, the "Awards") to attract, retain and motivate employees, directors, executive officers and consultants of the Corporation. The Omnibus Plan was further amended by the Board on June 5, 2023, in order to refine and further outline the vesting and expiry provisions relating to such Awards, which was approved by the Corporation's disinterested shareholders at the annual and special Meeting of its shareholders held on July 13, 2023.

The full text of the Omnibus Plan is available on the Corporation's SEDAR+ profile (www.sedarplus.ca). Any capitalized undefined terms in this section shall have meaning ascribed to it in the Omnibus Plan.

The Omnibus Plan permits the grant of Options, RSUs, PSUs, DSUs to eligible Participants (as defined in the Omnibus Plan). The Omnibus Plan, and any Awards issued thereunder and will continue to be effective until the date it is terminated by the Board in accordance with the Omnibus Plan. Following the adoption and ratification of the Omnibus Plan, and subject to compliance with the policies of the Exchange, all outstanding Options granted under the Stock Option Plan (the "Predecessor Options") continue to be outstanding as awards granted under and subject to the terms of the Omnibus Plan, provided however that all Options which have been granted under the Omnibus Plan remain in force in accordance with their existing terms.

The purpose of the Omnibus Plan is to: (i) provide the Corporation with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Corporation and its affiliates; (ii) align the interests of Participants with that of other shareholders of the Corporation generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Corporation through the acquisition of common shares of the Corporation as long-term investments.

Under the Omnibus Plan, the aggregate number of common shares reserved for issuance, subject to certain adjustments permitted under the terms of the Omnibus Plan or following an amendment thereto, is 43,557,060. To the extent any Awards other than for Options (or portion(s) thereof) under the Omnibus Plan terminate or are cancelled for any reason prior to exercise, then any common shares subject to such Awards (or portion(s) thereof) shall be added back to the number of common shares reserved for issuance under the Omnibus Plan and will again become available for issuance pursuant to the exercise of Awards (other than for Options) granted under the Omnibus Plan. Common shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award (other than for Options) that is settled in cash.

For so long as the Corporation is listed on the Exchange:

- (a) the maximum number of common shares for which Awards may be issued to any one Insider (as defined by the Exchange) shall not exceed 10% of the outstanding common shares at any point in time, unless the Corporation obtains disinterested shareholder approval as required by the policies of the Exchange;
- (b) the maximum number of common shares for which Awards may be issued to Insiders as a group in any 12-month period shall not exceed 10% of the outstanding common shares, calculated on the date an Award is granted to the Participant, unless the Corporation obtains disinterested shareholder approval as required by the policies of the Exchange;

- (c) the maximum number of common shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding common shares, calculated on the date an Award is granted to the Participant, unless the Corporation obtains shareholder approval as required by the policies of the Exchange;
- (d) the aggregate number of common shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding common shares, calculated on the date an Award is granted to the Consultant;
- (e) the aggregate number of common shares for which Awards may be issued to Investor Relations Service Providers (as the term is defined in the Omnibus Plan) as a group within any 12-month period shall not exceed 2% of the outstanding common shares, calculated on the date an Award is granted to the Consultant, and such Awards shall only include Options; and
- (f) Options granted to Investor Relations Service Providers shall be subject to the vesting requirements set out in Exchange Policy 4.4 - *Security Based Compensation* (the "**Policy 4.4**"), and Awards granted to all other Participants shall be subject to the vesting requirements of the Policy 4.4.

The Omnibus Plan provides for customary adjustments or substitutions, as applicable, in the number of common shares that may be issued under the Omnibus Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to the Corporation's shareholders, or any similar corporate event or transaction. The Omnibus Plan also provides, with respect to DSUs, PSUs and RSUs, for the payment of dividend equivalents in the amount that a Participant would have received if DSUs, PSUs and RSUs had settled for common shares on the record date of dividends declared by the Corporation provided that if the number of securities issued as dividend equivalents, together with all of the Corporation's other share-based compensation, would exceed 10% of the Corporation's issued shares (or any of the other limits set forth in the Policy 4.4, including limits on grants with respect to individuals, Insiders, Consultants and Investor Relations Service Providers) then such dividend equivalents will be paid in cash.

Plan Administration

The Omnibus Plan will be administered by the Board, which may delegate its authority to any duly authorized committee of the Board (the "**Plan Administrator**"). Except as otherwise provided in the Omnibus Plan, the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals (the "**Participants**") to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, RSUs, PSUs, DSUs or Other Share-Based Awards), in such amounts, to such Participants and, subject to the provisions of the Omnibus Plan, on such terms and conditions as it determines, including, without limitation:
 - i) the time or times at which Awards may be granted;
 - ii) the conditions under which:
 - A. Awards may be granted to Participants; or
 - B. Awards may be forfeited to the Corporation,
 including vesting and any conditions relating to the attainment of specified performance goals;
 - iii) the number of Shares to be covered by any Award;
 - iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
 - v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
 - vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on

such factors as the Plan Administrator may determine;

- (c) establish the form or forms of Award Agreements (as defined in the Omnibus Plan);
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Omnibus Plan and the policies of the Exchange;
- (e) construe and interpret the Omnibus Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to the Omnibus Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;
- (g) if an Award is to be granted to Employees, Consultants, or Management Company Employees, the Plan Administrator and the Participant to whom that Award is to be granted are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant, or Management Company Employee; and
- (h) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Omnibus Plan.

