NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE SPECIAL MEETING OF SHAREHOLDERS OF

CRUZ BATTERY METALS CORP.

TO BE HELD ON DECEMBER 11, 2024

Unless otherwise stated, the information herein is given as of November 1, 2024

Information has been incorporated by reference in this document from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Cruz Battery Metals Corp. ("**Cruz**") at Suite 2905 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1C6, Telephone: (604) 899-9150, and are also available electronically on Cruz's website at www.cruzbatterymetals.com and under Cruz's profile at www.sedarplus.ca.

CRUZ BATTERY METALS INC.

LETTER TO SHAREHOLDERS

Dear Fellow Shareholders:

You are cordially invited to attend the special meeting (the "**Meeting**") of the holders (the "**Cruz Shareholders**") of common shares (the "**Cruz Shares**") Cruz Battery Metals Corp. ("**Cruz**") to be held at 10:00 A.M. (Vancouver time) on December 11, 2024 at Suite 2501 – 550 Burrard Street, Vancouver, British Columbia, Canada.

At the Meeting, Cruz Shareholders will be asked to consider and vote on a special resolution (the "**Arrangement Resolution**") to approve the proposed plan of arrangement (the "**Arrangement**") under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) involving Cruz and its wholly-owned subsidiary, Makenita Resources Inc. ("**Makenita**"), pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Silver-Cobalt Project located in Ontario, Canada (the "**Hector Property**"), and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "**Makenita Spinout Shares**") to the Cruz Shareholders on a *pro rata* basis.

The Arrangement

Cruz and Makenita entered into an arrangement agreement dated September 5, 2024 (the "**Arrangement Agreement**"), pursuant to which, among other things, Cruz will conduct a share capital reorganization whereby the existing Cruz Shares will be renamed and redesignated as Class A common shares (each, a "**Cruz Class A Share**") and a new class of voting common shares (each, a "**New Cruz Share**") will be created. Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. All outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "**Makenita Share**") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement. Once the Arrangement is complete, Cruz Shareholders will own shares in two public companies: Makenita, which will focus on the development of the Hector Property, and Cruz, which will continue to generate prospective mineral properties. The Hector Property is considered to be material for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

Required Approvals

The Arrangement Resolution, the full text of which is set out in Schedule A to the accompanying management information circular (the "**Information Circular**"), must be approved by a Special Resolution.

Completion of the Arrangement is subject to, among other things, the approval of the Cruz Shareholders at the Meeting in accordance with an order of the Supreme Court of British Columbia (the "**Court**") dated October 31, 2024 and applicable law, the final approval of the Court, the conditional acceptance of Cruz to consummate the Arrangement from the Canadian Securities Exchange and the receipt of all necessary regulatory approvals. If the Arrangement is not approved at the Meeting, the Arrangement will not be completed.

The board of directors of Cruz (the "Board") has determined that the Arrangement is fair and is in the best interests of Cruz and the Cruz Shareholders and unanimously recommends that Cruz Shareholders vote in favour of the Arrangement. In addition, Evans & Evans, Inc., an advisor to Cruz, has provided a fairness opinion (the "Fairness Opinion") to the Board to the effect that, as of September 5, 2024, and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the consideration to be received by the Cruz securityholders under the Arrangement is fair, from a financial point of view, to the Cruz securityholders.

The accompanying notice of meeting (the "**Meeting**") and Information Circular provide a full description of the Arrangement and includes certain additional information to assist you in considering how to vote in respect of the Arrangement. You are encouraged to consider carefully all of the information in the accompanying Information Circular, including the documents incorporated by reference therein. If you require assistance, you should contact your financial, legal, tax or other professional adviser. The Notice of Hearing of Petition, Interim Order and affidavit in support of Cruz's motion for the Interim Order of the Court, excluding exhibits, are included as part of this Information Circular. The Notice of Application, Interim Order and affidavit, including all exhibits attached thereto, are also available on Cruz's website at www.cruzbatterymetals.com.

Your vote is important regardless of the Cruz Shares that you own. If you are a registered holder of Cruz Shares, we encourage you to complete, sign, date and return the enclosed form of proxy by no later than 10:00 A.M. (Vancouver time)

on December 9, 2024, to ensure that your shares are voted at the meeting in accordance with your instructions, whether or not you are able to attend in person. If you hold your Cruz Shares through a broker or other intermediary, you should follow the instructions provided by them to vote your Cruz Shares.

If you are a registered Cruz Shareholder, we also encourage you to complete and return the accompanying letter of transmittal ("**Letter of Transmittal**") together with the certificate(s) (if any) representing your Cruz Shares and any other required documents and instruments, to Computershare Investor Services Inc., acting as the depositary, in the accompanying return envelope in accordance with the instructions set out in the Letter of Transmittal so that, if the Arrangement is completed, New Cruz Shares and Makenita Spinout Shares can be sent to you as soon as possible after the Arrangement becomes effective. The Letter of Transmittal contains other procedural information related to the Arrangement, and should be reviewed carefully. If you hold your Cruz Shares through a broker or other intermediary, please contact them for instructions and assistance in receiving New Cruz Shares and Makenita Spinout Shares in exchange for your Cruz Shares. Assuming that all conditions to completion of the Arrangement are satisfied, it is anticipated that the Arrangement will become effective on or about December 18, 2024.

On behalf of Cruz, we thank all shareholders for their ongoing support.

Yours very truly,

"James Nelson"

James Nelson
President, Chief Executive Officer and Director

CRUZ BATTERY METALS CORP.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 11, 2024

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**Cruz Shareholders**") of common shares ("**Cruz Shares**") of Cruz Battery Metals Corp. ("**Cruz**") will be held at Suite 2501 – 550 Burrard Street, Vancouver, British Columbia, Canada on December 11, 2024 at 10:00 A.M. (Vancouver time) for the following purposes:

1. to consider, pursuant to the Interim Order, and, if thought fit, to approve, with or without variation, the special resolution (the "**Arrangement Resolution**") set forth in Schedule A to the accompanying management information circular of Cruz dated October 29, 2024 (the "**Information Circular**"), to approve a plan of arrangement (the "**Arrangement**") under the provisions of Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), involving, among others, Cruz and its wholly-owned subsidiary, Makenita Resources Inc. ("**Makenita**"), in accordance with the terms of the arrangement agreement dated September 5, 2024 between Cruz and Makenita (as it may be amended, supplemented or otherwise modified from time to time);

2. to consider and, if thought fit, to approve, with or without variation, an ordinary resolution approving the adoption by Makenita of an omnibus equity incentive plan (the "**Makenita Equity Incentive Plan**"), as more fully described in the Information Circular; and

3. to transact such further or other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

AND TAKE NOTICE that registered Cruz Shareholders have a right of dissent in respect of the proposed Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Cruz Shares, in the case of the Arrangement, in accordance with the provisions of the BCBCA. The dissent rights are described in Schedule D to the Information Circular. Failure to strictly comply with required procedure may result in the loss of any right of dissent.

Cruz Shareholders of record at the close of business on October 29, 2024 will be entitled to receive notice of and vote at the Meeting. Holders of Cruz share purchase warrants, stock options and restricted share units (the "**Securityholders**") as of the Record Date will only be entitled to notice of the Meeting. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

Cruz will utilize the notice-and access model provided for under National Instrument 54-101 ("**Notice and Access**") for the delivery of its Information Circular and accompanying materials (collectively, the "**Meeting Materials**"), to the Cruz Shareholders and Securityholders in respect of the Meeting. Under Notice and Access, instead of receiving paper copies of the Meeting Materials, Cruz Shareholders will be receiving a notice with information on how they may access the Meeting Materials electronically. However, Cruz Shareholders will receive a proxy or voting instruction form, as applicable, enabling them to vote at the Meeting. The use of this alternative means of delivery is more environmentally friendly, as it will help reduce paper use and it will also reduce the Company's printing and mailing costs.

The Meeting Materials will be available on the Company's website at https://www.cruzbatterymetals.com as of November 1, 2024 and will remain on the website for one full year thereafter. The Meeting Materials are also available upon request, without charge, by e-mail at info@cruzbatterymetals.com, or can be accessed online on SEDAR+ at www.sedarplus.ca as of November 1, 2024. The Company will mail paper copies of the Meeting Materials to those registered and beneficial Shareholders who have previously elected to receive paper copies of the

Company's Meeting Materials. All other Shareholders will receive a Notice and Access notification, which will contain information on how they may access the Meeting Materials electronically in advance of the Meeting.

It is desirable that as many Cruz Shares as possible be represented at the Meeting. Whether or not you expect to attend the Meeting, please exercise your right to vote. Please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of Cruz, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment(s) or postponement(s) thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

This notice is accompanied by the Information Circular and either a form of proxy for Registered Holders or a voting instruction form for beneficial Cruz Shareholders.

DATED at Vancouver, British Columbia this 1st day of November, 2024.

BY ORDER OF THE BOARD

(*signed*) *"James Nelson"*
James Nelson
President, Chief Executive Officer and Director

Registered Cruz Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Cruz Shareholder and receive these materials through your broker or through another Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

TABLE OF CONTENTS

Capitalized terms used in this Notice of Meeting are defined in the Glossary of Terms or elsewhere in the Information Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Information Circular contains "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information is provided as of the date of this Information Circular or, in the case of documents incorporated by reference herein, as of the date of such documents and neither Cruz nor Makenita intend to, nor do they assume any obligation, to update this forward-looking information, except as required by law. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on reasonable assumptions that have been made by Cruz as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cruz to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the risk of Cruz not obtaining Court, shareholder or approval of the CSE to proceed with the Arrangement; the risk of unexpected tax consequences to the Arrangement; the risk of unanticipated material expenditures required by Cruz prior to completion of the Arrangement; risks of the market valuing Cruz and/or Makenita in a manner not anticipated by Cruz; risks relating to the benefits of the Arrangement not being realized or as anticipated; risks associated with mineral exploration and development; metal and mineral prices; availability of capital, including the ability of Makenita to raise sufficient capital through one or more offerings of securities to operate its business and to satisfy the listing requirements of the CSE; the accuracy of Cruz's projections and estimates; interest and exchange rates; competition; share price fluctuations; availability of drilling equipment and access; actual results of activities; government regulation; political or economic developments; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of mineral exploration and development; contests over title to properties; changes and volatility in project parameters as plans continue to be refined; the inherent uncertainties regarding cost estimates, changes in commodity prices, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations; global financial conditions; the market price of Cruz's securities; ability to access capital; changes in interest rates; liabilities and risks inherent in exploration and development operations; uncertainties associated with estimating mineral resources and production; uncertainty as to reclamation and decommissioning liabilities; failure to obtain industry partner and other third party consents and approvals when required; delays in obtaining permits and licenses for development properties; competition for, among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions or dispositions; property title risk; geological, technical and processing problems; the ability of Cruz to meet its obligations to its creditors; actions taken by regulatory authorities with respect to mining activities; the potential influence of or reliance upon Cruz's business partners, and the adequacy of insurance coverage; as well as those factors discussed in the sections entitled "*Cruz Battery Metals Corp. – Risk Factors*" and "*Makenita Resources Inc. – Risk Factors*" herein. Forward-looking information is based on certain assumptions that Cruz and Makenita believe are reasonable, including that the required shareholder, court and regulatory and stock exchange approvals for the transactions described in this Information Circular will be obtained; that the transactions described in this Information Circular will be completed as disclosed herein, including but not limited to the Makenita Financing; that the current directors and officers of Cruz and Makenita will continue in their respective capacities as directors and officers of Cruz and Makenita, as applicable; that sufficient working capital will be available for both Cruz and Makenita; and that shareholdings of certain shareholders of Cruz will not change prior to the closing of the transactions described herein; the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in

a material adverse manner, that financing will be available if and when needed on reasonable terms and that Cruz will not experience any material labour dispute, accident, or failure of plant or equipment and such other assumptions and factors as set out herein.

Although Cruz has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Cruz does not undertake to update any forward-looking information contained herein or that is incorporated by reference herein, except in accordance with applicable securities laws.

DATE OF INFORMATION

Information contained in this Information Circular is as October 29, 2024, unless otherwise indicated.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

The financial statements of Cruz and Makenita contained in this Information Circular are reported in Canadian dollars and have been prepared in accordance with IFRS. All references to dollar amounts in this Information Circular are to Canadian dollars unless stated otherwise or the context otherwise requires.

CURRENCY

Unless otherwise indicated herein, references to "$", "Cdn$" "Canadian dollars" are to Canadian dollars, and references to "US$" or "U.S. dollars" are to United States dollars.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Information Circular from documents filed by Cruz with the securities commissions or similar authorities in British Columbia, Alberta and Ontario (the "**Reporting Jurisdictions**"). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Cruz at Suite 2905 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1C6 (Telephone: (604) 899-9150), and are also available electronically on Cruz's profile on the SEDAR+ website at www.sedarplus.ca.

The following documents are specifically incorporated by reference into, and form an integral part of, this Information Circular:

1. the Makenita Financial Statements;

2. the Makenita MD&A;

3. the Hector Property Carve-Out Financial Statements, together with the auditors' report thereon and the notes thereto;

4. the Hector Property Carve-Out MD&A;

5. the Pro Forma Financial Statements

6. the Technical Report; and

7. the Arrangement Agreement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Information Circular to the extent that a statement contained in this Information Circular or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

NOTE TO UNITED STATES SECURITYHOLDERS

THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE PLAN OF ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Makenita Shares and New Cruz Shares to be issued to Cruz Shareholders in exchange for Cruz Shares under the Plan of Arrangement, the Makenita Options and Cruz Replacement Options to be issued to Cruz Optionholders in exchange for Cruz Options under the Plan of Arrangement, the Makenita RSUs and Cruz Replacement RSUs to be issued to the Cruz RSU Holders under the Plan of Arrangement, and the modification of the Cruz Warrants pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act, and are being issued and exchanged or accomplished in reliance on the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act (the "**Section 3(a)(10) Exemption**") on the basis of the approval of the Court, and similar exemptions from registration under applicable state securities laws. The Section 3(a)(10) Exemption exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on October 31, 2024 and, subject to the approval of the Arrangement by the Cruz Shareholders, a hearing of the application for the Final Order will be held on or about December 16, 2024 at 9:45 a.m. (Vancouver Time) at the Courthouse, at 800 Smithe Street, Vancouver, British Columbia, Canada. All Cruz Securityholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the Section 3(a)(10) Exemption with respect to the Makenita Shares and New Cruz Shares to be issued to the Cruz Shareholders in exchange for their Cruz Shares pursuant to the Arrangement, with respect to the Makenita Options and Cruz Replacement Options to be issued to Cruz Optionholders in exchange for their Cruz Options pursuant to the Arrangement and with respect to the modification of the Cruz Warrants pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order. "*U.S. Securities Laws*" and "*Approval of the Arrangement – Court Approval of the Arrangement*".

The solicitation of proxies hereby is not subject to the proxy requirements of section 14(a) of the U.S. Exchange Act. Furthermore, this Information Circular has been prepared in accordance with the applicable disclosure requirements in Canada, and the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with applicable Canadian corporate and securities laws. U.S. Securityholders should be aware that such requirements are different than those of the United States.

Likewise, information concerning the properties and operations of Cruz and Makenita has been prepared in accordance with Canadian standards, and may not be comparable to similar information for United States companies.

Certain financial statements and information included or incorporated by reference herein have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IASB**"), and are subject to auditing and auditor independence standards in Canada, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles and United States auditing and auditor independence standards.

U.S. Securityholders should be aware that the issue and exchange of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein.

Each U.S. Securityholder should consult its own tax adviser regarding the proper treatment of the Arrangement and the ownership and disposition of securities of Cruz or Makenita for United States federal income tax purposes.

The enforcement by investors of civil liabilities under the United States federal securities laws may be adversely affected by the fact that Cruz and Makenita are incorporated or organized outside the United States, that most of their officers and directors and the experts named herein may be residents of a country other than the United States, and that certain of the assets of Cruz, Makenita and said persons are located outside the United States. As a result, it may be difficult or impossible for U.S. Securityholders to effect service of process within the United States upon Cruz or Makenita, their respective directors or officers, or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. Securityholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

The Makenita Shares and New Cruz Shares to be issued to Cruz Shareholders in exchange for their Cruz Shares pursuant to the Arrangement will be freely transferable under U.S. federal securities laws, except by persons who are "affiliates" (as defined in Rule 144 under the U.S. Securities Act) of Makenita or Cruz, respectively, after the Effective Date, or were "affiliates" of Makenita or Cruz, respectively, within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Makenita Shares or New Cruz Shares by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. See "*U.S. Securities Laws*".

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Makenita Shares issuable upon the exercise of the Cruz Warrants following the Effective Date, and the New Cruz Shares issuable upon the exercise of the Cruz Replacement Options, Cruz Replacement RSUs or Cruz Warrants following the Effective Date, may not be issued in reliance upon the Section 3(a)(10) Exemption and may be exercised only pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information and financial data and statements contained elsewhere in the Information Circular, including the schedules hereto. This summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The information contained herein is as of October 29, 2024 unless otherwise indicated.

Capitalized terms used in this summary are defined in the Glossary of Terms.

The Meeting

Time, Date and Place of Meeting

The Meeting of Cruz Shareholders will be held on December 11, 2024 at 10:00 A.M. (Vancouver time) at Suite 2501 – 550 Burrard Street, Vancouver, British Columbia V6C 2B5.

The Record Date

The Record Date for determining the Securityholders entitled to receive notice of and the Cruz Shareholders entitled to receive notice of and vote at the Meeting is October 29, 2024.

Purpose of the Meeting

This Information Circular is furnished in connection with the solicitation of proxies by management of Cruz for use at the Meeting which will be held for the following purposes:

<u>The Arrangement</u>

In order to be effective, the Arrangement Resolution must be approved by a Special Resolution. Under the Arrangement, Cruz will, among other things, spin-out the shares of its wholly-owned subsidiary, Makenita, which will have acquired the Spinco Property immediately prior to the Arrangement, to the Cruz Shareholders. See "*Particulars of Matters to be Acted Upon – Approval of the Arrangement*" in this Information Circular.

<u>Makenita Equity Incentive Plan</u>

The Cruz Shareholders will also be asked to approve, by ordinary resolution, the adoption of the Makenita Equity Incentive Plan. See "*Particulars of Matters to be Acted Upon – Approval of Makenita Equity Incentive Plan*" in this Information Circular.

Summary of the Arrangement

The Arrangement will be completed by way of plan of arrangement pursuant to Section 288 of the BCBCA involving Cruz, the Securityholders and Makenita. The disclosure of the principal features of the Arrangement, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is attached to this Information Circular as Schedule "B".

Reasons for the Arrangement

Cruz believes that the Arrangement is in the best interests of Cruz and the Cruz Shareholders for numerous reasons, including:

(a) the capital markets value the Hector Property together with all of Cruz's other properties, and by completing the Arrangement, the markets will value the Hector Property separately and independently of Cruz's other properties, which should create additional value for Cruz Shareholders;

(b) separating the Hector Property from Cruz's other properties is expected to accelerate the development of the Hector Property which will be Makenita's material property;

(c) Cruz will be better able to focus on developing its assets, other than the Spinco Property, without having the constraints of managing and financing the Spinco Property;

(d) Cruz Shareholders will benefit by holding shares in two separate public companies;

(e) the Fairness Opinion delivered to the Cruz Board, to the effect that, as of September 5, 2024, and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the Arrangement is fair, from a financial point of view, to Cruz Securityholders; and

(f) separating Cruz and Makenita will expand Makenita's potential shareholder base and access to development capital by allowing investors that want specific ownership in a particular geographic location and in respect of specific properties with different geological characteristics the opportunity to invest directly in Makenita rather than through Cruz.

Evans & Evans, Inc. have provided the Fairness Opinion to the Cruz Board in respect of the fairness of the terms of the Arrangement, from a financial point of view, to the Cruz Securityholders. Based upon its review and such other matters as Evans & Evans, Inc. have considered relevant, and subject to the limitations, qualifications and assumptions set out in the Fairness Opinion, it is its opinion that, as of September 5, 2024 the Arrangement (based on the Plan of Arrangement and Arrangement Agreement) is fair, from a financial point of view, to the Cruz Securityholders. The Fairness Opinion is attached to this Information Circular as Schedule "K".

In the course of its deliberations, the Cruz Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to, the risks set out under "*Approval of the Arrangement – Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Cruz Board in their consideration of the Arrangement. The Cruz Board collectively reached its unanimous decision with respect to the Arrangement in light of the factors described above and other factors that each member of the Cruz Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Cruz Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Cruz Board may have given different weight to different factors.

For further information on the reasons for the Arrangement, see "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors*" in this Information Circular.