Notwithstanding the foregoing, the grant of any Other Share-Based Awards that are not Options, Deferred Share Units, Restricted Share Units or Performance Share Units will be subject to Exchange and shareholder approval (as applicable).

Change of Control

If there is a Change in Control (as defined in the Omnibus Plan), the Plan Administrator may take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control; and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing. Any such actions taken in connection with a Change in Control must comply with the policies of the Exchange including, without limitation, the requirement that the acceleration of vesting of Options granted to Investor Relations Service Providers shall only occur with the prior written approval of Exchange.

Incentive Awards

Options

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

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be lower than the last closing price of the common shares on the Exchange. Except where a Participant elects for a Net Exercise (as defined below), such price upon exercise of any Option shall be payable to the Corporation in full in cash, certified cheque or wire transfer.

Subject to prior approval by the Board, a Participant may elect to surrender for cancellation to the Corporation any vested Options in accordance with the net exercise policies of the Exchange (a "**Net Exercise**"). In connection with a Net Exercise, the Corporation will issue to the Participant, as consideration of the Options, that number of Option Shares (as defined in the Omnibus Plan) determined on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

X = The number of Option Shares issuable to the Participant as consideration for respect of the exchange or surrender of an Option under Section 4.7 of the Omnibus Plan;

Y = The number of Option Shares issuable with respect to the vested portion of the Option to be exercised by the Participant (the “**Subject Options**”);

A = The VWAP of the Shares; and

B = The Exercise Price of the Subject Options.

Unless otherwise specified in an Award Agreement (as defined in the Omnibus Plan), and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange policies (including Exchange Policies with respect to the vesting of Options granted to person performing Investor Relations Activities (as defined in the Omnibus Plan), and the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Subject to any requirements of the Exchange, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black-out period, Options may be exercised for a period of up to ten (10) years after the grant date, provided that: (i) upon a Participant’s termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the “**Termination Date**”) as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable until the earlier of the original expiry date of the award and 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the Retirement of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

Share Units

The Board is authorized to grant RSUs, PSUs and DSUs evidencing the right to receive common shares (issued from treasury), cash based on the value of a Common Share or a combination thereof at some future time to eligible persons under the Omnibus Plan.

RSUs generally become vested, if at all, following a period of continuous employment. PSUs are similar to RSUs, but their vesting is, in whole or in part, conditioned on the attainment of specified performance metrics as may be determined by the Board. The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Awards will be set out in the Participant’s Award Agreement.

Subject to the achievement of the applicable vesting conditions, the payout of an RSU or PSU will generally occur on the settlement date. The payout of a DSU will generally occur upon or following the Participant ceasing to be a director, executive officer, employee or consultant of the Corporation, subject to satisfaction of any applicable conditions.

E- CORPORATE GOVERNANCE

General Comment

National Policy 58-201 Corporate Governance Guidelines and Regulation 58-101 Disclosure of Corporate Governance Practices set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices. The Board of Directors Charter is available on the Corporation's website at www.ceccorp.ca.

Board of Directors

Independent directors

As of the date of this Circular, the independent directors of the Corporation are Eric Zaunscherb, Marc Simpson, Ani Markova, Matthew Lauriston Starnes, Vanessa Laplante and Maysa Habelrih.

Non-independent directors

Jean-Sébastien Lavallée is a non-independent director of the Corporation in light of his position as CEO and his involvement in the day-to-day operations of the Corporation.

Steffen Haber is a non-independent director of the Corporation in light of his position as President of the Corporation.

Marcus Brune is a non-independent director of the Corporation in light of his position as Vice-President Finance of the Corporation.

Directorships

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Director's name	Issuer
Marc Simpson	Vanadian Energy Corporation
Eric Zaunscherb	GR Silver Mining Ltd Outback Goldfields Corp. TriStar Gold Inc.
Ani Markova	SilverCrest Metals Inc.
Matthew Lauriston Starnes	Koryx Copper Inc.
Vanessa Laplante	Azimut Exploration Inc.

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

On June 14, 2021, the Corporation adopted a code of business conduct and ethics ("**Code of Ethics**") for its directors, officers and employees, as well as its subsidiaries, divisions and affiliates regardless of their position in the organization, at all times and business jurisdictions. The Code of Ethics is reviewed periodically by the Audit Committee and the Governance and Nominating Committee which will recommend any amendments as required to the Board for approval. The Code of Ethics sets forth general principles on (i) compliance with laws, rules and regulations; (ii) conflicts of interests; (iii) confidentiality; (iv) protection and proper use of assets; (v) insider trading; (vi) faire dealing; (vii) equal opportunity; (viii) treating each other with dignity, respect and trust; (ix) health and safety; (x) environmental protection; (xi) community

engagement; (xii) financial and business disclosure and accuracy of the Corporation's records and reporting; (xiii) use of communication platforms and tools; and (xiv) payment to domestic and foreign officials, gifts and entertainment. The Code of Ethics does not supersede the specific policies and procedures of the Corporation that are in effect. Individuals that report violation under the Code of Ethics to their supervisor, member of senior management or through the direct or anonymous channels outlined in the Corporation's whistleblower policy. Code of Ethics, the whistleblower policy and other policies of the Corporation such as the disclosure and confidentiality policy, the environmental and social responsibility policy, the clawback policy, the diversity policy, the Insider Trading Policy and the anti-bribery and anti-corruption policy were revised and adopted by the Board of Directors in October 2023 and are available on the Corporation's website at www.cecCorp.ca.

Nomination of Directors

The Board recognizes the benefits of a diversity of views on the Board, achieved through a diversity of knowledge, skills, competencies, experiences, race, gender, ethnicity, age, and culture. The Board, as currently comprised, includes a diversity of skills and experience in multiple areas, including mining, geology, legal and engineering. Recommendations concerning director nominees are, foremost, based on merit, qualifications and performance, but diversity is also a consideration. Recognizing the potential benefits of diversity, where Board renewal or expansion of the Board is being considered, the Board will place an emphasis on identifying qualified candidates, and will prioritize gender diversity as well as others diverse in ethnicity, race, age, and culture, within the context of the knowledge, skills, competencies and experiences the Board requires. The Board also recognizes the potential benefits of diversity, at the level of executive management, having direct responsibility for the day-to-day management of the Corporation. While diverse individuals are evaluated, directors, executive officers and employees will be recruited and/or promoted based upon merit, their respective abilities and contributions. Currently one executive management position in the Corporation (20%), Chief Financial Officer, is held by a woman and, three Board members are women. While merit, qualifications and performance are fundamental considerations in recruitment and appointment, the Board considers the level of gender diversity, together with the level of overall diversity in the Corporation, in executive management when making or approving appointments.

The Board acknowledges that having a diverse board and executive management structure may provide for improved employee retention and may better reflect the diversity of the communities the Corporation operates in.

On June 14, 2021, the Board adopted a formal, written charter for the Governance and Nominating Committee that sets out the new nominating committee's composition, meetings, procedures, reporting, and responsibilities, which was revised and adopted by the Board of Directors in October 2023. See section "Governance and Nominating Committee".

Diversity Policy

On June 14, 2021, the Board adopted a formal, written diversity policy (the "**Diversity Policy**") relating to the nomination and appointment of directors and officers who are women, Aboriginal peoples, persons with disabilities or members of visible minorities (collectively, the "**Designated Groups**"), which was revised and adopted by the Board of Directors in October 2023. The purpose of such Diversity Policy is to promote an environment for the consideration of diversity of the Board and the composition of management. Under the Diversity Policy, the potential benefits of a diverse leadership to the sustained success of the Corporation are recognized and the Board is tasked to consider, in its director nomination recommendations, an appropriate representation of the Designated Groups. Under the Diversity Policy, the Governance and Nominating Committee is responsible for identifying individuals qualified to become new Board members based on internal guidelines. These guidelines include a commitment for the Board to seek out highly qualified individuals diverse in gender, ethnicity, race, age, and culture to include in the pool from which Board nominees are evaluated and chosen as and when required for Board expansion or the normal renewal process of change.

The Governance and Nominating Committee will periodically assess the effectiveness of the nomination and appointment process generally, as well as the effectiveness of the Diversity Policy, and monitor the implementation of the Diversity Policy as determined by the Board to be appropriate. The Board does not currently set targets with respect to the diversity of the Board and executive management, including in respect of each Designated Group given the size and stage of the Corporation, but may consider doing so and making recommendations related thereto for consideration and approval of the Board, as and when determined appropriate. The Diversity Policy is available on the Corporation's website at www.cecCorp.ca.

CBCA Requirements

The provisions of Bill C - 25 regarding diversity on boards of directors and among senior management, as well as the associated regulations, were approved by Order in Council of the Government of Canada. These provisions set out a

requirement that all distributing corporations, as defined under the CBCA, (including the Corporation), for all annual meetings held on or after January 1, 2020, shall report on the representation of the Designated Groups. If all nominees proposed for election at the Meeting are elected, there will be two women on the Board.

As of the date of this Circular, for each of the designated groups, the Corporation has not tailored a target number or percentage, or range of target numbers or percentages, for members of the designated groups to serve on the Board or as members of senior management by a specific date, as it believes that that imposing targets based on specific selection criteria would limit the Corporation's ability to ensure that the overall composition of the Board and senior management meets the needs of the Corporation and its shareholders.

As of the date of this Circular, the Board has three women. The number and proportion of directors and executive officers who self-identify as members of the designated groups are as follows:

Board of Directors

Designated Group⁽¹⁾	Number	Proportion
Women	3	33%
First Nations	0	0
Persons with Disabilities	0	0
Visible Minorities	0	0

(1) The number and proportion of directors who identify themselves as members of the designated groups were provided by the respective directors on a voluntary basis and these responses have not been independently verified by the Corporation.

Members of the Senior Management

Designated Group⁽¹⁾	Number	Proportion
Women	1	20%
First Nations	0	0
Persons with Disabilities	0	0
Visible Minorities	0	0

(1) The number and proportion of executives who identify themselves as members of the designated groups were provided by the respective directors on a voluntary basis and these responses have not been independently verified by the Corporation.