Principal Steps of the Arrangement

Prior to the Effective Time, Makenita will issue the Makenita Spinout Shares to Cruz to complete the acquisition of the Spinco Property. The following is a summary of the principal steps of the Arrangement:

(a) the existing Cruz Shares will be redesignated as Cruz Class A Shares;

(b) Cruz will create a new class of common shares known as the New Cruz Shares;

(c) each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share;

(d) the Cruz Class A Shares will be cancelled; and

(e) as part of the Arrangement, all outstanding Cruz Options, Cruz RSUs and Cruz Warrants will be adjusted to allow holders to acquire, upon exercise or vesting, as applicable, New Cruz Shares and Makenita Shares in amounts reflective of the relative fair market values of Cruz and Makenita at the Effective Time.

As a result of the Arrangement, Cruz Shareholders will own the Makenita Spinout Shares, and Cruz will have no further interest in Makenita or the Makenita Shares. Makenita will have acquired the Spinco Property prior to the Arrangement becoming effective and will focus on the further exploration and development of the Spinco Property. The Hector Property will be Makenita's material property for purposes of NI 43-101. The Arrangement is subject to a number of conditions including CSE acceptance, approval by the Cruz Shareholders and Court approval.

Pursuant to Section 288 of the BCBCA and in accordance with the terms of the Arrangement Agreement and the Interim Order, the Arrangement Resolution must be approved, with or without variation, by at least two-thirds of the votes cast by Cruz Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

The Cruz Board may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Cruz Shareholders.

The foregoing is a summary only. For further details see "*Particulars of Matters to be Acted Upon – Approval of the Arrangement*" in this Information Circular.

Effect of the Arrangement

As a result of the Arrangement, Cruz Shareholders will no longer hold their Cruz Shares and instead, will receive one New Cruz Share and 0.1 of a Makenita Share for every one Cruz Share held at the Effective Time, and as a result, will hold shares in two public companies.

Upon completion of the Arrangement, it is anticipated that Makenita will be a reporting issuer in the Reporting Jurisdictions and will have obtained conditional approval for the listing of the Makenita Shares on the CSE.

Recommendation of the Directors

After careful consideration, the Cruz Board, after receiving legal and financial advice, has unanimously determined that the Arrangement is in the best interests of Cruz and is fair to the Cruz Securityholders. Accordingly, the Cruz Board unanimously recommends that Cruz Shareholders vote FOR the Arrangement Resolution.

Each director and officer of Cruz who owns Cruz Shares has indicated his or her intention to vote his or her Cruz Shares in favour of the Arrangement Resolution. See "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors*" in this Information Circular.

Directors and Officers of Makenita

The Makenita Board will be comprised of Jason Gigliotti, Scott Jobin-Bevans and Negar Adam. Executive management of Makenita will consist of Jason Gigliotti, President and Chief Executive Officer, and Nancy Chow, Chief Financial Officer. Makenita may, as the Makenita Board may determine, add individuals to the Makenita Board and management to ensure Makenita has the appropriate amount of local knowledge and skill sets to advance the Spinco Property and additional assets Makenita may acquire in the future. Since Cruz's focus is primarily on mineral exploration assets located in the U.S., and Makenita's focus will be on the Spinco Property located in Ontario,

Canada, any common directors on the Makenita Board and the Cruz Board are not expected to be subject to any conflicts of interest. See "*Makenita Resources Inc. – Directors and Officers*" in this Information Circular.

The Companies

Cruz was incorporated under the BCBCA on March 28, 2007 as "Brookemont Capital Inc.". On November 17, 2014, "Brookemont Capital Inc." changed its name to "Turbo Capital Inc.". On April 12 2016, "Turbo Capital Inc." changed its name to "Cruz Capital Corp.". On February 23, 2017, "Cruz Capital Corp." changed its name to "Cruz Cobalt Corp." and on August 9, 2021, "Cruz Cobalt Corp." changed its name to "Cruz Battery Metals Corp.". The Cruz Shares are listed on the CSE under the symbol "CRUZ". Cruz is a mineral exploration issuer and it possesses several mineral exploration projects and properties located in the U.S. and Canada.

Makenita is a wholly-owned subsidiary of Cruz and is incorporated under the BCBCA. As of the Effective Date, Makenita will own the Spinco Property. For further information, see "*Spinco Property*" below.

See "*Cruz Battery Metals Corp.*" and "*Makenita Resources Inc.*" in this Information Circular for disclosure about each of Cruz and Makenita, on a current and post-Arrangement basis.

The Makenita Financing

In order to obtain a listing of the Makenita Shares on the CSE, Makenita must have sufficient cash resources to complete the work program recommended in the Technical Report and for working capital. Makenita intends to complete the Makenita Financing to raise approximately $500,000, or such other amount as the Makenita Board may determine on terms acceptable to Makenita in order to allow Makenita to satisfy the initial listing requirements of the CSE and for general working capital purposes. It is anticipated that the Makenita Financing will close immediately after the Arrangement and prior to the anticipated listing of the Makenita Shares.

See *"Makenita Resources Inc. – Makenita Financing".*

Pro Forma Business Objectives

Upon completion of the Arrangement, Cruz will continue to hold all of its other assets including cash and cash equivalents, amounts receivable, prepaid amounts and other assets, deposits, capital advances, capital work-in progress, property and equipment, including but not limited to the Nevada Clayton Valley W. Lithium Property and the Nevada Solar Lithium Project. Cruz will actively pursue future growth opportunities, primarily through the acquisition and subsequent sale, farm-out, joint venture or other arrangement of promising mineral exploration properties. Prior to the Arrangement becoming effective, Makenita will have acquired the Spinco Property. Makenita intends to concentrate its activities primarily on the exploration and development of the Hector Property.

Conditions to the Arrangement

The Arrangement is subject to a number of conditions, certain of which may only be waived in accordance with the Arrangement Agreement, including receipt by Cruz and Makenita of all required approvals, including approval of the Arrangement Resolution; approval of the CSE of the Arrangement, including the listing of the New Cruz Shares in substitution for the Cruz Class A Shares, completion of the Makenita Financing, and approval of the Arrangement by the Court. See "*Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals*" and "*Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" in this Information Circular.

Conduct of Meeting and Other Approvals

Shareholder Approval of the Arrangement

The Arrangement Resolution must be approved, with or without variation, by at least two-thirds of the votes cast by Cruz Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Court Approval of the Arrangement

Under the BCBCA, Cruz is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. Prior to mailing the material in respect of the Meeting, Cruz obtained the Interim Order on October 31, 2024 providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is appended as Schedule "C" to this Information Circular. The Court hearing in respect of the Final Order is scheduled to take place at 9:45 A.M. (Vancouver time) on or about December 16, 2024, following the Meeting or as soon thereafter as the Court may direct or counsel for Cruz may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. **Securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, any Securityholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Securityholders.

Subject to the terms of the Arrangement Agreement and provided that the Arrangement has been approved by the Cruz Shareholders in the manner required by the Interim Order, Cruz will make application for the Final Order at 9:45 a.m. (Vancouver time) on or about December 16, 2024 at the Courthouse, 800 Smithe Street, Vancouver, British Columbia. Any Securityholder who wishes to appear and make submissions at such hearing (either in person or by counsel) must serve and file written notice with the Court of his or her intention to appear (a "**Response to Petition**"), as set out in the Notice of Hearing attached as Schedule I to this Information Circular. The Notice of Hearing provides that a Securityholder who wishes to appear and make submissions at such hearing must deliver a copy of the Response to Petition, together with a copy of all materials upon which the Securityholder intends to present to the Court, to Cruz's solicitors (at the address set out in the Notice of Hearing) on or before 4:00 p.m. (Vancouver time) on December 12, 2024 or as provided in the Interim Order. In the event the hearing is postponed, adjourned or rescheduled, only those persons having previously served a Response to Petition in compliance with the Notice of Hearing and the Interim Order will be provided notice of the postponement, adjournment or rescheduled date.

Regulatory Approvals

If the Arrangement Resolution is approved, final regulatory approval must be obtained for all the transactions contemplated by the Arrangement before the Arrangement may proceed.

The Cruz Shares are currently listed and posted for trading on the CSE. Cruz is a reporting issuer in the Reporting Jurisdictions. Approval from the CSE is required for the completion of the Arrangement, including listing of the New Cruz Shares in substitution for the Cruz Shares. Upon completion of the Arrangement, it is anticipated that Makenita will be a reporting issuer in the Reporting Jurisdictions and will have obtained conditional approval for the listing of the Makenita Shares on the CSE. Any listing will be subject to the final approval of the CSE. There can be no assurances that Makenita will be able to obtain a listing on the CSE or any other stock exchange.

Cruz Shareholders should be aware that certain of the foregoing approvals, including a listing on the CSE or a determination that Makenita will be a reporting issuer in the Reporting Jurisdictions, have not yet been received from the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

See "*Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals*" in this Information Circular. There is no assurance that Makenita and Cruz will receive the required approvals.

Dissent Rights to the Arrangement

Registered Holders have the right to dissent to the Arrangement. Dissenting Shareholders who strictly comply with Sections 237-247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, are entitled to be paid the fair value of their Cruz Shares by Cruz if the Plan of Arrangement becomes effective. See the Interim Order appended as Schedule "C" to this Information Circular. In addition, the Dissent Rights applicable to the Arrangement are summarized under the heading "*Rights of Dissenting Cruz Shareholders*" and the provisions of the BCBCA with regard to the Dissent Rights are set out in Schedule "D" to this Information Circular. A Registered Holder is not entitled to dissent with respect to such holder's Cruz Shares if such holder votes any of their Cruz Shares in favour of the Arrangement Resolution.

Dissenting Shareholders should note that the exercise of dissent rights can be a complex, time-sensitive and expensive procedure. Dissenting Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement and the dissent rights.

Procedure for Receipt of New Cruz Shares and Makenita Shares

Cruz Shareholders on the Share Distribution Record Date will be entitled to receive New Cruz Shares and Makenita Shares pursuant to the Arrangement.

Each registered Cruz Shareholder will receive a Letter of Transmittal containing instructions with respect to the deposit of certificates for Cruz Shares for use in exchanging their Cruz Shares for Certificates or Direct Registration System ("**DRS**") statements representing New Cruz Shares and Makenita Shares, to which they are entitled under the Arrangement. Upon return of a properly completed Letter of Transmittal, together with certificates formerly representing Cruz Shares and such other documents as the Depositary, may require, certificates or DRS statements for the appropriate number of New Cruz Shares and Makenita Shares will be distributed.

Cruz Selected Financial Information

The following table sets out selected consolidated financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the Hector Property Carve-Out Financial Statements. The Hector Property Carve-Out Financial Statements have been prepared in accordance with IFRS.

	Year Ended July 31, 2024 ($)	**Year Ended July 31, 2023 ($)**
Loss	(1,305,611)	(1,925,342)
Comprehensive loss	(1,305,611)	(1,925,342)
Basic and diluted loss per share	(0.01)	(0.01)
Total assets	5,094,316	5,885,497
Mineral interests	3,290,815	3,562,286

Certain Canadian Federal Income Tax Considerations

Securityholders should consult their own tax advisors about the applicable Canadian federal, provincial, and local tax consequences of the Arrangement. A summary of the principal Canadian federal income tax considerations of the Arrangement is included under "*Certain Canadian Federal Income Tax Considerations*" in this Information Circular.

Certain United States Federal Income Tax Considerations

Securityholders should consult their own tax advisors about the applicable United States federal, state and local tax consequences of the Arrangement. A summary of certain United States federal income tax considerations of the Arrangement is included under "*Certain United States Federal Income Tax Considerations*" in this Information Circular.

Securities Laws Information for Cruz Shareholders

The following disclosure is provided as general information only. Each Cruz Shareholder should consult his, her or its own professional advisors to determine the conditions and restrictions applicable to trades in the New Cruz Shares and Makenita Shares.

The issuance and distribution of the New Cruz Shares and the Makenita Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The New Cruz Shares and the Makenita Shares issued pursuant to the Arrangement may be resold in each of the provinces and territories of Canada, provided the holder is not a 'control person' as defined in the applicable legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

Each Cruz Shareholder is urged to consult its own professional advisors to determine the conditions and restrictions applicable to trades in such securities.

See "*Securities Law Considerations – Canadian Securities Laws and Resale of Securities*" in this Information Circular.

See "*Securities Law Considerations – U.S. Securities Laws*" for a summary of U.S. securities laws applicable to the Arrangement.

Risk Factors

The securities of Cruz and Makenita should be considered highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Cruz Shareholders should carefully consider all of the information disclosed in this Information Circular prior to voting on the matters being put before them at the Meeting.

There are risks associated with the Arrangement that should be considered by Cruz Shareholders, including but not limited to: (i) market reaction to the Arrangement and the future trading prices of the Cruz Shares and of the Makenita Shares, if listed, cannot be predicted; (ii) the transactions may give rise to significant adverse tax consequences to Cruz Shareholders and each Cruz Shareholder is urged to consult his, her or its own tax advisor; (iii) uncertainty as to whether the Arrangement will have a positive impact on the entities involved in the transactions; and (iv) there is no assurance that required regulatory, stock exchange or court approvals will be received, that the Makenita Financing will be completed or that the Makenita Shares will be listed or quoted on any stock exchange.

There are risks associated with the businesses of Cruz and Makenita that should be considered by Cruz Shareholders, including but not limited to: (i) the need for additional capital by Cruz and Makenita, through financings and the risk that such funds may not be raised including that the Makenita Financing may not raise sufficient proceeds to fund

Makenita's operations or enable it to satisfy the initial listing requirements of the CSE; (ii) the speculative nature of exploration and the stages of the properties or assets of Cruz and Makenita; (iii) the effect of changes in commodity prices; (iv) regulatory risks that development will not be acceptable for social, environmental or other reasons; (v) reliance on management; (vi) the potential for conflicts of interest; and (vii) other risks associated with either Cruz or Makenita as described in greater detail elsewhere in this Information Circular.

Cruz Shareholders should review carefully the risk factors set forth under "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Arrangement Risk Factors*", "*Cruz Battery Metals Corp. – Risk Factors" and "Makenita Resources Inc. – Risk Factors*".

GLOSSARY OF TERMS

In this Information Circular, the following capitalized words and terms shall have the following meanings:

ACB	Adjusted cost base, as defined in the Tax Act
Arrangement	The arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and the Plan of Arrangement
Arrangement Agreement	The arrangement agreement dated as of September 5, 2024 between Cruz and Makenita, as may be supplemented or amended from time to time
Arrangement Provisions	Sections 288 to 299 of the BCBCA
Arrangement Resolution	The Special Resolution and ordinary resolution of the Cruz Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA, in the form attached as Schedule "A" hereto
Audit Committee	The audit committee of Makenita
Business Day	A day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia
Conveyance Agreement	The conveyance agreement to be entered into between Cruz and Makenita with respect to the Spinco Property
Court	means the Supreme Court of British Columbia
CRA	means the Canada Revenue Agency, the federal agency that administers tax laws for the Government of Canada
Cruz	Cruz Battery Metals Corp., a company incorporated pursuant to the laws of British Columbia
Cruz Board	The duly appointed board of directors of Cruz
Cruz Class A Shares	The renamed and redesignated Cruz Shares as described in section 3.1(b)(i) of the Plan of Arrangement
Cruz Equity Incentive Plan	The Amended and Restated Omnibus Equity Incentive Plan of Cruz as approved by the Cruz Shareholders on June 19, 2024
Cruz Optionholders	The holders of Cruz Options on the Effective Date
Cruz Options	Options to acquire Cruz Shares, including options under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time
Cruz Replacement Option	An option to acquire a New Cruz Share to be issued by Cruz to a holder of a Cruz Option pursuant to section 3.1(d) of the Plan of Arrangement

Cruz Replacement RSU	A restricted share unit to acquire a New Cruz Share to be issued by Cruz to a holder of a Cruz RSU pursuant to section 3.1(f) of the Plan of Arrangement
Cruz RSUs	The restricted share units to acquire Cruz Shares
Cruz RSU Holders	The holders of Cruz RSUs on the Effective Date
Cruz Shares	The common shares without par value which Cruz is authorized to issue as the same are constituted on the date hereof
Cruz Shareholders	The holders of Cruz Shares
Cruz Warrantholders	The holders of Cruz Warrants on the Effective Date
Cruz Warrants	The share purchase warrants of Cruz exercisable to acquire Cruz Shares, including warrants under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time
CSE	Canadian Securities Exchange, operated by CNSX Inc.
Dissent Rights	means, in the case of the Arrangement, the rights of a Registered Holder to dissent in respect of the Plan of Arrangement set forth in Section 238 of the BCBCA, as the same may be modified by the Interim Order or the Final Order, as more particularly described herein under *"Rights of Cruz Dissenting Shareholders"*
Dissent Share	means each Cruz Share in respect of which a Registered Holder has exercised Dissent Rights and for which the Registered Holder is ultimately entitled to be paid fair market value
Dissenting Shareholder	means a Registered Holder that has duly exercised Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Cruz Shares in respect of which Dissent Rights are validly exercised by such Registered Holder
Effective Date	means the date that the Plan of Arrangement is effective
Effective Time	means 12:01 a.m. (Vancouver time) on the Effective Date
Fairness Opinion	means the opinion of Evans & Evans, Inc. dated September 5, 2024, a copy of which is attached to this Information Circular as Schedule "K"
Final Order	The final order of the Court approving the Arrangement
Hector Property	All of Cruz's right, title, and interest in and to 126 mineral claims totaling approximately 2,243 hectares located in the Larder Lake Mining Division, in the Timiskaming District in northeastern Ontario
Hector Property Carve-Out Financial Statements	The audited carve-out financial statements of Cruz for the years ended July 31, 2024 and July 31, 2023 in respect of the Spinco Property
Hector Property Carve Out MD&A	The management discussion and analysis for the years ended July 31, 2024 and July 31, 2023 in respect of the Spinco Property

IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board or a successor entity, as amended from time to time.
Information Circular	This management information circular of Cruz, including all schedules thereto, to be sent to the Cruz Shareholders in connection with the Meeting, together with any amendments or supplements thereto
In the Money Amount	At a particular time with respect to a Cruz Option or Cruz Replacement Option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time
Interim Order	The interim order of the Court, dated October 31, 2024, providing advice and directions in connection with the Meeting and the Arrangement
Intermediary	Banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, among others, that the Non- Registered Holder deals with, in respect of their Cruz Shares
Letter of Transmittal	The letter of transmittal in respect of the Arrangement to be sent to Cruz Shareholders together with the Information Circular
Makenita	Makenita Resouces Inc., a company incorporated pursuant to the laws of British Columbia.
Makenita Board	The duly appointed board of directors of Makenita
Makenita Financial Statements	The audited financial statements of Makenita as at the date of incorporation on July 12, 2024 to the financial year ended July 31, 2024
Makenita Financing	A private placement by Makenita of up to 10,000,000 Makenita Units at a price of $0.05 per Makenita Unit for gross proceeds of up to $500,000, or such other amount as the Makenita Board may determine, on terms acceptable to Makenita, in order to allow Makenita to satisfy the initial listing requirements of the CSE. Each Makenita Unit shall be comprised of one Makenita Share and one transferable Makenita Warrant. Each Makenita Warrant shall entitle the holder to acquire one Makenita Share at a price of $0.06 per Makenita Share for a period of five (5) years from the date of issuance of the Makenita Warrants
Makenita Incorporation Shares	The 100 Makenita Shares held by Cruz that were issued to Cruz on the incorporation of Makenita
Makenita MD&A	The management discussion and analysis of Makenita as at the date of incorporation on July 12, 2024 to the financial year ended July 31, 2024
Makenita Shareholder	A holder of Makenita Shares
Makenita Shares	The common shares without par value which Makenita is authorized to issue as the same are constituted on the date hereof

Makenita Spinout Shares	The 16,787,997 Makenita Shares, or such other amount determined by the Makenita Board, to be issued to Cruz prior to the Effective Time to complete the acquisition of the Spinco Property and to be distributed to the Cruz Shareholders pursuant to the Plan of Arrangement
Makenita Equity Incentive Plan	The omnibus equity incentive plan to be adopted by Makenita pursuant to the Arrangement Agreement and the Plan of Arrangement, in substantially similar terms as the Cruz Equity Incentive Plan and may otherwise be modified, amended or restated as more particularly set forth in this Information Circular
Makenita Units	The units to be issued by Makenita pursuant to the Makenita Financing, where each Makenita Unit shall be comprised of one Makenita Share and one Makenita Warrant
Makenita Warrants	The transferable share purchase warrants comprising the Makenita Units to be issued by Makenita pursuant to the Makenita Financing, with each Makenita Warrant entitling the holder to acquire one additional Makenita Share at a price of $0.06 per Makenita Share for a period of five (5) years from the date of issuance of the Makenita Warrants
Management	Management of Cruz
Meeting	The special meeting of Cruz Shareholders scheduled to be held at 10:00 A.M. (Vancouver time) at Suite 2501 – 550 Burrard Street, Vancouver, British Columbia V6C 2B5 on December 11, 2024 and any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and any other matters set out in the Notice of Meeting
Meeting Materials	The Notice of Meeting, the Information Circular, and the form of proxy together with any other materials required to be sent to shareholders in respect of the Meeting
New Cruz Shares	A new class of voting common shares without par value which Cruz will create and issue as described in section 3.1(b)(ii) of the Plan of Arrangement and for which the Cruz Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Cruz Shares
NOBOs	Non-Objecting Beneficial Owners are beneficial owners who do not object to their name being made known to the issuers of securities which they own
Non-Registered Holders	Cruz Shareholders, being NOBOs and OBOs, whose shares are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.
Notice of Meeting	The notice of the Meeting to be sent to the Cruz Shareholders, which notice will accompany the Information Circular
NI 43-101	National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
NI 54-101	National Instrument 54-101 – *Communication with Beneficial Owners of Securities of Reporting Issuers*.

BCBCA	The *Business Corporations Act*, SBC 2002, c. 57
OBOs	Beneficial owners of Cruz Shares who object to their name being made known to the issuers of securities which they own
Person or person	Is and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof
Plan of Arrangement	The plan of arrangement attached as Exhibit A to the Arrangement Agreement, as the same may be amended from time to time
Pro Forma Financial Statements	The pro forma financial statements of concerning Cruz and Makenita that gives effect to the Arrangement
Record Date	October 29, 2024, being the date determined by the Cruz Board for the determination of which Cruz Shareholders are entitled to receive notice of and vote at the Meeting
Registered Holder	A holder of record of Cruz Shares
Regulation S	Regulation S promulgated under the U.S. Securities Act
Reporting Jurisdictions	British Columbia, Alberta and Ontario
Response to Application	The response to application filed with the Court and served upon Cruz if any Cruz Shareholder desires to appear at the hearing to be held by the Court to approve the Arrangement
SEC	United States Securities Exchange Commission
Securities Legislation	The securities legislation of the provinces and territories of Canada, the U.S. Exchange Act and the U.S. Securities Act, each as now enacted or as amended, and the applicable rules, regulations, rulings, orders, instruments and forms made or promulgated under such statutes, as well as the rules, regulations, by-laws and policies of the CSE
Securityholders	Collectively, the Cruz Shareholders, Cruz Optionholders, Cruz RSU Holders and Cruz Warrantholders
SEDAR	System for Electronic Document Analysis and Retrieval at www.sedarplus.ca
Share Distribution Record Date	The close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Cruz Shareholders entitled to receive New Cruz Shares and Makenita Shares pursuant to the Plan of Arrangement or such other date as the Board of Directors may select
Share Exchange	The exchange of Cruz Shares for New Cruz Shares and Makenita Shares pursuant to the Plan of Arrangement

Special Resolution	A resolution required to be approved under the BCBCA by not less than two-thirds of the votes cast by those Cruz Shareholders who vote in person or by proxy at the Meeting for which appropriate notice has been given
Spinco Property	All of Cruz's right, title and interest in (i) the Hector Property, (ii) all concessions, leases, licenses, surface rights or other mineral rights and other interests in respect of the Hector Property, (iii) all fixed assets and inventories of Cruz relating exclusively to the assets described in the foregoing clauses (i) and (ii), (iv) all joint venture, earn-in, other contracts entered into by Cruz, and royalties or other similar rights that relate exclusively to the assets described in the foregoing clauses (i) and (ii), and (v) all exploration information, data reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies of all nature concerning the assets described in the foregoing clauses (i) and (ii)
Subsidiary	Is, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary
Tax Act	The *Income Tax Act* (Canada) and the regulations made thereunder, as promulgated or amended from time to time
Technical Report	The NI 43-101 technical report on the Hector Property dated effective August 12, 2024, prepared by Kristopher J. Raffle, P. Geo. and Eliza D. Verigeanu, P. Geo., titled "NI 43-101 Technical Report on the Hector Property"
Transfer Agent	Computershare Investor Services Inc., or such other trust company or transfer agent as may be designated by Cruz
U.S.	United States
U.S. Securityholder	A Securityholder who is subject to the securities laws of the United States
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated from time to time thereunder
U.S. Securities Act	The United States Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

CRUZ BATTERY METALS CORP.

Suite 2905 - 700 Georgia Street
Vancouver, British Columbia V7Y 1C6
Tel: (604) 899-9150

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is provided to registered and beneficial owners of Cruz Shares in connection with the solicitation of proxies by the management of Cruz for use at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment or postponement thereof. This Information Circular and other proxy-related materials are not provided to registered or beneficial owners of Cruz Shares under the notice and access provisions of NI 54-101.

Persons or Companies Making the Solicitation

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

Appointment and Revocation of Proxies

This Information Circular is accompanied by a management instrument of proxy that permits registered shareholders (a "**Registered Holder**") who do not attend the Meeting in person to have their Cruz Shares voted at the Meeting by a proxyholder appointed by the Registered Holder. The persons named in the accompanying instrument of proxy are directors or officers of Cruz. **A Cruz Shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the Cruz Shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at Cruz's transfer agent, Computershare Trust Company of Canada, 510 Burrard St., 3rd Floor, Vancouver, BC V6C 3B9, at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays.

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

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

Voting of Shares and Exercise of Discretion Of Proxies

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

In the absence of any direction in the instrument of proxy, it is intended that such Cruz Shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of Cruz is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

Advice to Beneficial Holders of Cruz Shares

The following information is of significant importance to Cruz Shareholders who do not hold Cruz Shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Holders (those whose names appear on the records of Cruz as the Registered Holder of Cruz Shares).

If shares are listed in an account statement provided to a Cruz Shareholder by a broker, then in almost all cases those Cruz Shares will not be registered in the Cruz Shareholder's name on the records of Cruz. Such Cruz Shares will most likely be registered under the names of the Cruz Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Cruz Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of Cruz Shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for "Non-Objecting Beneficial Owners").

Cruz is taking advantage of the provisions of NI 54-101, which permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (a "**VIF**") from Computershare Trust Company of Canada. These VIFs are to be completed and returned to the Transfer Agent in the envelope provided or by facsimile. In addition, Computershare provides both telephone and internet voting options, as described in the VIF. Computershare Trust Company of Canada will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions with respect to the Cruz Shares represented by the VIFs they receive.

These Meeting Materials are being sent to both Registered Holders and certain Non-Registered Holders of the Cruz Shares. If you are a Non-Registered Holder and Cruz or its agent has sent these Meeting Materials directly to you, your name and address and information about your holdings of Cruz Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Cruz Shares on your behalf.

By choosing to send these Meeting Materials to you directly, Cruz (and not the Intermediary holding on your behalf) has assumed responsibility for delivering these Meeting Materials to you and executing your proper voting instructions. Please return your voting instructions by completing and returning the enclosed VIF in accordance with the instructions contained in the VIF.

Beneficial shareholders who are OBOs will not receive the materials unless their Intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs, such instructions will typically be sought by the Cruz Shareholder receiving either a form of proxy or a voting instruction form. If a form of proxy is supplied to you by your broker, it will be similar to the proxy provided to Registered Holders by Cruz. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the "**Broadridge VIF**") which appoints the same persons as Cruz's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a beneficial shareholder of Cruz), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;

- sign and return the form, following the instructions provided by your nominee; and

- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the "Appointee" section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

Voting Securities and Principal Holders of Voting Securities

As at October 29, 2024, 167,879,969 Cruz Shares were issued and outstanding, each Cruz Share carrying the right to one vote. At a general meeting of Cruz, on a show of hands, every shareholder present in person has one vote and, on a poll, every Cruz Shareholder has one vote for each Cruz Share of which he is the holder. Subject to the special rights and restriction attached to the shares of any class or series of shares, the quorum for the Meeting is one person, present in person or by proxy, who holds, or who represents by proxy, shareholders who, in aggregate, hold at least 1% of the Cruz Shares entitled to be voted at the meeting of Cruz Shareholder. Only Cruz Shareholders of record at the close of business on October 29, 2024, will be entitled to have their Cruz Shares voted at the Meeting or any adjournment or postponement thereof. All such holders of record of Cruz Shares are entitled either to attend and vote thereat in person the Cruz Shares held by them or, provided a completed and executed proxy shall have

been delivered to the Transfer Agent within the time specified in the attached Notice of Special Meeting of Cruz Shareholders, to attend and vote by proxy the Cruz Shares held by them.

To the knowledge of the directors and executive officers of Cruz, no person beneficially owns or controls or directs, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding Cruz Shares.

NOTICE AND ACCESS PROCESS

The Company will utilize the notice and access mode ("**Notice and Access**") provided for under amendments to National Instrument 54-101 for the delivery of the Information Circular and the accompanying meeting materials (collectively, the "**Meeting Materials**") to Cruz Shareholders for the Meeting. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Meeting Materials, Cruz Shareholders receive a notice (the "**Notice and Access Notice**") with information on the Meeting date, location and purpose, as well as information on how they may access the Meeting Materials electronically.

Cruz Shareholders with existing instructions on their account to receive printed materials and those Cruz Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Meeting Materials with the Notice and Access Notice.

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

No person who has been a director or executive officer of Cruz at any time since the commencement of Cruz's last completed financial year and no associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, other than directors and executive officers of Makenita who hold Cruz Shares having an interest in the resolution regarding the approval of the Makenita Equity Incentive Plan as such persons will be eligible to participate in such plan as directors and executive officers of Makenita.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Information Circular, no "informed person" (as defined in NI 51-102), no proposed director of Cruz and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of Cruz's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect Cruz or any of its subsidiaries.

PARTICULARS OF MATTERS TO BE ACTED UPON

Special Resolution to Approve the Arrangement

The Arrangement will become effective on the Effective Date, subject to satisfaction of the applicable conditions. The disclosure of the principal features of the Arrangement among Cruz, the Cruz Shareholders and Makenita, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is available under Cruz's profile on SEDAR+ at www.sedarplus.ca.

<u>Reasons for the Arrangement</u>

Cruz believes that the Arrangement is in the best interests of Cruz for numerous reasons, including:

(a) the capital markets value the Hector Property together with all of Cruz's other properties, and by completing the Arrangement, the markets will value the Hector Property separately and independently of Cruz's other properties, which should create additional value for Cruz Shareholders;

(b) separating the Hector Property from Cruz's other properties is expected to accelerate the development of the Hector Property which will be Makenita's material property;

(c) Cruz will be better able to focus on developing its assets, other than the Spinco Property, without having the constraints of managing and financing the Spinco Property;

(d) Cruz Shareholders will benefit by holding shares in two separate public companies;

(e) the Fairness Opinion delivered to the Cruz Board, to the effect that, as of September 5, 2024, and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the Arrangement is fair, from a financial point of view, to the Securityholders; and

(f) separating Cruz and Makenita will expand Makenita's potential shareholder base and access to development capital by allowing investors that want specific ownership in a particular geographic location and in respect of specific properties with different geological characteristics the opportunity to invest directly in Makenita rather than through Cruz.

In the course of its deliberations, the Cruz Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to, the risks set out under "*Approval of the Arrangement – Arrangement Risk Factors*".

The foregoing discussion summarizes the material information and factors considered by the Cruz Board in their consideration of the Plan of Arrangement. The Cruz Board collectively reached its unanimous decision with respect to the Plan of Arrangement in light of the factors described above and other factors that each member of the Cruz Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Cruz Board did not find it useful or practicable to, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Cruz Board may have given different weight to different factors.

Fairness Opinion

Evans & Evans, Inc. was retained by Cruz to provide the Fairness Opinion, regarding the fairness, from a financial point of view of the Arrangement to the Securityholders. Based upon and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, Evans & Evans, Inc. is of the opinion that, as of September 5, 2024 the Arrangement is fair, from a financial point of view, to the Securityholders.

After careful consideration, including a thorough review of the information and the Fairness Opinion delivered by Evans & Evans, Inc., a thorough review of the terms of the Arrangement Agreement, and taking into account the best interests of Cruz and the impact on Cruz's stakeholders, and consultation with its professional advisors, the Cruz Board unanimously resolved: (i) to accept the advice of its professional advisors; (ii) that the Arrangement is fair, from a financial point of view, to the Cruz Shareholders and is in the best interests of Cruz; and (iii) to approve the Arrangement and to recommend that Cruz Shareholders vote in favour of the Arrangement Resolution. Cruz issued a press release announcing the proposed Arrangement on August 1, 2024. The Fairness Opinion is attached as Schedule "K" to this Information Circular.

Principal Steps of the Arrangement

Prior to the Effective Time, Makenita will issue the Makenita Spinout Shares to Cruz to complete the acquisition of the Spinco Property. Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following sequence or as otherwise provided below or herein, without any further act or formality:

(a) each Cruz Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights shall be directly transferred and assigned by such Dissenting Shareholder to Cruz, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Cruz Shareholders other than the right to be paid the fair value for their Cruz Shares by Cruz;

(b) the authorized share structure of Cruz shall be altered by:

(i) renaming and redesignating all of the issued and unissued Cruz Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "Cruz Class A Shares"; and

(ii) creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Cruz Shares immediately prior to the Effective Time, being the "New Cruz Shares";

(c) each Cruz Option then outstanding to acquire one Cruz Share shall be transferred and exchanged for:

(i) one Cruz Replacement Option to acquire one New Cruz Share having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of a New Cruz Share at the Effective Time divided by the total of the fair market value of a New Cruz Share and the fair market value of 0.1 of a Makenita Share at the Effective Time; and

(ii) one Makenita Option to acquire 0.1 of a Makenita Share, each whole Makenita Option having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of 0.1 of a Makenita Share at the Effective Time divided by the total of the fair market value of one New Cruz Share and 0.1 of a Makenita Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Cruz Replacement Option and the Makenita Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Cruz Option so exchanged. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Cruz Options;

(d) each Cruz Warrant then outstanding shall be deemed to be amended to entitle the Cruz Warrantholder to receive, upon due exercise of the Cruz Warrant, for the original exercise price:

(i) one New Cruz Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time; and

(ii) 0.1 of a Makenita Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time;

(e) each Cruz RSU then outstanding to acquire one Cruz Share shall be transferred and exchange for:

(i) one Cruz Replacement RSU to acquire one New Cruz Share and having the same vesting conditions and other terms as the Cruz RSU; and

(ii) one Makenita RSU to acquire 0.1 of a Makenita Share as governed by the Makenita Equity Incentive Plan;

It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Makenita RSUs. Accordingly, and notwithstanding the foregoing, the number of shares receivable under the Cruz Replacement RSUs and Makenita RSUs will be adjusted such that the aggregate fair market value of such shares receivable immediately after the exchange does not exceed the fair market value of the Cruz Shares receivable immediately before the exchange;

(f) each issued and outstanding Cruz Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Cruz Share; and (ii) 0.1 of a Makenita Spinout Share, the holders of the Cruz Class A Shares will be removed from the central securities register of Cruz as the holders of such and will be added to the central securities register of Cruz as the holders of the number of New Cruz Shares that they have received on the exchange set forth in section 3.1(e) of the Plan of Arrangement, and the Makenita Spinout Shares transferred to the then holders of the Cruz Class A Shares will be registered in the name of the former holders of the Cruz Class A Shares and Cruz will provide Makenita and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Makenita;

(g) the Cruz Class A Shares, none of which will be issued or outstanding once the exchange in section 3.1(g) of the Plan of Arrangement is completed, will be cancelled and the appropriate entries made in the central securities register of Cruz and the authorized share structure of Cruz will be amended by eliminating the Cruz Class A Shares, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Cruz Shares will be equal to that of the Cruz Shares immediately prior to the Effective Time less the fair market value of the Makenita Spinout Shares distributed pursuant to section 3.1(g) of the Plan of Arrangement; and

(h) the Makenita Incorporation Shares issued to Cruz on incorporation shall be cancelled for no consideration and as a result thereof:

(i) Cruz shall cease to be, and shall be deemed to have ceased to be, the holder of the Makenita Incorporation Shares and to have any rights as a holder of the Makenita Incorporation Shares; and

(ii) Cruz shall be removed as the holder of the Makenita Incorporation Shares from the register of Makenita Shares maintained by or on behalf of Makenita.

Effect of the Arrangement

As a result of the Arrangement, Cruz Shareholders will no longer hold their Cruz Shares and instead, will receive one New Cruz Share and 0.1 of a Makenita Share for every one Cruz Share held at the Effective Time, and as a result, will hold shares in two public companies. It is anticipated that Makenita will be a reporting issuer in the Reporting Jurisdictions, and will have obtained conditional approval to list the Makenita Shares on the CSE.

Directors and Officers of Makenita

The Makenita Board will be comprised of Jason Gigliotti, Scott Jobin-Bevans, and Negar Adam. Executive management of Makenita will consist of Jason Gigliotti, President and Chief Executive Officer, and Nancy Chow, Chief Financial Officer. Makenita may add individuals to the Makenita Board and management to ensure Makenita has the appropriate amount of local knowledge and skill sets to advance the Spinco Property and any additional assets Makenita may acquire in the future. Since Cruz's focus is primarily on mineral exploration assets located in the U.S., and Makenita's focus will be on the Spinco Property located in British Columbia, Canada, any common directors on the Makenita Board and the Cruz Board are not expected to be subject to any conflicts of interest. See "*Makenita Resources Inc. – Directors and Officers*" in this Information Circular.

Recommendation of the Directors

The Cruz Board has reviewed the terms and conditions of the Arrangement Agreement and has concluded that the Arrangement is fair and reasonable to the Securityholders and is in the best interests of Cruz. In arriving at this conclusion, the Cruz Board considered, among other matters:

1. the financial condition, business and operations of Cruz, on both a historical and prospective basis;

2. Evans & Evans, Inc. provided its opinion to the Cruz Board to the effect that, as of September 5, 2024, and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, the Arrangement is fair, from a financial point of view, to Securityholders.

3. the procedures by which the Arrangement is to be approved, including the requirement for approval of the Arrangement by the Court after a hearing at which fairness to Securityholders will be considered;

4. the availability of Dissent Rights to Registered Holders with respect to the Arrangement;

5. the assets to be held by each of Cruz and Makenita after completion of the Arrangement and the unrealized value of the Hector Property within Cruz;

6. the advantages of segregating the property risk profiles of the Hector Property and Cruz's other projects;

7. historical information regarding the price of the Cruz Shares;

8. the tax treatment to Cruz Shareholders under the Arrangement;

9. Cruz Shareholders will own securities of two publicly-listed companies, if the intended listing of the Makenita Shares is obtained; and

10. Makenita will be able to concentrate its efforts on developing the Hector Property and Cruz will be able to concentrate its efforts on the advancement of Cruz's other mineral project(s) and business.

The Cruz Board did not assign a relative weight to each specific factor and each director may have given different weights to different factors. Based on its review of all the factors, the Cruz Board considers the Arrangement to be advantageous to Cruz and fair and reasonable to the Cruz Shareholders. The Cruz Board also identified disadvantages associated with the Arrangement including the fact that there will be the additional costs associated with running two companies and there is no assurance that the proposed Arrangement will result in positive benefits to Cruz Shareholders. See "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Arrangement Risk Factors*", "Cruz *Battery Metals Corp. – Risk Factors*" and "*Makenita Resources Inc. – Risk Factors*".

Pursuant to an agreement dated as of August 1, 2024, Evans & Evans, Inc. was retained by the Cruz Board to, among other things, deliver the Fairness Opinion as to the fairness of the Makenita Spinout Shares to be received from Makenita pursuant to the Arrangement, from a financial point of view, to the Cruz Shareholders. On September 5, 2024, Evans & Evans, Inc. delivered to the Cruz Board its opinion that, on the basis of the particular assumptions and limitations set forth therein, as of such date, the Arrangement is fair, from a financial point of view, to the Securityholders.

Evans & Evans, Inc. was paid a fee by Cruz for its services which was not contingent on the successful outcome of the Arrangement and will be reimbursed of all reasonable legal and out-of-pocket expenses. In addition, Evans & Evans, Inc. and its affiliates and their respective directors, officers, employees, agents and controlling persons are to be indemnified by Cruz under certain circumstances from and against certain liabilities arising out of the performance of professional services rendered to Cruz. The Fairness Opinion has been provided solely for the use of the Cruz Board for the purposes of considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without the prior written consent of Evans & Evans, Inc. The Fairness Opinion is not to be construed as a valuation of Cruz, or any of their respective assets, securities or liabilities (whether on a standalone basis or as a combined entity). The Fairness Opinion does not constitute a recommendation as to whether or not Cruz Shareholders should vote in favour of the Arrangement Resolution or any other matter. The Fairness Opinion is one of a number of factors taken into account by the Cruz Board in approving the terms of the Arrangement Agreement and the Plan of Arrangement.