Compensation Committee

The members of the Compensation Committee are independent. The primary function of the Compensation Committee is to assist the Board in fulfilling its oversight responsibilities with respect to aligning compensation and incentives with short-term and long-term strategic goals of the Corporation, including:

- compensation of the Corporation's CEO and other executive officers;
- develop and oversee the Corporation's management compensation structure, policies and programs; and
- produce an annual report on executive compensation for public disclosure in the Corporation's proxy statement or otherwise, as required by applicable securities laws and the rules and regulations promulgated thereunder.

On June 14, 2021, the Board adopted a written charter that sets forth the responsibilities, powers and operations of the Compensation Committee, which include: reviewing and approving the corporate goals and objectives relevant to the compensation of the CEO; evaluating the CEO's performance in light of the previously established corporate goals and objectives; recommending to the Board the CEO's compensation package based on its evaluation of the CEO's performance; reviewing and, if appropriate, approving employment agreements, severance arrangements, retirement

arrangements, change in control agreements and provisions, and any special or supplemental benefits for each executive officer; reviewing the grants of options to purchase shares of the Corporation, at the request of the Board; review and make recommendations to the Board with respect to the compensation to be paid to directors for service on the Board and Board committees; and managing the Board's relations with shareholders on executive compensation matters. Charter was revised and adopted by the Board of Directors in October 2023

The Compensation Committee has the power to retain independent legal or other relevant advisors as it determines necessary to allow it to discharge its responsibilities, at the expense of the Corporation. The Compensation Committee meets at least twice annually.

Governance and Nominating Committee

On June 14, 2021, the Board adopted a formal, written charter for the Governance and Nominating Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities, which was revised and adopted by the Board of Directors in October 2023 and among other things, the charter requires the Board to appoint to the Governance and Nominating Committee at least three directors that are "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at Committee meetings are decided by a majority of votes cast.

The Governance and Nominating Committee's principal responsibility is one of alignment of Board and senior management diverse skills with Corporate goals and strategies, as well as the direct oversight of the effectiveness of policies and procedures. In fulfilling its responsibilities, the Governance and Nominating Committee will, among other things, identify and recommend to the Board individuals qualified to become members of the Board, following the Corporation's current charters and policies.

The Governance and Nominating Committee will review, on an annual basis, the composition, organization and size of the Board in order to ensure that the Board has the requisite expertise and that its membership consists of persons with sufficiently diverse and independent backgrounds. The Governance and Nominating Committee will maintain a matrix of the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess and the competencies and skills that the Board considers each existing director to possess in order to identify any competency and skill gaps on the Board. The Governance and Nominating Committee will establish and oversee a policy for considering shareholder nominees for directors and develop the procedures that must be followed by shareholders in submitting recommendations. The Governance and Nominating Committee will review periodically the overall succession planning for the Chair of the Board and, when appropriate, recommend to the Board the process for selecting the Chair of the Board, participate with the Compensation Committee in the selection and recruitment of any new CEO or other senior officer who may be considered to serve as a director and prepare an annual report to the Board on succession planning, which should include policies and principles for CEO selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the CEO and ensure that a CEO succession plan is in place.

The Governance and Nominating Committee is responsible for overseeing the establishment and implementation of the Corporation's corporate governance policies and practices and for monitoring, at least on an annual basis, the Corporation's performance against such policies and practices, as well as applicable laws and regulations. The Committee will provide an orientation and education program for new directors. The Governance and Nominating Committee will monitor the appropriateness of implementing structures from time to time to ensure that the Board functions independently of management. The Committee will, on an annual basis, oversee the evaluation of the Board, its committees and the contribution of individual directors to determine whether the Board, its committees and the directors are functioning effectively.

The members will be determined by the Board at its first meeting following the Meeting. All members of the Governance and Nominating Committee are to be independent directors of the Corporation. All members of the Governance and Nominating Committee, are to have a working knowledge of governance and corporate issues.

Environmental and Social Responsibility Committee

On June 14, 2021, the Board adopted a formal, written charter for the Environmental and Social Responsibility Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Environmental and Social Responsibility Committee at least three directors that are "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at

Committee meetings are decided by a majority of votes cast. Charter for the Environmental and Social Responsibility Committee was revised and adopted by the Board of Directors in October 2023.

The Environmental and Social Responsibility Committee is responsible for reviewing proposed safety, environmental and social sustainability-related goals and objectives aligned with Corporate purpose, mission and vision for inclusion in the Corporate compensation programs. In fulfilling its responsibilities, the Environmental and Social Responsibility Committee is responsible for reviewing proposed safety, environmental and social policies. The Committee will, among other things, review, monitor or recommend to the Board for approval strategies, policies and programs in all areas relating to environment and social responsibility. The Environmental and Social Responsibility Committee will also assist the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant safety, environmental or social risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management's implementation of such action plans.

The members will be determined by the Board at its first meeting following the Meeting. All members of the Environmental and Social Responsibility Committee will be independent directors of the Corporation. All members of the Environmental and Social Responsibility Committee will have a working knowledge of environmental and social issues.