The Arrangement Resolution is set out in Schedule "A" to this Information Circular. In order to be approved, the Arrangement Resolution requires the votes in favour of two-thirds of the votes cast at the Meeting.

The Cruz Board recommends that the Cruz Shareholders vote FOR the Arrangement Resolution. Each director and officer of Cruz who owns Cruz Shares has indicated his or her intention to vote his or her Cruz Shares in favour of the Arrangement Resolution.

Arrangement Risk Factors

Cruz and Makenita should each be considered as highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Cruz Shareholders should carefully consider all of the information disclosed in this Information Circular prior to voting on the matters being put before them at the Meeting.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Cruz and Makenita, including receipt of Cruz Shareholder approval at the Meeting and receipt of the Final Order. There can be no certainty, nor can Cruz or Makenita provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

In addition to the other information presented in this Information Circular (without limitation, see also "*Cruz Battery Metals Corp. – Risk Factors*" and "*Makenita* Resources *Inc. – Risk Factors*"), the following risk factors should be given special consideration:

1. The trading price of Cruz Shares on the Effective Date may vary from the price as at the date of execution of the Arrangement Agreement, the date of this Information Circular and the date of the Meeting and may fluctuate depending on investors' perceptions of the merits of the Arrangement.

2. The number of Makenita Shares being issued in connection with the Arrangement will not change despite decreases or increases in the market price of the Cruz Shares. Many of the factors that affect the market price of the Cruz Shares are beyond the control of Cruz. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

3. There is no assurance that the Arrangement will be completed or that, if completed, the Makenita Shares will be listed and posted for trading on the CSE or on any other stock exchange.

4. There is no assurance that Makenita will complete the entire Makenita Financing. If the entire Makenita Financing is not completed, the Cruz Board may still proceed with the Arrangement provided Makenita will have sufficient funds to meet the initial listing requirements of the CSE.

5. There is no assurance that the Arrangement can be completed as proposed or without Cruz Shareholders exercising their dissent rights in respect of a substantial number of Cruz Shares.

6. There is no assurance that the businesses of Cruz or Makenita, after completing the Arrangement, will be successful.

7. While Cruz believes that the Makenita Shares to be issued to Cruz Shareholders pursuant to the Arrangement will not be subject to any resale restrictions save securities held by control persons and save for any restrictions flowing from current restrictions associated with a Cruz Shareholder's Cruz Shares, there is no assurance that this is the case and each Cruz Shareholder is urged to obtain appropriate legal advice regarding applicable securities legislation.

8. The transactions may give rise to significant adverse tax consequences to Cruz Shareholders and each such Cruz Shareholder is urged to consult his, her or its own tax advisor.

9. Certain costs related to the Arrangement, such as legal and accounting fees, must be paid by Cruz even if the Arrangement is not completed.

10. If the Arrangement Resolution is not approved by the Cruz Shareholders or, even if the Arrangement Resolution is approved, as a result of the Spinco Property being transferred to Makenita, an entity separate from Cruz, the market price of the Cruz Shares may decline to the extent that the current market price of the Cruz Shares reflects a market assumption that the Plan of Arrangement will be completed or to the extent the current market price of the Cruz Shares reflects the value associated with the Spinco Property, as applicable.

Effects of the Arrangement on Cruz Shareholders' Rights

As a result of the Arrangement, Cruz Shareholders will continue to be shareholders of Cruz and will also be shareholders of Makenita. Shareholders of Cruz and Makenita will have the same rights afforded to them as Cruz Shareholders of each respective entity, as both Cruz and Makenita are governed by the BCBCA.

Conduct of Meeting and Other Approvals

Shareholder Approval of the Arrangement

In order to become effective, the Arrangement Resolution must be approved by a Special Resolution.

Court Approval of the Arrangement

Under the BCBCA, Cruz is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. Cruz obtained an Interim Order on October 31, 2024, providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is appended as Schedule "C" to this Information Circular. The Court hearing in respect of the Final Order is scheduled to take place at 9:45 A.M. (Vancouver time) on or about December 16, 2024, following the Meeting or as soon thereafter as the Court may direct or counsel for Cruz may be heard at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, subject

to the approval of the Arrangement Resolution at the Meeting. **Securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements.**

At the Court hearing, any Securityholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Cruz Securityholders.

Subject to the terms of the Arrangement Agreement and provided that the Arrangement has been approved by the Cruz Shareholders in the manner required by the Interim Order, Cruz will make application for the Final Order at 9:45 a.m. (Vancouver time) on or about December 16, 2024 at the Courthouse, 800 Smithe Street, Vancouver, British Columbia. Any Securityholder who wishes to appear and make submissions at such hearing (either in person or by counsel) must serve and file written notice with the Court of his or her intention to appear (a "**Response to Petition**"), as set out in the Notice of Hearing attached as Schedule I to this Information Circular. The Notice of Hearing provides that a Securityholder who wishes to appear and make submissions at such hearing must deliver a copy of the Response to Petition, together with a copy of all materials upon which the Securityholder intends to present to the Court, to Cruz's solicitors (at the address set out in the Notice of Hearing) on or before 4:00 p.m. (Vancouver time) on December 12, 2024 or as provided in the Interim Order. In the event the hearing is postponed, adjourned or rescheduled, only those persons having previously served a Response to Petition in compliance with the Notice of Hearing and the Interim Order will be provided notice of the postponement, adjournment or rescheduled date.

Regulatory Approvals

In order to become effective, the Arrangement Resolution must be approved by a Special Resolution. Final regulatory approval must be obtained for all the transactions contemplated by the Arrangement before the Arrangement may proceed.

The Cruz Shares are currently listed and posted for trading on the CSE. Cruz is a reporting issuer in the Reporting Jurisdictions. Approval from the CSE is required for the completion of the Arrangement, including listing of the New Cruz Shares in substitution for the Cruz Shares. Upon completion of the Arrangement, it is expected that Makenita will be a reporting issuer in the Reporting Jurisdictions and will have obtained conditional approval to list the Makenita Shares on the CSE. Any listing will be subject to the approval of the CSE. There can be no assurances that Makenita will be able to attain a listing on the CSE or any other stock exchange.

Cruz Shareholders should be aware that certain of the foregoing approvals, including a listing on the CSE or a determination that Makenita will be a reporting issuer in the Reporting Jurisdictions, have not yet been received from the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

<u>Procedure for Receipt of New Cruz Shares and Makenita Shares</u>

Cruz Shareholders on the Share Distribution Record Date will be entitled to receive New Cruz Shares and Makenita Shares pursuant to the Arrangement.

Each registered Cruz Shareholder will receive a Letter of Transmittal containing instructions with respect to the deposit of certificates for Cruz Shares for use in exchanging their Cruz Shares for Certificates or DRS statements representing New Cruz Shares and Makenita Shares, to which they are entitled under the Arrangement. Upon return of a properly completed Letter of Transmittal, together with certificates formerly representing Cruz Shares and such other documents as the Depositary may require, certificates or DRS statements for the appropriate number of New Cruz Shares and Makenita Shares will be distributed.

Fees and Expenses

Cruz will pay the costs, fees and expenses of the Arrangement.

Effective Date of Arrangement

If:

(a) the Arrangement Resolution is approved by Special Resolution;

(b) the Final Order of the Court is obtained approving the Arrangement;

(c) the required CSE approvals to the completion of the Arrangement are obtained;

(d) every requirement of the BCBCA relating to the Arrangement has been complied with; and

(e) all other conditions disclosed under "*Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are met or waived,

the Arrangement will become effective on the Effective Date.

The full particulars of the Arrangement are contained in the Plan of Arrangement attached as Exhibit A to the Arrangement Agreement. See also "*Arrangement Agreement*" below.

Notwithstanding receipt of the above approvals, Cruz may abandon the Arrangement without further approval from the Cruz Shareholders.

Arrangement Agreement

The Arrangement will be carried out pursuant to the provisions of the BCBCA and will be effected in accordance with the Arrangement Agreement, the Interim Order and the Final Order. The steps of the Arrangement, as set out in the Arrangement Agreement, are summarized under "*Particulars of Matters to be Acted Upon – Approval of the Arrangement – Principal Steps of the Arrangement*" herein.

The general description of the Arrangement Agreement which follows is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available for review by Cruz Shareholders, at the head office of Cruz as shown on the Notice of Meeting, during normal business hours prior to the Meeting and under Cruz's profile on SEDAR+ at www.sedarplus.ca.

General

On September 5, 2024, Cruz and Makenita entered into the Arrangement Agreement which includes the Plan of Arrangement. The Plan of Arrangement is reproduced at Schedule "A" to the Arrangement Agreement, as set out in Schedule "A" to this Information Circular. Pursuant to the Arrangement Agreement, Cruz and Makenita agree to effect the Arrangement under Part 5, Division 5 of the BCBCA on the terms and subject to the conditions contained in the Arrangement Agreement.

In the Arrangement Agreement, Cruz and Makenita provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Arrangement Agreement, Cruz agrees to call the Meeting for the purpose of, among other matters, the Cruz Shareholders approving the Arrangement Resolution, and that, if the approval of the Cruz Shareholders of the

Arrangement Resolution as set forth in the Interim Order is obtained by Cruz, as soon as reasonably practicable thereafter, Cruz will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order.

Conditions to the Arrangement Becoming Effective

The respective obligations of Cruz and Makenita to complete the transactions contemplated by the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date, of a number of conditions precedent, certain of which may only be waived in accordance with the Arrangement Agreement. The mutual conditions precedent, among others, are as follows:

(a) the Interim Order shall have been granted in form and substance satisfactory to Cruz;

(b) the Arrangement Resolution, with or without amendment, shall have been approved and adopted at the Meeting in accordance with the Arrangement Provisions, the Constating Documents of Cruz, the Interim Order and the requirements of any applicable regulatory authorities;

(c) the Arrangement and the Arrangement Agreement, with or without amendment, shall have been approved by the shareholder of Makenita, to the extent required by, and in accordance with the application laws and the Constating Documents of Makenita;

(d) the Final Order shall have been obtained in form and substance satisfactory to each of Cruz and Makenita;

(e) the CSE shall have conditionally approved the Arrangement, including the listing of the New Cruz Shares issuable under the Arrangement in substitution for the Cruz Class A Shares and the delisting of the Cruz Class A Shares, as of the Effective Date, subject to compliance with the requirements of the CSE;

(f) the CSE shall have conditionally approved the listing of the Makenita Shares, subject to compliance with the requirements of the CSE;

(g) prior to the Effective Date, Makenita shall have completed or shall be in a position to complete the Makenita Financing;

(h) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in the Arrangement Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to Cruz and Makenita;

(i) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Plan of Arrangement;

(j) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a material adverse effect on any of Cruz, the Cruz Shareholders or Makenita if the Arrangement is completed;

(k) notices of dissent pursuant to Article 5 of the Plan of Arrangement shall not have been delivered by Cruz Shareholders holding greater than 5% of the outstanding Cruz Shares; and

(l) the Agreement shall not have been terminated under Article 6 of the Arrangement Agreement.

Amendment and Termination of Arrangement Agreement

Subject to any mandatory applicable restrictions under the Arrangement Provisions or the Final Order, the Arrangement Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Meeting, but prior to the Effective Date, be amended by the written agreement of Cruz and Makenita without, subject to applicable law, further notice to or authorization on the part of the Cruz Shareholders.

Subject to Section 6.2 of the Arrangement Agreement, the Arrangement Agreement may at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the Cruz Board without further action on the part of the Cruz Shareholders and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Cruz Board to elect to terminate the Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

Arrangement Resolution

Cruz Shareholders will be asked at the Meeting to vote on the Arrangement Resolution, the text of which is set out in Schedule "A" to this Information Circular. The Arrangement Resolution must be approved by a Special Resolution in order to become effective.

Notwithstanding the above, the Arrangement Resolution confers discretionary authority on the Cruz Board to revoke the Arrangement Resolution before the Effective Date. The Cruz Board may exercise its discretion and elect not to proceed with the Arrangement, notwithstanding Cruz Shareholder approval, for any number of reasons, including, for example, the number of Registered Holders that dissent in respect of the Arrangement Resolution.

Accordingly, the Cruz Board and Management are recommending that Cruz Shareholders vote FOR the approval of the Arrangement Resolution. Cruz Shareholder proxies received in favour of management will be voted FOR the approval of the Arrangement Resolution, unless a Cruz Shareholder has specified in the proxy that such Cruz Shares are to be voted against the Arrangement Resolution.

RIGHTS OF DISSENTING CRUZ SHAREHOLDERS

The following description of the right to dissent to which Registered Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Cruz Shares, and is qualified in its entirety by the reference to the full text of Division 2 of Part 8 of the BCBCA which is attached as Schedule "D" to this Information Circular.

A Dissenting Shareholder who intends to exercise their Dissent Rights should carefully consider and comply with the provisions of the BCBCA. Failure to adhere to the procedures established therein may result in the loss of all rights thereunder. Accordingly, each Dissenting Shareholder who might desire to exercise Dissent Rights should consult their own legal advisor.

Subject to certain tests as described below, Dissenting Shareholders are entitled, in addition to any other right such Dissenting Shareholder may have, to dissent and to be paid the fair value of the Cruz Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution, was adopted.

A Dissenting Shareholder may dissent only with respect to all of the Cruz Shares held by such Dissenting Shareholder or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. Only Registered Shareholders may dissent. Persons who are beneficial owners of Cruz Shares registered in the name of an Intermediary or other nominee who wish to dissent should be aware that they may only do so through the registered owner of such Cruz Shares. A Registered Shareholder, such as a broker, who holds Cruz Shares as nominee for beneficial holders, some of whom wish to dissent, must exercise the Dissent Rights on behalf of such beneficial

owners with respect to all of the Cruz Shares held for such beneficial owners. In such case, the demand for dissent should set forth the number of Cruz Shares covered by it.

Dissenting Shareholders must provide a written objection to the Arrangement Resolution to Cruz c/o Cozen O' Connor LLP, Suite 2501 – 550 Burrard Street, Vancouver, BC V6C 2B5, Attention: Cam McTavish and Kim Brown, by 10:00 a.m. (Vancouver time) on December 9, 2024, being two Business Days immediately preceding the date of the Meeting, or at least two Business Days immediately preceding the date of any adjournment of the Meeting. **No Cruz Shareholder who has voted in favour of the Arrangement Resolution shall be entitled to dissent with respect to the Arrangement.**

Upon proper notice of dissent having been provided to Cruz, Cruz and the Dissenting Shareholder may agree on an amount of the payout value of the Cruz Shares held by the Dissenting Shareholder. In such event, Cruz must promptly (i) pay the amount to the Dissenting Shareholder, or (ii) send a notice to the Dissenting Shareholder that Cruz is unable to lawfully pay such amount as there are reasonable grounds for believing that it is insolvent or the payment would render it insolvent.

In the event that the Dissenting Shareholder and Cruz cannot agree on a payout value for the Cruz Shares, then either of the Dissenting Shareholder or Cruz may apply to the Court and the Court may determine the payout value or order that the payout value be established by arbitration or by reference to the registrar or a referee of the Court and join in the application each Dissenting Shareholder, other than a Dissenting Shareholder who has entered into an agreement with Cruz with respect to the payout value of their Cruz Shares. Upon receipt of a Court or other order determining the amount of the payout value of the Cruz Shares held by the Dissenting Shareholder, Cruz must promptly (i) pay the amount to each Dissenting Shareholder governed by such Court or other order, or (ii) send a notice to the Dissenting Shareholders that Cruz is unable to lawfully pay such amount as there are reasonable grounds for believing that it is insolvent or the payment would render it insolvent.

Cruz must not make a payment to a Dissenting Shareholder under Division 2 of Part 8 of the BCBCA if there are reasonable grounds for believing that it is insolvent or the payment would render it insolvent. In such event, Cruz shall notify each Dissenting Shareholder that it is unable to lawfully pay Dissenting Shareholders for their Cruz Shares, in which case the Dissenting Shareholder may, by written notice to Cruz within 30 days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Arrangement as a Cruz Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection, such Dissenting Shareholder retains status as a claimant against Cruz, to be paid as soon as Cruz is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of Cruz, but in priority to its shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Dissenting Shareholders who seek payment of the fair value of their Cruz Shares. Division 2 of Part 8 of the BCBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, Dissenting Shareholders who might desire to exercise the right to dissent should carefully consider and comply with the provisions of Division 2 of Part 8 of the BCBCA, the full text of which is set out in Appendix "D" attached to this Information Circular and consult their own legal advisors. Furthermore, the exercise of a right of dissent by a Dissenting Shareholder may give rise to certain tax liabilities to such Dissenting Shareholder. Accordingly, Dissenting Shareholders should consult their own tax advisors with respect to the tax consequences of exercising a right of dissent and appraisal in their particular circumstances.**

It is a condition to the Arrangement that not greater than 5% of the outstanding Cruz Shares held by Cruz Shareholders will have exercised Dissent Rights in respect of the Arrangement Resolution.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH CRUZ SHAREHOLDER AND OTHER FACTORS. ACCORDINGLY, CRUZ SHAREHOLDERS ARE

URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.

The following fairly summarizes the principal Canadian federal income tax consequences under the Tax Act generally applicable to Cruz Shareholders in respect of the disposition of Cruz Shares pursuant to the Arrangement, and the acquisition, holding, and disposition of New Cruz Shares and Makenita Spinout Shares acquired pursuant to the Arrangement.

In this summary, an otherwise undefined term that first appears in quotation marks has the meaning ascribed to it in the Tax Act.

Comment is restricted to Cruz Shareholders who, for purposes of the Tax Act, (i) hold their Cruz Shares, and will hold their New Cruz Shares and Makenita Spinout Shares solely as capital property, and (ii) deal at arm's length with and are not affiliated with Makenita and Cruz (each such Cruz Shareholder, a "**Holder**").

Generally, a Holder's Cruz Share, New Cruz Share or Makenita Spinout Share will be considered to be capital property of the Holder provided that the Holder does not hold the share in the course of carrying on a business of buying and selling securities and has not acquired the share in one or more transactions considered to be an adventure in the nature of trade.

A Resident Holder (as defined below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada*") whose Cruz Shares, New Cruz Shares or Makenita Spinout Shares might not otherwise be capital property may in certain circumstances irrevocably elect under subsection 39(4) of the Tax Act to have those shares, and all other "Canadian securities" held by the Resident Holder in the taxation year of the election or in any subsequent taxation year treated as capital property. Resident Holders should consult their own tax advisers regarding the advisability of making such an election.

This summary does not apply to a Holder that:

(a) is a "financial institution" for the purposes of the mark-to-market rules in the Tax Act or a "specified financial institution";

(b) has elected to report its Canadian federal income tax results in a currency other than Canadian currency;

(c) has entered or will enter into a "derivative forward agreement", a "synthetic disposition arrangement", or a "synthetic equity arrangement";

(d) has acquired Cruz Shares, or will acquire New Cruz Shares or Makenita Spinout Shares, on the exercise of an employee stock option;

(e) holds one or more Cruz Options, in respect of those Cruz Options; or

(f) is a person or partnership an interest in which is a "tax shelter investment".

Each such Holder should consult the Holder's own tax advisers with respect to the consequences of the Arrangement.

This summary is based on the current provisions of the Tax Act, the regulations thereunder and counsel's understanding of the current published administrative practices and policies of the CRA. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date. It is assumed that the Proposed Amendments will be enacted as currently proposed and that there will be no other change in law or administrative or assessing practice, whether by

legislative, governmental, or judicial action or decision, although no assurance can be given in these respects. This summary does not take into account provincial, territorial or foreign income tax considerations, which may differ materially from the Canadian federal income tax considerations discussed below.

Additional considerations, not discussed in this summary, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of New Cruz Shares or Makenita Spinout Shares, controlled by a non-resident corporation for purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Such Holders should consult their Canadian tax advisers with respect to the consequences of the Arrangement.

This summary is of a general nature only and is not and should not be construed as legal or tax advice to any particular person. Each person who may be affected by the Arrangement should consult the person's own tax advisers with respect to the person's particular circumstances.

Holders Resident in Canada

This portion of this summary applies solely to Holders each of whom is or is deemed to be resident solely in Canada for the purposes of the Tax Act and any applicable income tax treaty or convention (each a "**Resident Holder**").

Exchange of Cruz Shares for New Cruz Shares and Makenita Shares

A Resident Holder who exchanges his, her or its Cruz Shares for New Cruz Shares and Makenita Spinout Shares pursuant to the Arrangement (the "**Share Exchange**") will be deemed to have received a taxable dividend equal to the amount, if any, by which the fair market value of the Makenita Spinout Shares distributed to the Resident Holder pursuant to the Share Exchange at the time of the Share Exchange exceeds the "paid-up capital" ("**PUC**") of the Resident Holder's Cruz Shares determined at that time. Any such taxable dividend will be taxable as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Taxation of Dividends*". Cruz expects that the fair market value of all Makenita Spinout Shares distributed to Cruz Shareholders pursuant the Share Exchange under the Arrangement will not exceed the PUC of the Cruz Shares. Accordingly, Cruz does not expect that any Resident Holder will be deemed to receive a taxable dividend on the Share Exchange.

A Resident Holder who exchanges his, her or its Cruz Shares for New Cruz Shares and Makenita Shares on the Share Exchange will realize a capital gain equal to the amount, if any, by which the fair market value of those Makenita Spinout Shares at the time of the Share Exchange, less the amount of any taxable dividend deemed to be received by the Resident Holder as described in the preceding paragraph, exceeds the "adjusted cost base" ("**ACB**") of the Resident Holder's Cruz Shares determined immediately before the Share Exchange. Any capital gain so realized will be taxable as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Taxation of Capital Gains and Losses*".

The Resident Holder will acquire the Makenita Shares received on the Share Exchange at a cost equal to their fair market value at that time, and the New Cruz Shares received on the Share Exchange at a cost equal to the amount, if any, by which the ACB of the Resident Holder's Cruz Shares immediately before the Share Exchange exceeds the fair market value of the Makenita Spinout Shares at the time of the Share Exchange.

Disposition of New Cruz Shares or Makenita Spinout Shares after the Arrangement

A Resident Holder who disposes or is deemed to dispose of a New Cruz Share or Makenita Shares generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition therefor are greater (or less) than the ACB of the share to the Resident Holder, less reasonable costs of disposition. Any such capital gain or capital loss will be taxable or deductible as described below under "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Taxation of Dividends

A Resident Holder who is an individual (other than certain trusts) and receives or is deemed to receive a taxable dividend in a taxation year on the Resident Holder's Cruz Shares, New Cruz Shares, or Makenita Spinout Shares will be required to include the amount of the dividend in income for the year, subject to the dividend gross-up and tax credit rules applicable to taxable dividends received by a Canadian resident individual from a "taxable Canadian corporation", including the enhanced dividend gross-up and tax credit applicable to the extent that Cruz or Makenita, as the case may be, designates the taxable dividend to be an "eligible dividend" in accordance with the Tax Act.

A Resident Holder that is a corporation and receives or is deemed to receive a taxable dividend in a taxation year on its Cruz Shares, New Cruz Shares, or Makenita Spinout Shares must include the amount in its income for the year, but generally will be entitled to deduct an equivalent amount from its taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" may be liable under Part IV of the Tax Act to pay a tax of 38 1/3% (refundable in certain circumstances) on any such dividends to the extent that the dividend is deductible in computing the corporation's taxable income.

Taxation of Capital Gains and Capital Losses

A Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a Cruz Share, New Cruz Share or Makenita Spinout Share generally will be required to include one half of any such capital gain (a "**taxable capital gain**") in income for the year, and entitled to deduct one half of any such capital loss (an "**allowable capital loss**") against taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the actual or deemed disposition of a Cruz Share, New Cruz Share or Makenita Spinout Share may be reduced by the amount of dividends received or deemed to have been received by it on the share (or on a share substituted therefor) to the extent and in the circumstances described in the Tax Act. Similar rules may apply where the corporation is a member or beneficiary of a partnership or trust that held the share, or where a partnership or trust of which the corporation is a member or beneficiary is itself a member of a partnership or a beneficiary of a trust that held the share.

A Resident Holder that is a "Canadian-controlled private corporation" throughout the relevant taxation year may be liable to pay an additional tax of 10 2/3% (refundable in certain circumstances) on its "aggregate investment income", which includes taxable capital gains, for the year.

Alternative Minimum Tax on Individuals

A Resident Holder who is an individual (including certain trusts) and receives a taxable dividend on, or realizes a capital gain on the disposition of, a Cruz Share, New Cruz Share or Makenita Spinout Share may thereby be liable for alternative minimum tax to the extent and within the circumstances set out in the Tax Act.

Dissenting Cruz Shareholders

A Dissenting Cruz Shareholder to whom Cruz consequently pays the fair value of his, her or its Cruz Shares will be deemed to receive a taxable dividend in the taxation year of payment equal to the amount, if any, by which the payment (excluding interest) exceeds the PUC of the Dissenting Cruz Shareholder's Cruz Shares determined immediately before the Arrangement. Any such taxable dividend will be taxable as described above under "*Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Dividends*". The Dissenting Cruz Shareholder will also realize a capital gain (or capital loss) equal to the amount, if any, by which the payment (excluding interest), less any such deemed taxable dividend, exceeds (is exceeded by) the ACB of the Dissenting Cruz Shareholder's Cruz Shares determined immediately before the Arrangement. Any such capital gain or loss will

generally be taxable or deductible as described above under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

The Dissenting Cruz Shareholder will be required to include any portion of the payment that is on account of interest in income in the year the interest is received or becomes receivable, depending on the method regularly followed by the Dissenting Cruz Shareholder in computing income. **Resident Holders who are contemplating exercising their Dissent Rights should consult their own tax advisers.**

Eligibility for Investment – New Cruz Shares and Makenita Spinout Shares

A New Cruz Share will be a "qualified investment" for a trust governed by an RRSP, RRIF, deferred profit sharing plan, RESP, RDSP or TFSA (collectively, "**Registered Plans**") at any time at which the New Cruz Shares are listed on a "designated stock exchange", or Cruz is a "public corporation".

A Makenita Spinout Share will be a qualified investment for a Registered Plan at any time at which the Makenita Spinout Shares are listed on a designated stock exchange, or Makenita is a public corporation. If the Makenita Spinout Shares are not listed on a designated stock exchange at the time they are distributed pursuant to the Arrangement, but become so listed before Makenita's "filing-due date" for its first taxation year and Makenita makes the appropriate election in its tax return for that year, Makenita will be deemed to be a public corporation from the beginning of the year and the Makenita Spinout Shares consequently will be considered to be qualified investments for Registered Plans from their date of issue. Makenita intends that the Makenita Spinout Shares will be listed on a designated exchange before the filing-due date for its first taxation year, and that Makenita will make the appropriate election in its tax return for that year.

Notwithstanding the foregoing, the "controlling individual" of an RRSP, RRIF, RDSP, RESP or TFSA will be subject to a penalty tax in respect of a New Cruz Share or a Makenita Spinout Share held in the RRSP, RRIF, RDSP, RESP or TFSA, as applicable, if the share is a "prohibited investment" under the Tax Act. A New Cruz Share or a Makenita Spinout Share generally will not be a prohibited investment for an RRSP, RRIF, RDSP, RESP or TFSA, as applicable, provided that (i) the controlling individual of the account does not have a "significant interest" in Cruz or Makenita, as applicable, and (ii) Cruz or Makenita, as applicable, deals at arm's length with the controlling individual for the purposes of the Tax Act. **Cruz Shareholders should consult their own tax advisers to ensure that the New Cruz Shares and Makenita Spinout Shares would not be a prohibited investment for a trust governed by a RRSP, RRIF, RDSP, RESP or TFSA in their particular circumstances.**

Holders Not Resident in Canada

This portion of this summary applies solely to Holders each of whom at all material times for the purposes of the Tax Act (i) has not been and is not resident or deemed to be resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold Cruz Shares, New Cruz Shares, or Makenita Spinout Shares in connection with carrying on a business in Canada (each a "**Non-resident Holder**").

Special rules, which are not discussed in this summary, may apply to a Non-resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank". Such Non-resident Holders should consult their own tax advisers with respect to the Arrangement.

Exchange of Cruz Shares for New Cruz Shares and Makenita Spinout Shares

The discussion of the tax consequences of the Share Exchange for Resident Holders under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Exchange of Cruz Shares for New Cruz Shares and Makenita Spinout Shares*" generally will also apply to Non-resident Holders in respect of the Share Exchange. The general taxation rules applicable to Non- resident Holders in respect of a deemed taxable dividend or capital gain arising on the Share Exchange are discussed below under the headings "*Certain Canadian Federal Income*

Tax Considerations - Holders Not Resident in Canada – Taxation of Dividends" and "*Certain Canadian Federal Income Tax Considerations - Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*" respectively.

Taxation of Dividends

A Non-resident Holder to whom Cruz or Makenita pays or credits (or is deemed to pay or credit) an amount as a dividend in respect of the Non-resident Holder's Cruz Shares, New Cruz Shares, or Makenita Spinout Shares will be subject to Canadian withholding tax equal to 25% of the gross amount of the dividend, or such lower rate as may be available under an applicable income tax convention, if any. The rate of withholding tax under *The Canada- US Income Tax Convention* (1980) (the "**Treaty**") applicable to a Non-resident Holder who is entitled to all of the benefits under the Treaty, and who holds less than 10% of the voting stock of Makenita or Cruz (as applicable), will be 15%. The payor of the dividend will be required to withhold the Canadian withholding tax from the dividend and remit the withheld amount to the CRA for the Non-resident Holder's account.

Taxation of Capital Gains and Capital Losses

A Non-resident Holder will not be subject to Canadian federal income tax in respect of any capital gain arising on an actual or deemed disposition of a Cruz Share, New Cruz Share or Makenita Spinout Share unless at the time of disposition the share is "taxable Canadian property" and is not "treaty-protected property".

Generally, a Cruz Share, New Cruz Share, or Makenita Spinout Share, as applicable, of the Non-resident Holder will not be taxable Canadian property of the Non-resident Holder at any time at which the share is listed on a designated stock exchange (which includes the CSE) unless, at any time during the 60 months immediately preceding the disposition of the share,

(a) the Non-resident Holder, one or more persons with whom the Non-resident Holder does not deal at arm's length, partnerships in which the Non-resident Holder or persons with whom the Non-resident Holder does not deal at arm's length hold a membership interest in directly or indirectly through one or more partnerships, or any combination thereof, owned 25% or more of the issued shares of any class of the capital stock of Cruz or Makenita, as applicable, and

(b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real property situated in Canada, "Canadian resource properties", "timber resource properties", and interest, rights or options in or in respect of any of the foregoing.

Shares may also be deemed to be taxable Canadian property under other provisions of the Tax Act.

Generally, a Cruz Share, New Cruz Share, or Makenita Spinout Share, as applicable, of the Non-resident Holder will be treaty-protected property of the Non-resident Holder at the time of disposition if at that time any income or gain of the Non-resident Holder from the disposition of the share would be exempt from Canadian income tax under Part I of the Tax Act because of a tax treaty between Canada and another country.

A Non-resident Holder who disposes or is deemed to dispose of a Cruz Share, New Cruz Share, or Makenita Spinout Share that, at the time of disposition, is taxable Canadian property and is not treaty-protected property will realize a capital gain (or capital loss) equal to the amount, if any, by which the Non-resident Holder's proceeds of disposition of the share exceeds (or is exceeded by) the Non-resident Holder's ACB in the share and reasonable costs of disposition. The Non-resident Holder generally will be required to include one half of any such capital gain (taxable capital gain) in the Non-resident Holder's taxable income earned in Canada for the year of disposition, and be entitled to deduct one half of any such capital loss (allowable capital loss) against taxable capital gains included in the Non- resident Holder's taxable income earned in Canada for the year of disposition and, to the extent not so deductible, against such taxable capital gains realized in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances set out in the Tax Act.

Dissenting Non-Resident Holders

The discussion above applicable to Resident Holders under the heading "*Holders Resident in Canada – Dissenting Cruz Shareholders*" will generally also apply to a Non-resident Holder who validly exercises Dissent Rights in respect of the Arrangement. The Non-resident Holder generally will be subject to Canadian federal income tax in respect of any deemed taxable dividend or capital gain or loss arising as a consequence of the exercise of Dissent Rights as discussed above under the headings "*Holders Not Resident in Canada – Taxation of Dividends*" and "*Holders Not Resident in Canada – Taxation of Capital Gains and Capital Losses*" respectively.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion summarizes certain material U.S. federal income tax consequences to a U.S. Holder (as defined below), as defined below, of the Arrangement and the ownership and disposition of New Cruz Shares and Makenita Spinout Shares received in the Arrangement. This summary does not address the U.S. federal income tax consequences to holders of Cruz Options or Cruz Warrants regarding the Arrangement or the adjustment to such Cruz Options and Cruz Warrants to allow the holders thereof to acquire, upon exercise, New Cruz Shares and Makenita Shares.

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations promulgated under the Code ("**Treasury Regulations**"), administrative pronouncements, rulings or practices, and judicial decisions, all as of the date of this Circular. Future legislative, judicial, or administrative modifications, revocations, or interpretations, which may or may not be retroactive, may result in U.S. federal income tax consequences significantly different from those discussed in this Circular. No legal opinion from U.S. legal counsel has been or will be sought or obtained regarding the U.S. federal income tax consequences of the Arrangement. In addition, this summary is not binding on the U.S. Internal Revenue Service (the "**IRS**"), and no ruling has been or will be sought or obtained from the IRS with respect to any of the U.S. federal income tax consequences discussed in this Circular. There can be no assurance that the IRS will not challenge any of the conclusions described in this Circular or that a U.S. court will not sustain such a challenge.

This summary is for general informational purposes only and does not address all possible U.S. federal tax issues that could apply with respect to the Arrangement. This summary does not take into account the facts unique to any particular U.S. Holder that could impact its U.S. federal income tax consequences with respect to the Arrangement. This discussion is not, and should not be, construed as legal or tax advice to a U.S. Holder. Except as provided below, this summary does not address tax reporting requirements. Each U.S. Holder should consult its own tax advisors regarding the U.S. federal income, the Medicare contribution tax on certain net investment income, the alternative minimum, U.S. state and local, and non-U.S. tax consequences of the Arrangement and the ownership and disposition of Cruz Shares, New Cruz Shares, or Makenita Spinout Shares.

This summary does not address the U.S. federal income tax consequences to U.S. Holders subject to special rules, including, but not limited to, U.S. Holders that: (i) are banks, financial institutions, or insurance companies; (ii) are regulated investment companies or real estate investment trusts; (iii) are brokers, dealers, or traders in securities or currencies; (iv) are tax-exempt organizations; (v) hold Cruz Shares (or after the Arrangement, New Cruz Shares or Makenita Spinout Shares) as part of hedges, straddles, constructive sales, conversion transactions, or other integrated investments; (vi) except as specifically provided below, acquire Cruz Shares (or after the Arrangement, New Cruz Shares or Makenita Spinout Shares) as compensation for services or through the exercise or cancellation of employee stock options or warrants; (vii) have a functional currency other than the U.S. dollar; (viii) own or have owned directly, indirectly, or constructively 10% or more of the voting power of all outstanding shares of Cruz (and after the Arrangement, Cruz and Makenita); (ix) are U.S. expatriates; (x) are subject to special tax accounting rules as a result of any item of gross income with respect to Cruz Shares (and after the Arrangement, New Cruz Shares or Makenita Spinout Shares) being taken into account in an applicable financial statement; (xi) are subject to the alternative minimum tax; (xii) are deemed to sell Cruz Shares (or after the Arrangement, New Cruz Shares or Makenita Spinout Shares) under the constructive sale provisions of the Code; or (xiii) own or will own Cruz Shares, New Cruz Shares and/or Makenita Spinout Shares that it acquired at different times or at different market prices or

that otherwise have different per share cost bases or holding periods for U.S. tax purposes. In addition, this discussion does not address U.S. federal tax laws other than those pertaining to U.S. federal income tax (such as U.S. federal estate or gift tax and the Medicare contribution tax on certain net investment income), nor does it address any aspects of U.S. state, local or non-U.S. taxes. U.S. Holders that are subject to special provisions under the Code, including U.S. Holders described immediately above, should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of New Cruz Shares and Makenita Spinout Shares.

For the purposes of this summary, "**U.S. Holder**" means a beneficial owner of Cruz Shares, Makenita Spinout Shares or New Cruz Shares (as applicable) that is: (i) an individual who is a citizen or resident of the U.S. for U.S. federal income tax purposes; (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the U.S., any U.S. state, or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust that (a) is subject to the primary jurisdiction of a court within the U.S. and for which one or more U.S. persons have authority to control all substantial decisions or (b) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a pass-through entity, including a partnership or other entity taxable as a partnership for U.S. federal income tax purposes, holds Cruz Shares, New Cruz Shares or Makenita Spinout Shares, the U.S. federal income tax treatment of an owner or partner generally will depend on the status of such owner or partner and on the activities of the pass-through entity. This summary does not address any U.S. federal income tax consequences to such owners or partners of a partnership or other entity taxable as a partnership for U.S. federal income tax purposes holding Cruz Shares, New Cruz Shares or Makenita Spinout Shares and such persons are urged to consult their own tax advisors.

For purposes of this summary, "non-U.S. Holder" means a beneficial owner of Cruz Shares, New Cruz Shares or Makenita Spinout Shares (as applicable) other than a U.S. Holder. This summary does not address the U.S. federal income tax consequences of the Arrangement to non-U.S. Holders. Accordingly, non-U.S. Holders should consult their own tax advisors regarding the U.S. federal income, other U.S. federal, U.S. state and local, and non-

U.S. tax consequences (including the potential application and operation of any income tax treaties) of the Arrangement.

This summary assumes that the Cruz Shares, New Cruz Shares and Makenita Spinout Shares are or will be held as capital assets (generally, property held for investment), within the meaning of the Code, in the hands of a U.S. Holder at all relevant times.

U.S. Federal Income Tax Consequences of the Arrangement

The Arrangement will be effected under applicable provisions of Canadian corporate law, which are technically different from analogous provisions of U.S. corporate law. Accordingly, the U.S. federal income tax consequences of certain aspects of the Arrangement are not certain. Nonetheless, Cruz believes, and the following discussion assumes, that (a) the renaming and redesignation of the Cruz Shares as Cruz Class A Shares and (b) the exchange by the Cruz Shareholders of the Cruz Class A Shares for New Cruz Shares and Makenita Spinout Shares, taken together, will properly be treated for U.S. federal income tax purposes, under the step- transaction doctrine or otherwise, as (i) a tax-deferred exchange by the Cruz Shareholders of their Cruz Shares for New Cruz Shares, either under Section 1036 or Section 368(a)(l)(E) of the Code, combined with (ii) a distribution of the Makenita Spinout Shares to the Cruz Shareholders under Section 301 of the Code. In addition, except as discussed below, a U.S. Holder should have the same basis and holding period in his, her or its New Cruz Shares as such U.S. Holder had in its Cruz Shares immediately prior to the Arrangement.

There can be no assurance that the IRS will not challenge the U.S. federal income tax treatment of the Arrangement or that, if challenged, a U.S. court would not agree with the IRS. Each U.S. Holder should consult its own tax advisors regarding the proper treatment of the Arrangement for U.S. federal income tax purposes.

Reporting Requirements for Significant Holders

Assuming that the Arrangement qualifies as a reorganization within the meaning of Section 368(a)(1)(E) of the Code, U.S. Holders that are "significant holders" within the meaning of Treasury Regulations Section l.368-3(c) are required to report certain information to the IRS on their U.S. federal income tax returns for the taxable year in which the Arrangement occurs and all such U.S. Holders must retain certain records related to the Arrangement. Each U.S. Holder should consult its own tax advisors regarding its information reporting and record retention responsibilities in connection with the Arrangement.

Receipt of Makenita Spinout Shares pursuant to the Arrangement

Subject to the "passive foreign investment company" ("**PFIC**") rules discussed below under *"Potential Application of the PFIC Rules"*, a U.S. Holder that receives Makenita Spinout Shares pursuant to the Arrangement will be treated as receiving a distribution of property in an amount equal to the fair market value of the Makenita Spinout Shares received on the distribution date (without reduction for any Canadian income or other tax withheld from such distribution). Such distribution would be taxable to the U.S. Holder as a dividend to the extent of Cruz's current and accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent the fair market value of the Makenita Spinout Shares distributed exceeds Cruz's adjusted tax basis in such shares (as calculated for U.S. federal income tax purposes), the Arrangement can be expected to generate additional earnings and profits for Cruz in an amount equal to the extent the fair market value of the Makenita Spinout Shares distributed by Cruz exceeds Cruz's adjusted tax basis in those shares for U.S. income tax purposes. Any such dividend generally will not be eligible for the "dividends received deduction" in the case of U.S. Holders that are corporations. To the extent that the fair market value of the Makenita Spinout Shares exceeds the current and accumulated earnings and profits of Cruz, the distribution of the Makenita Spinout Shares pursuant to the Arrangement will be treated first as a non-taxable return of capital to the extent of a U.S. Holder's tax basis in the Cruz Shares, with any remaining amount being taxed as a capital gain. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation.