Technical Committee

On June 14, 2021, the Board adopted a formal, written charter for the Technical Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Technical Committee at least three directors, the majority of members shall be "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at Committee meetings are decided by a majority of votes cast. Charter for the Technical Committee was revised and adopted by the Board of Directors in October 2023.

The Technical Committee's principal responsibility is one of oversight. In carrying out these oversight responsibilities, the Technical Committee is not providing any expert or special assurance as to the Corporation's technical studies or any professional certification as to the independent consultants' work. The Technical Committee is responsible for reviewing proposed short-term and long-term operational-related (including production and costs) goals and objectives for inclusion in the Corporation's compensation programs, making recommendations to the Compensation Committee on such goals and objectives and monitoring performance against such goals and objectives throughout the year. The Technical Committee assists the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant technical and operating related risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management's implementation of such action plans.

The Technical Committee will review and oversee proposed third-party transactions and report to the Board on the technical merits of such transactions.

The members will be determined by the Board at its first meeting following the Meeting. All members of the Technical Committee to be independent directors of the Corporation. All members of the Technical Committee will have a working knowledge of technical and operating related issues.

Assessments

An evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board. This task is the responsibility of the Board and the Governance and Nominating Committee who annually reviews its operation as well as its directors' role, and its members are encouraged to give feedback regarding the effectiveness of the Board as a whole, its practices and individual directors will, when necessary, make recommendations to the Board.

Furthermore, each committee has a charter that provides at least once every two years, the committee's duties, responsibilities and performance are reviewed and the committee will determine if any changes in practices of the committee or amendments to its charter are necessary or otherwise deemed appropriate by the committee.

F- AUDIT COMMITTEE

Charter and Composition of the Audit Committee

The text of the Audit Committee's charter is attached hereto as Schedule "A". This Charter was revised and adopted by the Board in October 2023.

Composition of the Audit Committee

As of the date of this Circular, the members of the audit committee of the Corporation are Vanessa Laplante, Eric Zaunscherb, Ani Markova and Marc Simpson. All such members are financially literate and independent members of the Audit Committee, as such terms are defined in *Multilateral Instrument 52-110*.

Education and Relevant 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 set out below:

Vanessa Laplante has over thirty-two (32) years of experience in management, finance, and taxation, including eighteenth (18) years in the mining industry. She is a leader in her specialized field, mining taxation. From 2021 to 2023, she served as the President of the Board of Directors for the Quebec Mining Association, becoming the second woman in the history of QMA to hold this position. During her tenure, she chaired the taxation committee for over 10 years. As an independent director at Azimut Exploration Inc. since February 2024, Mrs. Laplante has developed her expertise within major Canadian gold producers. Most recently, she held the position of Director of Tax and the Montreal office as well as Treasurer for the Canadian Malartic Partnership, a company formerly owned by Agnico Eagle Mines Limited and Yamana Gold Inc. and operating the Canadian Malartic and Odyssey mines from 2014 to 2023. She has also held similar roles and made significant contributions at Osisko Mining Corporation from 2010 to 2014, Iamgold Corporation, and Cambior Inc. from 2006 to 2010. From 2019 to 2020, Mrs. Laplante served as a board member and Chair of the Audit Committee at Nemaska Lithium Inc. She was a member of the advisory committee on the simplification of the mining royalty regime formed by the Quebec Ministry of Natural Resources from 2015 to 2019. Vanessa Laplante holds the ASC, C.Dir. designation - Certified Corporate Director of the University Laval Certification Program in Corporate Governance. She also holds a bachelor's degree in business administration from the University of Sherbrooke and is a member of the Ordre des comptables professionnels agréés du Québec (CPA designation).

Eric Zaunscherb is a Canadian mining executive focused on building strong management teams for the responsible exploration and development of quality mineral assets. He is the Chair of the Board of Directors of Critical Elements Lithium Corp. since 2020 and the Chief Executive Officer and Chair of GR Silver Mining Ltd. since March 2022. He is an independent director of TriStar Gold Inc. and Outback Goldfields Corp. Originally an exploration geologist, Mr. Zaunscherb spent thirty-four (34) years as a mining analyst, most recently serving as Managing Director, Research - Metals and Mining Analyst at a leading investment bank where he coordinated the global mining equity research team. He welcomes new technologies and industry initiatives in diversity and socially responsible investing, ensuring that local communities receive sustainable benefits from mineral resource development.

Ani Markova has over twenty-five (25) years of experience in global capital markets, including a successful investment career managing up to \$2 billion of mutual fund assets, she is an award-winning portfolio manager with a proven track record in integrating macroeconomic trends, equity analysis, and sustainability assessments into strategic capital allocations and risk management. She is an independent board member, currently an officer and director of SilverCrest Metals and prior director of Golden Star Resources. She has taken on board leadership roles and initiatives in corporate strategy and risk oversight. She is currently Chair of the Safety, Social and Environmental Responsibility Committee and a member of the Audit and Compensation Committees of SilverCrest Metals. With expertise in finance, macroeconomics and commodity cycles, as well as applying critical thinking in complex decision-making processes, she is committed to assisting businesses in their transitioning to a decarbonized and sustainable future. As a co-founder of Onyen Corporation and CEO of Investor View Advisory, she actively engages with companies on sustainability topics and provides guidance on disclosure and integration in enterprise risk management systems. Ms. Markova holds an MBA from George Washington University in Washington DC, a Chartered Financial Analyst (CFA) designation, an Investment Manager (ICM) designation, a Corporate Board International (CDI.D) designation, Competent Boards (GCB.D) designation and Climate and Biodiversity (CCB.D) designation.