A dividend paid by Cruz to a U.S. Holder who is an individual, estate or trust generally will be taxed at the preferential tax rates applicable to long-term capital gains if Cruz is a '"qualified foreign corporation" ("**QFC**") and certain holding period and other requirements for the Cruz Shares are met. Cruz generally will be a QFC as defined under Section 1(h)(11) of the Code if Cruz is eligible for the benefits of the Treaty or its shares are readily tradable on an established securities market in the U.S. However, even if Cruz satisfies one or more of these requirements, Cruz will not be treated as a QFC if Cruz is a PFIC (as defined below) for the tax year during which it pays a dividend or for the preceding tax year. See the section below under the heading *"Potential Application of the PFIC Rules."*

If a U.S. Holder is not eligible for the preferential tax rates discussed above, a dividend paid by Cruz to a U.S. Holder generally will be taxed at ordinary income tax rates (rather than the preferential tax rates applicable to long- term capital gains). The dividend rules are complex, and each U.S. Holder should consult its own tax advisors regarding the application of such rules.

Dissenting U.S. Holders

Subject to the PFIC rules discussed below under *"Potential Application of the PFIC Rules",* a U.S. Holder that exercises Dissent Rights in connection with the Arrangement (a "**Dissenting U.S. Holder**") and receives cash for such U.S. Holder's Cruz Shares generally will recognize gain or loss in an amount equal to the difference, if any, between (a) the amount of cash received by such U.S. Holder in exchange for the Cruz Shares (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (b) the adjusted tax basis of such U.S. Holder in the Cruz Shares surrendered, provided such U.S. Holder does not actually or constructively own any New Cruz Shares after the Arrangement. Such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if the Cruz Shares are held for more than one year. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are

currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

If a U.S. Holder that exercises Dissent Rights in connection with the Arrangement and receives cash for such U.S. Holder's Cruz Shares actually or constructively owns New Cruz Shares after the Arrangement, all or a portion of the cash received by such U.S. Holder may be taxable as a distribution under the same rules as discussed under *"Receipt of Makenita Spinout Shares pursuant to the Arrangement"* above.

Potential Application of the PFIC Rules

The tax considerations of the Arrangement to a particular U.S. Holder will depend on whether Cruz was a PFIC during any year in which a U.S. Holder owned Cruz Shares. In general, a foreign corporation is a PFIC for any taxable year in which either (i) 75% or more of the foreign corporation's gross income is passive income, or (ii) 50% or more of the average quarterly value of the foreign corporation's assets produced are held for the production of passive income. Passive income includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Passive income does not include gains from the sale of commodities that arise in the active conduct of a commodities business by a non-U.S. corporation, provided that certain other requirements are satisfied. In determining whether or not it is classified as a PFIC, a foreign corporation is required to take into account its pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest by value.

The determination of PFIC status is inherently factual and generally cannot be determined until the close of the taxable year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. U.S. Holders are urged to consult their own U.S. tax advisors regarding the application of the PFIC rules to the Arrangement. Certain subsidiaries and other entities in which a PFIC has a direct or indirect interest could also be PFICs with respect to a U.S. person owning an interest in the first- mentioned PFIC. Cruz has not made a determination regarding its PFIC status for any taxable year, including the current taxable year. Although there can be no assurance as to whether Cruz will or will not be treated as a PFIC during the current taxable year or any prior or future taxable year, and no legal opinion of counsel or ruling from the IRS concerning the status of Cruz as a PFIC has been obtained or is currently planned to or will be requested, U.S. Holders should be aware that Cruz may be treated as a PFIC for U.S. federal income tax purposes for its prior, current and future taxable years. U.S. Holders should consult their own tax advisors regarding the PFIC status of Cruz.

If Cruz is a PFIC or was a PFIC at any time during a U.S. Holder's holding period for his, her or its Cruz Shares, the effect of the PFIC rules on a U.S. Holder receiving Makenita Spinout Shares pursuant to the Arrangement will depend on whether such U.S. Holder has made a timely and effective election to treat Cruz as a qualified electing fund (a "**QEF**") under Section 1295 of the Code (a "**QEF Election**") or has made a mark-to-market election with respect to its Cruz Shares under Section 1296 of the Code (a "**Mark-to-Market Election**"). In this summary, a U.S. Holder that has made a timely QEF Election or Mark-to-Market Election with respect to its Cruz Shares is referred to as an "**Electing Cruz Shareholder**" and a U.S. Holder that has not made a timely QEF Election or a Mark-to-Market Election with respect to its Cruz Shares is referred to as a "**Non-Electing Cruz Shareholder**". For a description of the QEF Election and Mark-to-Market Election, U.S. Holders should consult the discussion below under *"U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Makenita Spinout Shares and New Cruz Shares – Passive Foreign Investment Company Rules – QEF Election"* and "*– Mark-to-Market Election".*

An Electing Cruz Shareholder generally would not be subject to the default rules of Section 1291 of the Code discussed below upon the receipt of the Makenita Spinout Shares pursuant to the Arrangement. Instead, the Electing Cruz Shareholder generally would be subject to the rules described below under *"U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Makenita Spinout Shares and New Cruz Shares – Passive Foreign Investment Company Rules – QEF Election"* and *"– Mark-to-Market Election".*

With respect to a Non-Electing Cruz Shareholder, if Cruz is a PFIC or was a PFIC at any time during a U.S. Holder's holding period for his, her or its Cruz Shares, the default rules under Section 1291 of the Code will apply to gain

recognized on any disposition of Cruz Shares and to "excess distributions" from Cruz (generally, distributions received in the current taxable year that are in excess of 125% of the average distributions received during the three preceding years (or during the U.S. Holder's holding period for the Cruz Shares, if shorter)). Under Section 1291 of the Code, any such gain recognized on the sale or other disposition of Cruz Shares and any excess distribution must be ratably allocated to each day in a Non-Electing Cruz Shareholder's holding period for the Cruz Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or receipt of the excess distribution and to years before Cruz became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such prior year without regard to the Non-Electing Cruz Shareholder's U.S. federal income tax net operating losses or other attributes and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such prior year. Such Non-Electing Cruz Shareholders that are not corporations must treat any such interest paid as "personal interest," which is not deductible.

If the distribution of the Makenita Spinout Shares pursuant to the Arrangement constitutes an "excess distribution" or results in the recognition of capital gain as described above under *"Receipt of Makenita Spinout Shares pursuant to the Arrangement"* with respect to a Non-Electing Cruz Shareholder, such Non-Electing Cruz Shareholder will be subject to the rules of Section 1291 of the Code discussed above upon the receipt of the Makenita Spinout Shares. In addition, the distribution of the Makenita Spinout Shares pursuant to the Arrangement may be treated, under proposed Treasury Regulations, as the "indirect disposition" by a Non-Electing Cruz Shareholder of such Non-Electing Cruz Shareholder's indirect interest in Makenita, which generally would be subject to the rules of Section 1291 of the Code discussed above.

U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Makenita Spinout Shares and New Cruz Shares

If the Arrangement is approved by Cruz Shareholders, each Cruz Shareholder will ultimately receive 0.1 of a Makenita Spinout Share and one New Cruz Share for each Cruz Share held by such Cruz Shareholder. If the Arrangement is not approved by the Cruz Shareholders, each Cruz Shareholder shall retain his, her or its Cruz Shares. The U.S. federal income tax consequences to a U.S. Holder related to the ownership and disposition of Makenita Spinout Shares or New Cruz Shares, as the case may be, will generally be the same and are described below.

In General

The following discussion is subject to the rules described below under the heading *"Passive Foreign Investment Company Rules."*

Distributions

A U.S. Holder that receives a distribution, including a constructive distribution, with respect to a Makenita Spinout Share or New Cruz Share will be required to include the amount of such distribution in gross income as a dividend (without reduction for any Canadian income tax withheld from such distribution) to the extent of the current or accumulated "earnings and profits" of the distributing company, as computed for U.S. federal income tax purposes. A dividend generally will be taxed to a U.S. Holder at ordinary income tax rates if the distributing company is a PFIC. To the extent that a distribution exceeds the current and accumulated "earnings and profits" of the distributing company, such distribution will be treated first as a tax-free return of capital to the extent of a U.S. Holder's tax basis in the shares of the distributing company and thereafter as gain from the sale or exchange of such shares. See the discussion below under the heading *"Sale or Other Taxable Disposition of Shares."* However, the distributing company may not maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution with respect to the Makenita Spinout Shares or New Cruz Shares will constitute ordinary dividend income. Dividends received on Makenita Spinout Shares or New Cruz Shares generally will not be eligible for the "dividends received deduction." In addition, distributions from Makenita or Cruz (either on New Cruz Shares or Makenita Spinout Shares) will not constitute qualified dividend income eligible for the preferential tax rates applicable to long-term capital gains if the distributing company were

a PFIC either in the year of the distribution or in the immediately preceding year, or if the distributing company is not eligible for the benefits of the Treaty and its shares are not readily tradable on an established securities market in the U.S. The dividend rules are complex, and each U.S. Holder should consult its own tax adviser regarding the application of such rules.

Sale or Other Taxable Disposition of Shares

Upon the sale or other taxable disposition of Makenita Spinout Shares or New Cruz Shares, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the U.S. dollar value of cash received plus the fair market value of any property received and such U.S. Holder's adjusted tax basis in such shares sold or otherwise disposed of. A U.S. Holder's tax basis in Makenita Spinout Shares or New Cruz Shares generally will be such holder's U.S. dollar cost for such shares. Gain or loss recognized on such sale or other disposition generally will be long-term capital gain or loss if, at the time of the sale or other disposition, the shares have been held for more than one year.

Preferential tax rates apply to long-term capital gain of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gain of a U.S. Holder that is a corporation. Deductions for capital losses are subject to significant limitations under the Code.

Passive Foreign Investment Company Rules

If Makenita or Cruz were to constitute a PFIC under the meaning of Section 1297 of the Code (as described above under *"US Federal Income Tax Consequences of the Arrangement - Receipt of Makenita Spinout Shares pursuant to the Arrangement")* for any year during a U.S. Holder's holding period, then certain potentially adverse rules will affect the U.S. federal income tax consequences to such U.S. Holder resulting from the acquisition, ownership and disposition of Makenita Spinout Shares or New Cruz Shares, as applicable. Cruz has not made a determination regarding its PFIC status for any taxable year, including the current taxable year. Cruz has also not made a determination regarding whether Makenita should be a PFIC for its initial tax year or whether it may be a PFIC in future tax years. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge whether Cruz (or a Subsidiary PFIC as defined below) was a PFIC in a prior year or whether Makenita or Cruz is a PFIC in the current or future years. Each U.S. Holder should consult its own tax advisors regarding the PFIC status of Makenita, Cruz and any of their Subsidiary PFICs. Neither Makenita nor Cruz currently intend to provide information to its shareholders concerning whether it is a PFIC for the current or future tax years.

Each U.S. Holder generally must file an IRS Form 8621 reporting distributions received and gain realized with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. In addition, subject to certain rules intended to avoid duplicative filings, U.S. Holders generally must file an annual information return on IRS Form 8621 with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. Each U.S. Holder should consult its own tax advisors regarding these and any other applicable information or other reporting requirements.

Under certain attribution rules, if either Makenita of Cruz is a PFIC, U.S. Holders will generally be deemed to own their proportionate share of its direct or indirect equity interest in any subsidiary that is also a PFIC (a "**Subsidiary PFIC**"), and will be subject to U.S. federal income tax on any indirect gain realized on the stock of a Subsidiary PFIC on the sale of the Makenita Spinout Shares or New Cruz Shares, as applicable, and their proportionate share of (a) any excess distributions on the stock of a Subsidiary PFIC and (b) a disposition or deemed disposition of the stock of a Subsidiary PFIC by Makenita or Cruz or another Subsidiary PFIC, both as if such U.S. Holders directly held the shares of such Subsidiary PFIC. Accordingly, U.S. Holders should be aware that they could be subject to tax even if no distributions are received and no redemptions or other dispositions of Makenita Spinout Shares or New Cruz Shares are made.

Default PFIC Rules Under Section 1291 of the Code

If either Makenita or Cruz is a PFIC for any tax year during which a U.S. Holder owns Makenita Spinout Shares or New Cruz Shares, as applicable, the U.S. federal income tax consequences to such U.S. Holder of the acquisition, ownership, and disposition of such shares will depend on whether and when such U.S. Holder makes a QEF Election to treat Makenita or Cruz, as applicable, and each Subsidiary PFIC, if any, as a QEF under Section 1295 of the Code or makes a Mark-to-Market Election under Section 1296 of the Code. A U.S. Holder that does not make either a timely QEF Election or a Mark-to-Market Election with respect to its Makenita Spinout Shares or New Cruz Shares, as applicable, will be referred to in this summary as a "**Non-Electing Shareholder**".

A Non-Electing Shareholder will be subject to the rules of Section 1291 of the Code (described below) with respect to (a) any gain recognized on the sale or other taxable disposition of Makenita Spinout Shares or New Cruz Shares, as applicable, and (b) any excess distribution received on the Makenita Spinout Shares or New Cruz Shares, as applicable. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions received in the current tax year) exceeds 125% of the average distributions received during the three preceding tax years (or during a U.S. Holder's holding period for the applicable shares, if shorter).

Under Section 1291 of the Code, any gain recognized on the sale or other taxable disposition of Makenita Spinout Shares or New Cruz Shares, as applicable, (including an indirect disposition of the stock of any Subsidiary PFIC), and any "excess distribution" received on such shares, must be ratably allocated to each day in a Non-Electing Shareholder's holding period for the respective shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or distribution of the excess distribution and to years before the entity became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year without regard to the shareholder's net operating losses or other U.S. federal income tax attributes, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing Shareholder that is not a corporation must treat any such interest paid as "personal interest," which is not deductible.

If either Makenita or Cruz is a PFIC for any tax year during which a Non-Electing Shareholder holds Makenita Spinout Shares or New Cruz Shares, as applicable, the applicable company will continue to be treated as a PFIC with respect to such Non-Electing Shareholder, regardless of whether that company ceases to be a PFIC in one or more subsequent tax years. A Non-Electing Shareholder may terminate this deemed PFIC status by electing to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above), but not loss, as if such shares were sold on the last day of the last tax year for which the applicable company was a PFIC.

QEF Election

A U.S. Holder that makes a timely and effective QEF Election for the first tax year in which its holding period of its Makenita Spinout Shares or New Cruz Shares, as applicable, begins generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to those shares. A U.S. Holder that makes a timely and effective QEF Election will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (a) the net capital gain of Makenita or Cruz, as applicable, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary earnings of Makenita or Cruz, as applicable, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short- term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which Makenita or Cruz, as applicable, is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Holder. However, for any tax year in which Makenita or Cruz, as applicable, is a PFIC and has no net income or gain as determined for U.S. income tax purposes, U.S. Holders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Holder that made a QEF Election has an income inclusion, such a U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such

amounts, subject to an interest charge. If such U.S. Holder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible.

A U.S. Holder that makes a timely and effective QEF Election with respect to Makenita or Cruz, as applicable, generally (a) may receive a tax-free distribution from the applicable company to the extent that such distribution represents "earnings and profits" of the distributing company that were previously included in income by the U.S. Holder because of such QEF Election and (b) will adjust such U.S. Holder's tax basis in the shares of the applicable company to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Holder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of Makenita Spinout Shares or New Cruz Shares, as applicable.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" if such QEF Election is made for the first year in the U.S. Holder's holding period for the Makenita Shares or New Cruz Shares in which Makenita or Cruz, as applicable, was a PFIC. A U.S. Holder may make a timely QEF Election by filing the appropriate QEF Election documents at the time such U.S. Holder files a U.S. federal income tax return for such year. If a U.S. Holder does not make a timely and effective QEF Election for the first year in the U.S. Holder's holding period for the Makenita Shares or New Cruz Shares, the U.S. Holder may still be able to make a timely and effective QEF Election in a subsequent year if such U.S. Holder meets certain requirements and makes a "purging" election to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above) as if such shares were sold for their fair market value on the day the QEF Election is effective. If a U.S. Holder owns PFIC stock indirectly through another PFIC, separate QEF Elections must be made for the PFIC in which the U.S. Holder is a direct shareholder and the Subsidiary PFIC in order for the QEF rules to apply to both PFICs.

A QEF Election will apply to the tax year for which such QEF Election is timely made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S. Holder makes a QEF Election and, in a subsequent tax year, Makenita or Cruz ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which Makenita or Cruz, as applicable, is not a PFIC. Accordingly, if Makenita or Cruz becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Holder will be subject to the QEF rules described above during any subsequent tax year in which Makenita or Cruz, as applicable, qualifies as a PFIC.

U.S. Holders should be aware that there can be no assurances that Makenita or Cruz will satisfy the record keeping requirements that apply to a QEF for the current or future years, or that Makenita or Cruz will supply U.S. Holders with information that such U.S. Holders require to report under the QEF rules, in the event that Makenita or Cruz is a PFIC. Neither Makenita nor Cruz commits to provide information to its shareholders that would be necessary to make a QEF Election with respect to Makenita or Cruz for any year in which it is a PFIC. Thus, U.S. Holders may not be able to make a QEF Election with respect to their Makenita Spinout Shares or New Cruz Shares (or with respect to any Subsidiary PFIC). Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a QEF Election.

A U.S. Holder makes a QEF Election by attaching a completed IRS Form 8621, including a PFIC Annual Information Statement, to a timely filed United States federal income tax return. However, if Makenita or Cruz does not provide the required information with regard to Makenita, Cruz or any of their Subsidiary PFICs, U.S. Holders will not be able to make a QEF Election for such entity and will continue to be subject to the rules discussed above that apply to Non-Electing Shareholders with respect to the taxation of gains and excess distributions.

Mark-to-Market Election

A U.S. Holder may make a Mark-to-Market Election only if the Makenita Spinout Shares or New Cruz Shares, as applicable, are marketable stock. These shares generally will be "marketable stock" if they are regularly traded on: (i) a national securities exchange that is registered with the Securities and Exchange Commission; (ii) the national market system established pursuant to section 11A of the Securities and Exchange Act of 1934; or (iii) a foreign

securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that: (i) such foreign exchange has trading volume, listing, financial disclosure, and surveillance requirements, and meets other requirements and the laws of the country in which such foreign exchange is located, and together with the rules of such foreign exchange, ensure that such requirements are actually enforced; and (ii) the rules of such foreign exchange effectively promote active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be "regularly traded" for any calendar year during which such stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. There is no assurance that the Makenita Spinout Shares or New Cruz Shares will be marketable stock for this purpose.

A U.S. Holder that makes a Mark-to-Market Election with respect to its Makenita Spinout Shares or New Cruz Shares generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to such shares. However, if a U.S. Holder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Holder's holding period for such shares or such U.S. Holder has not made a timely QEF Election, the rules of Section 1291 of the Code discussed above will apply to certain dispositions of, and distributions on, those shares.

A U.S. Holder that makes a Mark-to-Market Election with respect to Makenita Spinout Shares or New Cruz Shares will include in ordinary income, for each tax year in which Makenita or Cruz, as applicable, is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the applicable shares, as of the close of such tax year over (b) such U.S. Holder's tax basis in such shares. A U.S. Holder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (a) such U.S. Holder's adjusted tax basis in the applicable shares, over (b) the fair market value of such shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Holder that makes a Mark-to-Market Election with respect to Makenita Spinout Shares or New Cruz Shares generally also will adjust such U.S. Holder's tax basis in the applicable shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of such shares, a U.S. Holder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years). Losses that exceed this limitation are subject to the rules generally applicable to losses provided in the Code and Treasury Regulations.

A Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless the Makenita Spinout Shares or New Cruz Shares, as applicable, cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Holder may be eligible to make a Mark-to-Market Election with respect to the Makenita Spinout Shares or New Cruz Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Holder is treated as owning, because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to eliminate the application of the default rules of Section 1291 of the Code described above with respect to deemed dispositions of Subsidiary PFIC stock or distributions from a Subsidiary PFIC.