Marc Simpson has is a professional geologist who has worked in the mining and exploration industry for over thirty-three (33) years. He has worked for Junior, Mid-tier and Senior mining companies on projects both in Canada and worldwide, including Bema Gold (sold to Kinross for \$3.5 billion in 2007), B2Gold, and Echo Bay Mines. Mr. Simpson is President, CEO and Director of Vanadian Energy Corporation. He received B.Sc. from the University of Manitoba is a member of

both Engineers and Geoscientists British Columbia and Engineers and Geoscientists Manitoba.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended August 31, 2023, was a recommendation of the audit 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 financial year ended August 31, 2023 the Corporation relied on the exemption provided under section 2.4 of MI 52-110 (*De minimis Non-audit Services*) or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110 (*Exemptions*).

However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110 given that it is a venture issuer as defined in MI 52-110.

Pre-Approval Policies and Procedures

The audit committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule "A".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit-Related Fees	Tax Fees⁽²⁾	All Other Fees
August 31, 2023	\$87,449	-	\$16,489	-
August 31, 2022	\$48,150	-	\$10,205	-

(1) These fees relate to services consisting of audit of the financial statements financiers.

(2) These fees relate to income taxes returns, tax advice including the review of the financial model and advice on the related tax assumptions and dealings with Revenue Québec.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended August 31, 2023, and as at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD TO FIX THE REMUNERATION OF THE AUDITORS

KPMG LLP Chartered Accountants of Montreal, are the auditors of the Corporation since February 14, 2013. The Board proposes the reappointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the financial year ending August 31, 2023. Furthermore, for practical reasons, it is timely at the Meeting to authorize the Board to fix the remuneration of the auditors.

The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of KPMG LLP as auditors and that the Board be authorized to fix the auditors remuneration, unless the shareholder specifies in his form of proxy his wish to withhold from voting.

G- APPROVAL OF CONTINUATION OF OMNIBUS PLAN

Policy 4.4 of the TSX Venture Exchange requires that “rolling stock option plan” and “fixed” security based compensation plan such as the Omnibus Plan must receive shareholder approval yearly, at an issuer’s annual meeting. In accordance with Policy 4.4, shareholders will be asked to consider and, if thought fit, approve an ordinary resolution authorizing, ratifying, approving and confirming the current Omnibus Plan (the “Omnibus Plan Resolution”) is set out in Schedule B of this Circular. A copy of the current Omnibus Plan is available for review on SEDAR+. In order for the Omnibus Plan Resolution to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders of the Corporation present in person or by proxy at the Meeting.

The Board of Directors has determined that the continuation of the Omnibus Plan is in the best interests of the Corporation and its shareholders. The continuation of the Omnibus Plan continuation is subject to the TSX Venture Exchange acceptance.

OTHER MATTERS

Management knows of no other matter to come before the Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

SHAREHOLDER PROPOSALS

The CBCA provides that a Registered Shareholder or a Beneficial Shareholder that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a “**Proposal**”) and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The CBCA further provides that the Corporation must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management proxy circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation within the 60-day period that begins on the 150th day before the anniversary of the previous annual meeting of shareholders. Shareholder proposals for consideration at the next annual meeting of shareholders of the Corporation must be submitted between February 14, 2024 and April 13, 2024 in order to be included in the management proxy circular for such meeting. The Corporation has not received any shareholder proposals for consideration at this year’s Meeting.

The foregoing is a summary only; shareholders should carefully review the provisions of the CBCA relating to Proposals and consult with a legal advisor.

For the Meeting contemplated by this Circular, no proposal was made by the shareholders to the Corporation.

ADDITIONAL INFORMATION

Additional financial information is provided in the comparative financial statements of the Corporation, in the Management’s discussion and analysis of the financial condition and in the Management’s report in the statement of operations for the financial year ended August 31, 2023. Copies of this circular and the documents mentioned hereinabove are available on the Corporation’s website (www.cec corp.ca) as well as on SEDAR+ (www.sedarplus.ca).

Additional copies are also available by contacting the Corporation:

80, de la Seigneurie Blvd West, Suite 201
Blainville, Québec, J7C 5M3
Telephone: 514-904-1496
E-mail: nlaurin@cec corp.ca

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Circular have been approved by the directors of the Corporation.

Montreal, May 10, 2024

By order of the Board of Directors

(s) Jean-Sébastien Lavallée

**Jean-Sébastien Lavallée,
Chief Executive Officer**

SCHEDULE A AUDIT COMMITTEE CHARTER

The board of directors (the "Board") of Critical Elements Lithium Corp. ("Critical Elements" or the "Corporation") has established an Audit Committee (the "Committee") whose membership, authority and responsibilities shall be as set out in this Charter, as it may be amended from time to time by the Board. The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* ("MI 52-110").

MANDATE AND OBJECTIVES

The mandate of the audit committee of the Corporation (the "Committee") is to assist the Board in fulfilling its oversight responsibilities with respect to:

- a) the integrity of the Corporation's and its subsidiaries' financial statements and reporting process,
- b) the Corporation's compliance with legal and regulatory requirements,
- c) the external auditor's qualifications and independence,
- d) the performance of the Corporation's internal and external audit functions,
- e) the preparation of any report of the Audit Committee required to be included in the Corporation's annual report, proxy material or other filings.

The head of the Corporation's internal audit function and the external auditors shall have direct and ready access to the chair of the Audit Committee (the "Chair").

COMPOSITION

The Committee shall be comprised of at least three (3) directors as determined by the Board annually post the annual meeting of shareholders. All members of the Committee shall be "independent" within the meaning of applicable rules of securities regulatory authorities and stock exchanges (the "Listing Rules"), and shall appoint one of the Members to chair the Committee.

All members shall, from and after the time of their respective appointments to the Committee, should possess "financial literacy" defined as having a practical knowledge of finance and accounting and the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity that can reasonably be expected to be raised by the Corporation's financial statements. In addition, Members may be required to participate in continuing education, if required by applicable law or the Listing Rules. At least one (1) of the Members shall be a "financial expert" as defined in the applicable Listing Rules.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholder's meeting. Members shall serve until the next annual meeting of shareholders or until their successors are duly appointed or until such member resigns, retires or is removed from the Committee by the Board. The Board may fill any vacancy in the Committee by appointment from among the directors of the Corporation. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

The Committee may form and delegate authority to subcommittees when appropriate.

MEETINGS AND PROCEDURES

The Committee shall meet at least four (4) times a year or more frequently, if required.

At all meetings of the Committee, every resolution shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote. In the absence of the Committee chair for any meeting, the Members shall elect a chair from those in attendance to act as chair of that meeting.

A quorum for meetings of the Committee shall be a majority of its members. The rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board, including meeting by teleconference, video conference and similar communications equipment.

Each meeting will include an in-camera session of (a) the Committee without members of management present and (b) the Committee with the independent auditor. At least annually, the Committee shall also hold in camera sessions with each of the Corporation's Chief Financial Officer ("CFO") and controller.

The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time

to time, appoint any person who need not be a member, to act as a secretary at any meeting.

REPORTING TO THE BOARD

Following each meeting of the Committee, the Committee shall report to the Board on the issues considered by the Committee, and any recommendations being made by the Committee for approval by the Board and on any actions taken by the Committee.

RESPONSIBILITIES, DUTIES AND POWERS

The Committee's principal responsibility is one of oversight. Critical Element's management is responsible for preparing the Corporation's financial statements, and the independent auditor is responsible for auditing and reviewing those financial statements. In carrying out these oversight responsibilities, the Committee is not providing any expert or special assurance as to Critical Element's financial statements or any professional certification as to the independent auditor's work.

The following are the general duties and responsibilities of the Committee:

External Auditor

The external auditor reports to the Committee. In carrying out its responsibilities with respect to the external auditor, the Committee shall:

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually, as well the compensation of such external auditors;
- b) oversee the work of the external auditor (including the resolution of disagreements between management and the independent auditor regarding financial reporting);
- c) review the audit plan and scope of the quarterly review and annual audit engagements with the external auditor;
- d) review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- e) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- f) on an annual basis, obtain and review a report from the external auditor regarding (a) the independent auditor's internal quality-control procedures; and (b) any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review, of the external auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to any independent audit carried out by the independent auditor, and any steps taken to deal with any such issues;
- g) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- h) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
- i) review and pre-approve all audit and audit-related services and fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;
 - such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
 - such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

Financial Reporting

The Committee plays a critical role in the review and public release of the Corporation's financial information. In this regard, the Committee shall:

- a) review the Corporation's financial statements, MD&A of financial and operating results and any press releases regarding annual and interim earnings, prior to recommending the same for approval by the Board and filing with securities regulatory authorities and other public disclosure dissemination channels. The Committee shall, in conducting this review, discuss with management and the independent auditor:
 - i. the results of the external auditor's reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditor's activities or requested information and any significant disagreements with management; the Corporation's critical accounting policies and practices (and any proposed or actual changes), alternative accounting treatments (including any ramifications of the use of such alternative disclosures and treatments, the treatment preferred by the independent auditor, and an explanation of why the independent auditor's preferred method was not adopted), significant accounting and reporting issues and judgments; material written communications between the independent auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the independent auditor's review;
 - ii. the impact of regulatory and accounting initiatives, as well as off-balance sheet structures, if in existence, on the financial statements of the Corporation;
 - iii. whether actual results for the period varied significantly from budgeted, projected or previous results;
 - iv. any significant or unusual events or transactions that require disclosure;
 - v. any correspondence with regulators or governmental agencies or any individual complaints raised through the Whistleblowing channel which raise material issues with respect to the Corporation's financial statements or accounting policies;
 - vi. the independent auditor's perception of the Corporation's financial and accounting personnel, records and systems, the cooperation which the external auditor received during the course of its review or audit and the availability of records, data and other requested information and any recommendations with respect thereto;
 - vii. any legal or business matters that may have a material impact on the financial statements or the Corporation's compliance policies; and
 - viii. whether the independent auditor and management are satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information, including information extracted or derived from the financial statements and assess the adequacy of such procedures;
- b) review, with management and the independent auditor, risks of material misstatement due to fraud, and the processes and controls implemented by the Corporation to manage the risks;
- c) discuss with management generally the types of information (including financial information and earnings guidance) to be disclosed in earnings press releases and earnings calls, as well as to analysts and rating agencies;
- d) receive confirmation from the Chief Executive Officer (the "CEO") and CFO that reports to be filed have been prepared in accordance with the Corporation's disclosure controls and procedures and contain no material misrepresentations or omissions and fairly present, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports; and receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by the reports.