Other PFIC Rules

Under Section 1291(f) of the Code, the IRS has issued proposed Treasury Regulations that, subject to certain exceptions, would cause a U.S. Holder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of Makenita Spinout Shares or New Cruz Shares that would otherwise be tax- deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Holder may vary based on the manner in which such shares are transferred.

Certain additional adverse rules may apply with respect to a U.S. Holder if Makenita or Cruz is a PFIC, regardless of whether such U.S. Holder makes a QEF Election. For example, under Section 1298(b)(6) of the Code, a U.S. Holder

that uses Makenita Spinout Shares or New Cruz Shares as security for a loan will, except as may be provided in Treasury Regulations, be treated as having made a taxable disposition of such shares.

Special rules also apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated, and a U.S. Holder should consult with its own tax adviser regarding the availability of the foreign tax credit with respect to distributions by a PFIC.

The PFIC rules are complex, and each U.S. Holder should consult with its own tax advisors regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the acquisition, ownership, and disposition of Makenita Spinout Shares or New Cruz Shares.

Additional Considerations

Foreign Tax Credit

Subject to the PFIC rules discussed above, a U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement or in connection with the ownership or disposition of Makenita Spinout Shares or New Cruz Shares may elect to deduct or credit such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year. The foreign tax credit rules are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Each U.S. Holder should consult its own U.S. tax advisors regarding the foreign tax credit rules.

Receipt of Foreign Currency

The U.S. dollar value of any cash payment in Canadian dollars to a U.S. Holder will be translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of the dividend, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. A U.S. Holder will generally have a tax basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who receives payment in Canadian dollars and converts or disposes of the Canadian dollars after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, which generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting.

Each U.S. Holder should consult its own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Information Reporting and Backup Withholding Tax

Under U.S. federal income tax law and Treasury Regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, Section 6038D of the Code generally imposes U.S. return disclosure obligations (and related penalties) on individuals who are U.S. Holders that hold certain specified foreign financial assets in excess of certain thresholds. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. Holders may be subject to these reporting requirements unless their shares are held in an account at a domestic financial institution. A U.S. Holder's disclosure of foreign financial assets pursuant to Section 6038D of the Code should be made on IRS Form 8938. Penalties for failure to file certain of these

information returns are substantial. U.S. Holders should consult with their own tax advisers regarding the requirements of filing information returns under these rules, including the requirement to file an IRS Form 8938.

Payments made within the U.S. or by a U.S. payor or U.S. middleman, of (a) distributions on the Makenita Spinout Shares or New Cruz Shares, (b) proceeds arising from the sale or other taxable disposition of Makenita Spinout Shares or New Cruz Shares, or (c) any payments received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising dissent rights under the Arrangement) generally may be subject to information reporting and backup withholding tax, at the current rate of 24% if a U.S. Holder (i) fails to furnish its correct U.S. taxpayer identification number (generally on IRS Form W-9), (ii) furnishes an incorrect U.S. taxpayer identification number, (iii) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (iv) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Any amounts withheld under the U.S. Backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner. Each U.S. Holder should consult its own tax advisors regarding the information reporting and backup withholding rules.

THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS APPLICABLE TO SECURITYHOLDERS WITH RESPECT TO THE DISPOSITION OF THOSE SECURITIES PURSUANT TO THE ARRANGEMENT OR THE OWNERSHIP AND DISPOSITION OF THOSE SECURITIES RECEIVED PURSUANT TO THE ARRANGEMENT. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE TAX CONSIDERATIONS APPLICABLE TO THEM IN THEIR PARTICULAR CIRCUMSTANCES.

SECURITIES LAW CONSIDERATIONS

The following is a brief summary of the securities law considerations applicable to the transactions contemplated herein.

Canadian Securities Laws and Resale of Securities

Each Cruz Shareholder is urged to consult such holder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Makenita Shares.

Cruz is a "reporting issuer" in the Reporting Jurisdictions. The Cruz Shares are currently listed and posted for trading on the CSE.

Upon completion of the Arrangement, it is anticipated that Makenita will be a reporting issuer in the Reporting Jurisdictions and will have obtained conditional approvel to list the Makenita Shares on the CSE, but there can be no assurances that Makenita will be able to obtain such a listing on the CSE or any other stock exchange. Any listing will be subject to the approval of the CSE.

The issuance of the New Cruz Shares and Makenita Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The New Cruz Shares and Makenita Shares issued to Cruz Shareholders may be resold in each of the provinces and territories of Canada provided the holder is not a 'control person' as defined in the applicable Securities Legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

U.S. Securities Laws

Status Under U.S. Securities Laws

Each of Cruz and Makenita is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act. The Cruz Shares are quoted in the United States on the OTCQB market. The Makenita Shares are not listed or quoted for trading in the United States, nor does Makenita intend to seek such a listing or quotation at this time.

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to U.S. Securityholders. All U.S. Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of the New Cruz Shares and Makenita Shares, or Makenita Options and Cruz Replacement Options issued to them, or the Cruz Warrants, as applicable, under the Plan of Arrangement complies with applicable securities legislation. **Further information applicable to U.S. Securityholders is disclosed under the heading "*Note to United States Securityholders*".**

The following discussion does not address the Canadian securities laws that will apply to the issue of the New Cruz Shares and Makenita Shares or the resale of these shares by U.S. Securityholders within Canada. U.S. Securityholders reselling their New Cruz Shares and Makenita Shares, or Makenita Options and Cruz Replacement Options, or Cruz Warrants, as applicable, in Canada must comply with Canadian securities laws, as outlined elsewhere in this Information Circular.

Exemption from the Registration Requirements of the U.S. Securities Act

The New Cruz Shares and Makenita Shares to be issued to Cruz Shareholders in exchange for their Cruz Shares pursuant to the Plan of Arrangement, and the Makenita Options and Cruz Replacement Options to be issued to Cruz Optionholders in exchange for their Cruz Options pursuant to the Plan of Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, but will be issued in reliance upon the Section 3(a)(10) Exemption and exemptions provided under the securities laws of each state of the United States in which U.S. Securityholders reside. The Section 3(a)(10) Exemption exempts from registration the issuance of a security that is issued in exchange for one or more outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear and receive timely and adequate notice thereof, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the New Cruz Shares, Makenita Shares, Makenita Options and Cruz Replacement Options issued in connection with the Plan of Arrangement. See "*Approval of the Arrangement – Court Approval of the Arrangement*" above.

Resales of Makenita Shares and New Cruz Shares after the Effective Date

The manner in which a Cruz Shareholder may resell the Makenita Shares and New Cruz Shares received on completion of the Plan of Arrangement will depend on whether such holder is, at the time of such resale, an "affiliate" of Makenita or Cruz, as applicable, after the Effective Date, or has been such an "affiliate" at any time within 90 days immediately preceding the Effective Date.

As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, that issuer. Typically, persons who are executive officers, directors or 10% (or greater) holders of an issuer are considered to be its "affiliates," as well as any other person or group that actually controls the issuer.

Persons who are affiliates of Makenita or Cruz, as applicable, after the Effective Date, or within 90 days immediately preceding the Effective Date may not sell their Makenita Shares and New Cruz Shares that they receive in connection with the Plan of Arrangement in the absence of registration under the U.S. Securities Act, unless an exemption from

such registration is available, such as the exemptions provided by Rule 144 under the U.S. Securities Act or Rule 904 of Regulation S.

Rule 144

In general, Rule 144 under the U.S. Securities Act provides that persons who are affiliates of Makenita or Cruz, as applicable, after the Effective Date or, at any time during the 90 day period immediately prior to the Effective Date, will be entitled to sell, during any three-month period, a portion of the Makenita Shares and New Cruz Shares that they receive in connection with the Plan of Arrangement, provided that the number of each such securities sold does not exceed the greater of one percent of the number of then outstanding securities of such class or, if such securities are listed on a United States securities exchange (which neither Makenita nor Cruz intends to seek at this time), the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules and the availability of current public information about Makenita or Cruz, as applicable. In addition, subject to certain exceptions, Rule 144 will not be available for resales of Makenita Shares or New Cruz Shares if the issuer of such securities is, or has at any time previously been, a shell company, which means a company with no or nominal operations and no or nominal assets other than cash and cash equivalents.

Regulation S

Subject to certain limitations, all persons who are affiliates of Makenita or Cruz, as applicable, after the Effective Date or, at any time during the 90-day period immediately prior to the Effective Date, may immediately resell such securities outside the United States, without registration under the U.S. Securities Act, pursuant to Regulation S.

Generally, subject to certain limitations, holders of Makenita Shares and New Cruz Shares who are not affiliates of Makenita or Cruz, as applicable, or who are its affiliates of Makenita or Cruz, as applicable, solely by virtue of being an officer and/or director of the applicable corporation and who pay only the usual and customary broker's commission in connection with the transaction, may resell their Makenita Shares or New Cruz Shares, as applicable, in an "offshore transaction" (which would generally include a sale through the CSE) if no offer is made to a person in the United States, the sale is not prearranged with a buyer in the United States, neither the seller, any affiliate of the seller, nor any person acting on any of their behalf engages in any "directed selling efforts" in the United States, and subject to certain additional conditions. For the purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered" in the resale transaction. Under Regulation S, certain additional restrictions and qualifications are applicable to holders of Makenita Shares or New Cruz Shares who are affiliates of Makenita or Cruz, as applicable, other than by virtue of being an officer and/or director or the applicable corporation.

The foregoing discussion is only a general overview of the requirements of United States securities laws for the resale of the Makenita Shares and New Cruz Shares received pursuant to the Plan of Arrangement. Holders of Makenita Shares and New Cruz Shares are urged to seek legal advice prior to any resale of such securities to ensure that the resale is made in compliance with the requirements of applicable securities legislation.

Resales of Makenita Options and Cruz Replacement Options after the Effective Date

The Makenita Options and Cruz Replacement Options are not generally transferable other than by will or the laws of descent and may be exercised during the lifetime of the optionee only by the optionee.

Issuance of Makenita Options and Cruz Replacement Options, and Makenita Shares and New Cruz Shares upon Exercise of the Makenita Options and Cruz Replacement Options

The issuance of the Makenita Options and Cruz Replacement Options to Cruz Optionholders will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be issued in reliance

upon the Section 3(a)(10) Exemption, and similar exemptions provided under the securities laws of each state of the United States in which Cruz Optionholders reside.

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Makenita Shares issuable upon the exercise of the Makenita Options following the Effective Date, and the New Cruz Shares issuable upon the exercise of the Cruz Replacement Options following the Effective Date, may not be issued in reliance upon the Section 3(a)(10) Exemption and such options may be exercised only pursuant to an available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Makenita Shares or New Cruz Shares pursuant to any such exercise, Makenita or Cruz, as applicable, may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to Makenita or Cruz, as applicable, to the effect that the issuance of such New Cruz Shares or Makenita Shares, as applicable, does not require registration under the U.S. Securities Act or applicable state securities laws. Any Makenita Shares or New Cruz Shares, as applicable, issued upon exercise of the Makenita Options and Cruz Replacement Options, as applicable, pursuant to an exemption from the registration requirements of the U.S. Securities Act will be "restricted securities" as defined in Rule 144 under the U.S. Securities Act and will be subject to restrictions on resales imposed by the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale and exercise of Makenita Options and Cruz Replacement Options received upon completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale or exercise of their securities complies with applicable securities legislation.**

Resales of Cruz Warrants after the Effective Date

The Cruz Warrants are non-transferable.

Modification of Cruz Warrants, and Issuance of Makenita Shares and New Cruz Shares upon Exercise of the Cruz Warrants

The modification of the Cruz Warrants pursuant to the Arrangement will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be effected in reliance upon the Section 3(a)(10) Exemption, and similar exemptions provided under the securities laws of each state of the United States in which Cruz Warrantholders reside.

The Section 3(a)(10) Exemption does not exempt the issuance of securities issued upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. Therefore, the Makenita Shares and the New Cruz Shares issuable upon the exercise of the Cruz Warrants following the Effective Date may not be issued in reliance upon the Section 3(a)(10) Exemption and the Cruz Warrants may be exercised only pursuant to an available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Makenita Shares or New Cruz Shares pursuant to any such exercise, Makenita or Cruz, as applicable, may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to Makenita or Cruz, as applicable, to the effect that the issuance of such New Cruz Shares or Makenita Shares, as applicable, does not require registration under the U.S. Securities Act or applicable state securities laws. Any Makenita Shares or New Cruz Shares, as applicable, issued upon exercise of the Cruz Warrants pursuant to an exemption from the registration requirements of the U.S. Securities Act will be "restricted securities" as defined in Rule 144 under the U.S. Securities Act and will be subject to restrictions on resales imposed by the U.S. Securities Act.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale and exercise of the Cruz Warrants following completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale or exercise of their securities complies with applicable securities legislation.**

APPROVAL OF MAKENITA EQUITY INCENTIVE PLAN

As the Cruz Equity Incentive Plan will not carry forward to Makenita, and in contemplation of the successful completion of the Arrangement, Cruz Shareholders will be asked to approve the Makenita Equity Incentive Plan at the Meeting.

A full copy of the Makenita Equity Incentive Plan is set out at Schedule N to the Information Circular and will be available at the Meeting for further review by Cruz Shareholders. Shareholders may also obtain copies of the Makenita Equity Incentive Plan from Cruz prior to the Meeting on written request. The board of directors of Makenita approved the Makenita Equity Incentive Plan on October 1, 2024 in order to provide incentive compensation to directors, officers, employees and consultants of Makenita as well as to assist Makenita in attracting, motivating and retaining qualified directors, management personnel and consultants. The purpose of the Makenita Equity Incentive Plan is to provide additional incentive for participants' efforts to promote the growth and success of the business of Makenita. The Makenita Equity Incentive Plan will be administered by Makenita's directors, or committee thereof, which will designate, from time to time, the recipients of grants and the terms and conditions of each grant, in each case in accordance with the applicable securities laws and stock exchange policies.

The Makenita Equity Incentive Plan is a "rolling" plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Makenita Shares), provides that the aggregate maximum number of Makenita Shares that may be issued upon the exercise or settlement of awards granted under the Makenita Equity Incentive Plan, shall not exceed 20% of the issued and outstanding Makenita Shares from time to time. The Makenita Equity Incentive Plan is considered an "evergreen" plan, since the Makenita Shares covered by awards which have been exercised, settled or terminated shall be available for subsequent grants under the Makenita Equity Incentive Plan and the number of awards available to grant increases as the number of issued and outstanding Makenita Shares increases.

Other terms of the Makenita Equity Incentive Plan are virtually identical as those of the Cruz Equity Incentive Plan including, without limitation, with respect to the administration of the Makenita Equity Incentive Plan, insider participation limits, eligibility, the types of awards (Options, RSUs, DSUs, and PSUs), dividends, black-out periods, term and termination of employment or services, change of control, non-transferability of awards and amendments to the Makenita Equity Incentive Plan.

A copy of the Makenita Equity Incentive Plan may be inspected at the offices of Makenita, during normal business hours and at the Meeting.

Unless such authority is withheld, the persons named in the enclosed proxy intend to vote for the approval of the Makenita Equity Incentive Plan.

At the Meeting, Cruz Shareholders will be asked to pass an ordinary resolution, with or without amendment, in substantially the form set forth below:

"RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The equity incentive plan adopted by the board of directors of Makenita on October 1, 2024 (the "**Makenita Equity Incentive Plan**"), be and is hereby confirmed, ratified and approved, and Makenita has the ability to grant awards under the Makenita Equity Incentive Plan until December 11, 2027, which is the date that is three years from the date of the meeting of the holders (the "**Shareholders**") of common shares of Makenita ("**Shares**") at which Shareholder approval of the Makenita Equity Incentive Plan is being sought;

2. The Awards (as defined in the Makenita Equity Incentive Plan) to be issued under the Makenita Equity Incentive Plan, and all unallocated Awards under the Makenita Equity Incentive Plan, be and are hereby approved;

3. The board of directors (the "**Board**") of Makenita is hereby authorized to make such amendments to the Makenita Equity Incentive Plan from time to time, as may be required by the applicable regulatory authorities, or as may be considered appropriate by the Board, in its sole discretion, provided always that such amendments be subject to the approval of the regulatory authorities, if applicable, and in certain cases, in accordance with the terms of the Makenita Equity Incentive Plan, the approval of the Shareholders; and

4. Any one director or officer of Makenita is hereby authorized and directed, acting for, in the name of and on behalf of Makenita, to execute or cause to be executed, under the seal of Makenita or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as, in the opinion of such director or officer of Makenita, may be necessary or desirable to carry out the terms of the foregoing resolutions;

An ordinary resolution is a resolution passed by the Cruz Shareholders at a general meeting by a simple majority of the votes cast in person or by proxy.

Recommendation of the Directors

The Cruz Board has reviewed the proposed resolution and concluded that it is fair and reasonable to the Cruz Shareholders and in the best interests of Cruz. **The Cruz Board recommends that the Cruz Shareholders vote in favour of the above resolution. Unless otherwise directed, or where the instructions are unclear, the persons named in the enclosed proxy intend to vote FOR the approval of the Makenita Equity Incentive Plan until the next annual meeting of Makenita.**

CRUZ BATTERY METALS CORP.

The following information is provided by Cruz and is reflective of the current business, financial and share capital position of Cruz and includes certain information reflecting the status of Cruz following the completion of the Arrangement. Unless otherwise indicated, all currency amounts are stated in Canadian dollars.

Summary Description of Business

Cruz is a mineral exploration issuer with properties located in Canada and the United States.

For further information regarding Cruz, see the documents incorporated by reference in this Information Circular which are available on SEDAR+ at www.sedarplus.ca under Cruz's profile.

Business Objectives

Cruz's objective is to complete the Arrangement and to continue to explore and develop its properties located in the United States.

Authorized and Issued Share Capital

The authorized share capital of Cruz consists of an unlimited number of Cruz Shares without par value, of which 167,879,969 Cruz Shares are issued and outstanding as of the date of this Information Circular. Upon completion of the Arrangement, all Cruz Shares will be exchanged for New Cruz Shares having identical rights and restrictions as the Cruz Shares. In the section headed "*Cruz Battery Metals Corp.*", all references to "Cruz Shares" shall be deemed to be to "New Cruz Shares" upon completion of the Arrangement.

Cruz Shareholders are entitled to one vote per Cruz Share at all meetings of Cruz Shareholders. Cruz Shareholders are entitled to receive dividends as and when declared by the Cruz Board and to receive a *pro rata* share of the

assets of Cruz available for distribution to Cruz Shareholders in the event of the liquidation, dissolution or winding-up of Cruz. All Cruz Shares rank equally as to all benefits which might accrue to the Cruz Shareholders.

Consolidated Capitalization

Since July 31, 2024, there have not been any material changes in the share capital of Cruz. As a result of the Arrangement, there will be changes to Cruz's share capital. For details of these changes, and the share capital of Cruz upon completion of the Arrangement, please see "*The Arrangement*".

Prior Sales

The following table summarizes details of the Cruz Shares issued by Cruz during the 12 month period prior to the date of this Information Circular.

Date of Issuance	Security	Price per Security	Number of Securities
June 10, 2024	Units[(1)]	$0.036	6,250,000
March 19, 2024	Cruz Shares	$0.065	1,062,000 [*pursuant to RSU award agreement*]
December 19, 2023	Cruz Shares	$0.065	1,062,000 [*pursuant to RSU award agreement*]
September 20, 2023	Cruz Shares	$0.065	2,124,000 [*pursuant to RSU award agreement*]

(1) Each unit is comprised of one Cruz Share and one share purchase warrant. Each warrant entitles the holder to acquire one additional Cruz Share at a price of $0.05 for a period of five (5) years from the date of issuance.

Cruz Options

Nil Cruz Options has been issued by Cruz during the 12 month period prior to the date of this Information Circular.

Cruz Warrants

The following table summarizes details of the Cruz Warrants issued by Cruz during the 12 month period prior to the date of this Information Circular.

Date of Issuance	Security	Price per Security[(1)]	Number of Securities
June 10, 2024	Cruz Warrants	$0.05	6,250,000

(1) Exercise price of the Cruz Warrants.

Cruz RSUs

Nil Cruz RSUs has been issued by Cruz during the 12 month period prior to the date of this Information Circular.