Financial Reporting Processes

To ensure the integrity of the Corporation's internal control over financial reporting and the adequacy of reporting procedures, the Committee shall:

- a) review annually, evaluate and discuss with the external auditor and management the adequacy and effectiveness of the Corporation's internal controls over internal and external financial reporting, including reviewing and discussing any significant deficiencies or significant changes in the design or operation of the Corporation's internal controls (including controls over interim and annual financial reporting, computerized information systems and cybersecurity), material weaknesses in internal controls and any fraud (whether or not material), and determine whether any internal control recommendations made by external auditor have been implemented by management;
- b) review and discuss with external auditor and management the Corporation's process with respect to legal and regulatory disclosure requirements, risk assessment (including fraud risk), risk management and the Corporation's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks;
- c) review the Corporation's Code of Business Conduct and Ethics and, in particular, the actions taken to monitor and enforce compliance; and
- d) establish procedures for the receipt, retention and treatment of complaints (Whistleblowing line) regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by individuals of concerns regarding questionable accounting or auditing matters.

Financial Management

The Committee shall recommend the appointment of the CFO to the Board and will review with the CFO the qualifications of new key financial executives involved in the financial reporting process.

On an annual basis, the Committee shall (a) review the adequacy and quality of Critical Element's financial and accounting staff; and (b) review succession plans for the CFO and the controller.

Director and Officer Liability

The Committee shall review the Corporation's insurance program on an annual basis, including the directors' and officers' (D&O) insurance and indemnities, and consider the adequacy of such coverage.

Related Party Transactions

The Committee shall review and oversee any proposed related party transaction or situation involving a director's or officer's potential or actual conflict of interest, other than routine transactions and situations arising in the ordinary course of business, as well as make recommendations to the Board as to whether any such transaction, contract or other arrangement should be approved or continued.

Risk Management

The Committee shall assist the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant financial related risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management's implementation of such action plans.

Public Disclosure

In addition to the public disclosures specifically referenced elsewhere in this Charter, the Committee shall review and approve (or recommend to the Board for approval), prior to public release, such other public disclosures containing financial information including guidance with respect to earnings per share, financial information contained in any prospectus, annual information form, annual report, management information circular, material change disclosure of a financial nature, as the Committee considers appropriate.

Access to Management & Information

The Committee will have full and free access to officers and employees of the Corporation and its books and records. Any meetings or contacts that the Committee wishes to initiate may be arranged through the CEO or the Corporate Secretary or directly by the chair or other member of the Committee. The Committee will use its judgment to ensure that any such contact is not disruptive to the business operations of the Corporation.

Advisors

The Committee has the authority to retain, obtain the advice of, and terminate any consultant, external legal counsel or

other advisor, to assist it in the performance of its duties. Critical Elements will provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisor retained by the Committee. The Committee shall have sole authority to approve such consultants' fees and retention terms, and shall be directly responsible for the selection, compensation and oversight of the advisors it retains.

Committee Evaluation

The Committee shall review, at least once every two years, the Committee's duties, responsibilities and performance and determine if any changes in practices of the Committee or amendments to this Charter are necessary or otherwise deemed appropriate by the Committee. This review shall include reviewing with management and the external auditor the applicable law and the Listing Rules relating to the qualifications, activities, responsibilities and duties of audit committees and compliance therewith.

Additional Assignments

The Committee shall undertake such additional responsibilities as from time to time may be delegated to the Committee by the Board, required by Critical Elements' incorporation documents or bylaws or required by applicable law or stock exchange rules.

Board of Directors Approval Date: June 14, 2021
Revised: October 3, 2023

**SCHEDULE B
SHAREHOLDERS' RESOLUTION**

Ratification, approval and confirmation of Omnibus Plan

BE AND IT IS HEREBY RESOLVED:

THAT the Corporation's omnibus equity compensation plan, adopted by the Corporation's Board of Directors on July 6, 2022, as amended on June 5, 2023, (the "**Omnibus Plan**"), described in the Management Information Circular dated May 10, 2024, be and it is hereby authorized, ratified, approved and confirmed;

THAT any one or more of the directors or officers of the Corporation is authorized and directed, upon the Board of Directors resolving to give effect to this resolution, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.