Trading Price and Volume

The Cruz Shares are listed and posted for trading on the CSE under the symbol "CRUZ". The following table sets forth information relating to the trading of the Cruz Shares on the CSE on a monthly basis for each month, or, if applicable, partial months of the 12 month period prior to the date of this Information Circular:

Month	High	Low	Volume
October 2024[(1)]	$0.06	$0.04	11,376,421
September 2024	$0.05	$0.035	1,377,512
August 2024	$0.045	$0.04	840,646
July 2024	$0.045	$0.035	1,038,852
June 2024	$0.05	$0.035	1,994,981
May 2024	$0.06	$0.025	2,242,145
April 2024	$0.035	$0.025	569,235
March 2024	$0.035	$0.025	1,060,876
February 2024	$0.035	$0.025	1,863,402
January 2024	$0.05	$0.035	3,003,104
December 2023	$0.045	$0.035	1,108,255
November 2023	$0.055	$0.04	1,673,317
October 2023	$0.08	$0.05	1,818,593

(1) From October 1, 2024 to October 29, 2024.

At the close of business on October 29, 2024, the price of the Cruz Shares as quoted by the CSE was $0.045.

Interest of Experts

Davidson & Company LLP, Chartered Professional Accountants, is the auditor of Cruz and is independent of Cruz within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Kristopher Raffle, P.Geo, and Eliza Verigeanu, P. Geo., prepared the Technical Report. As of the date of this Information Circular, Mr. Raffle and Ms. Verigeanu do not own any of the issued and outstanding Cruz Shares.

Risk Factors

In addition to the other information contained in this Information Circular, the following factors, among others, should be considered carefully when considering risks related to Cruz's business (including, without limitation, the documents incorporated by reference). The risks described herein and in the documents incorporated by reference in this Information Circular are not the only risks facing Cruz. Additional risks and uncertainties not currently known to Cruz, or that Cruz currently deems immaterial, may also materially and adversely affect its business. Furthermore, if the Arrangement is completed, Cruz Shareholders will be shareholders of Cruz and Makenita and will be subject to the Makenita risk factors. See "*Makenita Resources Inc. – Risk Factors*".

Future Sales or Issuances of Securities

Cruz may issue additional securities to finance future activities. Cruz cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Cruz Shares. Sales or issuances of substantial numbers of Cruz Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Cruz Shares. With any additional sale or issuance of Cruz Shares, investors will suffer dilution to their voting power and Cruz may experience dilution in its earnings per share.

Regulatory Compliance

As a reporting issuer listed on the CSE, Cruz is subject to various rules and regulations governing matters such as timely disclosure, continuous disclosure obligations and corporate governance practices. Non-compliance with such rules and regulations may result in enforcement actions by the applicable securities regulatory authorities and/or the CSE.

MAKENITA RESOURCES INC.

The following information is provided by Makenita, is presented on a post-Arrangement basis and is reflective of the proposed business, financial and share capital position of Makenita. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The following information should be read together with Makenita Financial Statements appended hereto as Schedule "E" and related Makenita MD&A appended hereto as Schedule "F", and the Hector Property Carve-Out Financial Statements appended hereto as Schedule "G" and the related Hector Property Carve-Out MD&A appended hereto as Schedule "H".

Name and Incorporation

Makenita was incorporated under the BCBCA on July 12, 2024. Makenita was initially incorporated under the name 1491899 B.C. Ltd. Makenita is currently a private company and is a wholly-owned subsidiary of Cruz. No material amendments have been made to Makenita's articles or other constating documents since its incorporation.

Makenita's head and principal business address are all located at 2905 – 700 West Georgia Street, Vancouver, British Columbia V7Y 1C6. Makenita's registered office address is located at Suite 2501 – 550 Burrard Street, Vancouver, British Columbia V6C 2B5.

As at the date of this Information Circular, Makenita does not have any of its securities listed or quoted on any stock exchange.

General Description of the Business

After completion of the Arrangement, Makenita will own the Spinco Property. Makenita intends to operate as a mineral exploration and development issuer. After completion of the Arrangement, its material property will be the Hector Property. It will continue to advance its Hector Property and seek other mining assets. The Hector Property is a silver-cobalt project situated in the Larder Lake Mining Division, located in Northeastern Ontario. See "*Spinco Property"* below for further details regarding the Hector Property.

Intercorporate Relationships

Makenita does not have any subsidiaries.

General Development of the Business – Three Year History

Makenita was incorporated on July 12, 2024 and has had no business operations to date. Prior to the Effective Time, Makenita will complete the acquisition of the Spinco Property from Cruz in consideration of $921,344 paid by the

issuance of Makenita Spinout Shares, and also intends to complete the Makenita Financing in order to fund any exploration and development expenditures on the Spinco Property, to satisfy the initial listing requirements of the CSE and for general working capital purposes.

Business Objectives and Milestones

Makenita is in the business of acquiring and exploring natural resource properties in North America. Following completion of the Arrangement, Makenita's principal property will be the Hector Property.

In the 12 months following its listing on the CSE, Makenita expects to complete the Phase 1 work program on the Hector Property as described in the Technical Report. The Phase 1 work program has been planned as follows: an airborne Lidar survey supplemented by a surface exploration program of rock and soil geochemical sampling, ground magnetic surveys, and geologic mapping designed to evaluate the silver-cobalt arsenide vein potential of the South Keora and Montreal River area. The estimated cost of this Phase 1 work program is $253,000. Makenita intends to expend the funds available to this program as set out below.

This program is expected to commence in the first half of 2025, subject to the availability of contractors and satisfactory weather conditions. This work program is expected to take approximately 2 to 4 months, but the exact timeline is subject to change. Analysis of the results of the survey will also be undertaken subsequent to the physical survey being completed.

If the results of the Phase 1 exploration program are positive, Makenita will look forward to carrying out the Phase 2 work program as described in the Technical Report. Makenita's unallocated working capital will not be sufficient to fund the Phase 2 work program on the Hector Property. Therefore, Makenita will need to raise funds through multiple private placements towards the Phase 2 work program, diamond drilling of approximately 10 holes totaling 2,000 m designed to test priority targets defined by the Phase 1 exploration. The availability of such financing cannot be guaranteed.

In addition to the exploration of the Hector Property, Makenita will be evaluating other exploration projects and opportunities and plans to remain in the exploration business in the future.

Available Funds and Principal Purposes

Makenita currently has no operating revenue and will rely primarily on equity financing to satisfy its capital requirements moving forward. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arrive. There can be no assurance that such funds will be available on favourable terms, or at all.

Subject to completion of the Makenita Financing and closing of the Arrangement, it is anticipated that Makenita's available funds will be as follows:

Source of Available Funds	**Estimated Funds**
Working Capital deficiency of the Company as at October 29, 2024 (unaudited)	$(5,000)
Proceeds from Makenita Financing[(1)]	$480,000
Total Available Funds	**$475,000**

Notes:

(1) It is estimated that Makenita will incur approximately $5,000 in legal and filing and $15,000 in finder's fees in connection with the Makenita Financing, and as such, will only have $480,000 proceeds available upon completion of the financing.

Principal Purposes

Makenita intends to use its anticipated funds for the principal purposes described below:

Principal Purposes	**Estimated Funds**
Estimated remaining costs of listing on the CSE[(1)]	$31,000

Phase I surface exploration program on the Hector Silver-Cobalt Property	$253,000
General and administrative expenses[(2)]	$41,000
Unallocated Working Capital	$150,000
Total:	**$475,000**

Notes:

(1) Estimated to consist of: $20,000 in remaining listing fees and fees payable to the CSE in connection with the listing of the Makenita Shares; $10,000 in legal and professional fees; and $1,000 in fees to be paid to Makenita's transfer agent and escrow agent.

(2) Estimated to consist of: marketing and travel of $3,500; CSE and regulatory fees of $10,500; and legal, tax, audit and professional fees of $27,000.

Makenita anticipates that its working capital will be sufficient to fund operations for 12 months after the listing of its shares on the CSE.

The use to which the unallocated working capital will be put has not yet been determined by Makenita, as the nature of Makenita's future expenditures is contingent on the results of the exploration programs expected to be carried out by Makenita over the next 12 months. Makenita's unallocated working capital will account for future contingencies, including the possibility of commencing work on further exploration programs on the Hector Property or the possibility of pursuing opportunities to acquire interests in other properties. Pending their use, net funds available to Makenita will be maintained in bank accounts or invested in short-term, interest-bearing, investment-grade securities.

Trends

Management of Makenita is not aware of any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on Makenita's business, financial condition or results of operations as at the date of this Information Circular, except as otherwise disclosed herein or except in the ordinary course of business.

Spinco Property

Pursuant to the Conveyance Agreement, Makenita will acquire the Spinco Property from Cruz in consideration for the Makenita Spinout Shares. Set forth below is a summary of each of the Spinco Property.

Hector Property

Upon completion of the Arrangement, Makenita's material property will be the Hector Property. Information of a scientific or technical nature in respect of the Hector Property is summarized from the Technical Report. The Technical Report is incorporated by reference herein and is available under Cruz's profile on SEDAR at www.sedarplus.ca.

Makenita retained Apex Geoscience Ltd. to prepare a technical report on the Hector Property. Mr. Raffle and Ms. Verigeanu, authors of the Technical Report, are qualified persons for the purposes of NI 43-101 and the persons responsible for the preparation of the Technical Report on the Hector Property. The Technical Report has been prepared in accordance with NI 43-101, and Mr. Raffle and Ms. Verigeanu have reviewed and approved the scientific and technical information contained herein related to the Hector Property. The following disclosure regarding the Hector Property is derived from the Technical Report and is subject to all of the assumptions, information and qualifications set forth therein.

Summary of the Hector Property

The Hector Property is comprised of 126 unpatented mining claims totaling 2,243 ha which are 100% owned by Cruz, located approximately 500 km north of Toronto, 150 km north of North Bay and 10 km southwest of the town of Cobalt, located southeast of the intersection between local highways 11 and 11B. The town of Cobalt is in northeastern Ontario, Canada, approximately 10 km and a 15 minute drive south of Temiskaming Shores, immediately west of the Ontario-Quebec border.

The Hector Property is located within the Coleman and Gillies Limit townships, Larder Lake Mining Division, Timiskaming District, northeastern Ontario. The claims are located between the towns of Cobalt and Latchford, south of the Trans-Canada Highway 11 and 11B, approximately 12 kilometers (km) west of the Ontario-Quebec provincial border.

The Hector Property is accessible from the highway via a network of concession roads and tertiary routes, paved or otherwise, which afford excellent access to the mining claims. The northeastern claims can be accessed via Bass Lake Road off Highway 11B, the southern claims east of the Montreal River can be accessed via Silverfields Road, and the southern mining claims west of the Montreal River can be accessed from Roosevelt Forest Road, south of Latchford.

The physiography is typical of the Precambrian Shield in northeastern Ontario, with rocky rolling bedrock hills, locally steep ledges and cliffs, separated by valleys filled with clay, glacial materials, swamps, streams, small kettle lakes and larger bodies of water. Elevations at the Hector Property vary from 300 to 360 metres above mean sea level (AMSL). Notable landmarks within the Hector Property include Bass and Gillies lakes to the northeast, the Montreal River running along the central-southeastern portion of the Hector Property, Kelvin Lake west of the Montreal River, Marsh Bay at the northwestern portion of the Hector Property and the Hound Chute Lake at the southern end of the Hector Property. Vegetation includes trees such as black and white spruce, jack pine, balsam poplar, white birch and balsam fir.

The area experiences four distinct seasons. Spring and autumn comprise a mix of warm sunny days and cool nights. Summers are warm, with dry air and average temperatures from 10 into the mid-20 degree Celsius (C) range. Winter temperatures average temperatures from -25 to -5 degrees C, but high winds and high humidity are rare. Average annual snowfall totals 294 cm, and average total rainfall 590 mm. The operating season can continue year-round but typical periods to avoid are the spring melt and the establishment of ice during the early winter months.

The town of Cobalt (population ~1,100) is located approximately 6 km northeast of the Hector Property. All basic amenities are available in Cobalt, including accommodations, food, fuel, and basic supplies. Power transmission line and railway overlap parts of the mineral tenure to the southeast and northwest.

The closest major centre, the city of Temiskaming Shores (population 9,900), is located about 20 km northeast of the Hector Property along the Trans-Canada Highway 11. Temiskaming Shores was created by the amalgamation of the towns of New Liskeard, Haileybury and Dymond in 2004. The town names are often still used interchangeably. All services are available in Temiskaming Shores, including housing, hotel accommodations, groceries, restaurants, supplies, general labour, hospital services, rail, bus and taxi services, and many other goods and services. Limited industry services are also available, including drilling contractors and heavy equipment operators.

The major regional mining centres of Sudbury and Timmins lie 200 km to the north and southwest of the Hector Property, respectively. Full industry services are available including multiple drilling contractors, heavy equipment operators, assay labs, mining and exploration supplies, skilled labour, and technical services.

Silver was first discovered at Cobalt in 1903 during the construction of the Temiskaming and Northern Ontario Railway. In 1904, a load of silver mineralized rock was shipped by rail, marking the beginning of the mining boom in Cobalt. It was the largest silver producing area in Canada for a time. Production of silver from the Cobalt camp reached its peak in 1911 when 31,507,792 ounces of silver were shipped. From 1904 and until 1989, the Cobalt mining camp produced 458,830,085 ounces silver, 19,392,037 pounds cobalt, 3,407,495 pounds nickel and

1,964,728 pounds copper. The author has been unable to verify the Cobalt area historic production records, and the historic production is not necessarily indicative of mineralization within the present day Hector Property that is the subject of the Technical Report.

Mineralization was later discovered in additional areas with similar geology within the Cobalt Embayment of the Southern Province, from Gowganda in the west to southeast of Cobalt. In the early 1920s, a decrease in the price of silver and exhaustion of the high grade veins caused most of the mines to close. Between 1929 and 1950, small operations were undertaken in a number of mines. In the mid-1950s, the demand for cobalt increased and many mines reopened for a short time. An increase in the price of silver in 1960 brought new interest to the camp and 10 mines continued operation.

Renewed interest in the area in the 1980s-1990s resulted in further early exploration activities. Sporadic exploration in the form of geological, geochemical, and geophysical surveys were completed during the 2000's.

The exploration history of the present day Hector Property is divided below geographically between mineral occurrences located in the Bass Lake and Marsh Bay area in the north; and prospects located within the southern and eastern parts of the Hector Property near the Montreal River and extending west to Kelvin Lake.

At the Bass Lake and Marsh By areas, Waldman Silver Mines Ltd. was active between 1909 and 1920 near Marsh Bay at what later became known as Brewster Silver and Lead Syndicate Ltd. occurrence. At the Brewster occurrence, a northeast striking subvertical chalcopyrite-cobalt mineralized calcite (±quartz) vein occurs upon which a 30 foot (9 m) shaft was sunk. During 1947 three diamond drill holes totalling 344 m were completed by the Brewster Syndicate near the shaft but did not intersect significant mineralization. AMIS data indicates the presence of four shafts, two surface trenches, and a waste rock pile distributed over an approximately 400 m northeast trend. A distance of 800 m to the south at Marsh Bay shallowly south dipping 15 cm wide quartz veins containing pyrite-chalcopyrite mineralization exposed in a small shaft are documented.

The historic Hector Silver Mines Ltd. shaft occurs approximately 30 m east outside the Hector Property claims boundary on private patent mineral claim at the southwest end of Bass Lake. The surrounding area was explored for silver-cobalt veins prior to 1924 the year shaft sinking began, however silver-cobalt veins were reportedly worked only on the C-1243 and C-1101 claims covering the Hector Shaft and James Dolan occurrence 300 m to the northwest within the present day Hector Property.

At the Hector Shaft, a diabase-hosted, locally high grade silver-cobalt vein is exposed at surface. The vein strikes approximately east, dips to the south; and is thought not to persist below the 60 foot (18 m) level of the mine. It is not known if mineralization continued below the base of the diabase sill intersected at a vertical depth of 480 feet (146 m), below which occurs a 50 to 90 foot (15 to 27 m) thick succession of Coleman conglomerate. The Hector shaft was developed to a depth of 500 feet (152 m) with levels at 60, 150, 250 and 490 feet (18, 46, 76, and 149 m). Based on historic plan maps it is likely that the western portions of the 18 m level extend into the present day Hector Property claims.

During the 1930's, James Dolan reportedly mined approximately 5 tons (4.5 tonnes) of cobalt mineralized rock from the James Dolan occurrence via a 15 foot (4.5 m) deep open cut. Grab samples are reported to have returned assays of "up to" 1.7% cobalt. The near vertical vein reportedly strikes northeast and contained niccolite, native bismuth, in addition to cobalt-bearing minerals. Sterling Engineering later tested the James Dolan occurrence with a single 38 m inclined drill hole on a 310^{o} azimuth. The drill hole intersected narrow clay gouge zones, calcite veining, and minor chalcopyrite mineralization; however no assays were reported.

Prior to 1948, James Dolan put down several test pits west of Bass Lake. The trenched area corresponds to the area tested by 2018 drill holes 18HC08, 09 and 10. They were described as cobalt mineralized calcite (±quartz) veins associated with aplite dykes, in addition to some silver mineralization at the southeast end of the vein trend; likely in close proximity to 2018 drill holes 18HC05, 06 and 07. On the west side of Gillies Creek west-northwest striking,

steeply north dipping cobalt mineralized vein was traced over 60 m by in shallow trenches. The trenched areas correspond to what are presently referred to as the Gillies West and East occurrences.

Before 1960, a 60 foot (18 m) adit was driven along a northwest trending, steeply south dipping aplite-dyke hosted cobalt mineralized vein on the west side of Gillies Creek within claim C-1107 located just outside the present day Hector Property. The earliest records of claim C-1107 go back to 1924, with the most recent reference being to the Gilbert Interests Limited during 1968. During 1961, St Mary's Exploration Ltd. completed ground resistivity and magnetic geophysical surveys immediately south of the Gilbert Interests occurrence and Hector Shaft. The surveys outlined several north-northwest trending short strike length conductive anomalies.

J. Neilson, on behalf of the Nial Mining Syndicate drilled 3 short diamond drill holes along west and northwest azimuths located approximately 150 m west of the Hector Shaft and within the present-day Hector Property. Drill holes 1, 2 and 3 each intersected 7.6 cm (3 inch) pink aplite veins containing silver-bismuth-nickel mineralization that assayed 5.8, 7.8, and 0.4 ounces/ton (oz/t) silver, or 199, 267, and 14 grams-per-tonne (g/t) silver, respectively.

At the Montreal River and Kelvin Lake areas, South Keora Mines Ltd. acquired the C-1220 claim in 1924 located along the eastern claim boundary of the Hector Property. The company commenced shaft sinking on a cobalt-bearing vein that was originally discovered in 1913 however results activities were suspended by 1928. The shaft was driven to a depth of 33, and 43 m of drifting was completed to the northeast from the 30 m level. The northeast striking steeply northwest dipping 10 cm vein was mapped over a 100 m strike length on surface and returned select assays of 12 to 15% cobalt and 1,000 oz/t silver. The vein was tested via four shallow diamond drill holes (A-1 through 4) in 1951 by Audley Gold Mines Ltd. did not return encouraging results.

K. Home completed a single 60 m drill hole targeting a 13 cm chalcopyrite mineralized aplite-calcite vein exposed in a shallow prospect pit located 550 m southeast of the South Keora shaft. The drill hole intersected a narrow aplite-calcite vein like the surface zone however no assays were reported.

A distance of 1 km northwest from the South Keora occurrence, just outside the present-day Hector Property lies the T.J. Newton prospect. Shaft sinking occurred during 1927 by the Newton Limit Syndicate targeting a northwest striking subvertical vein traced by surface trenching over a distance of 30 m southeast of the shaft. The vein is up to 18 cm in width on surface and contains a small amount of cobalt mineralization within a quartz-calcite gangue. The vein reportedly left the shaft at a depth of 15 m where it had pinched to less than 1 cm in width. A second sub-parallel vein lies 75 m to the northeast. The shaft reportedly extends to a depth of 48 m, with 43 m of crosscut development on the 46 m level; in addition to 11 m of crosscuts on the 15 m level completed later in 1956. A total of 9 diamond drill holes were completed in 1953 and 1955 by Quebec Metallurgical Industries Ltd. (QM-1 through 9) with holes 1 through 7 targeting the shaft vein, and 8 and 9 targeting a second occurrence 150 m northwest of the shaft. Drill hole QM-6 collared adjacent to the shaft reportedly intersected high grade silver which led to 1956 shaft dewatering and development on the 15 m level, though it was abandoned before reaching the drilled intercept (Thomson, 1960). No drill hole assays were reported.

Partridge Canadian Explorations Ltd. completed 8 diamond drill holes (P-1 through 8) along the Montreal River within their JS-32 claim located 600 m west of the South Keora shaft. The drilling targeted a northwest striking, steeply northeast dipping 1 m wide pyrite "band" originally discovered in 1907. The drilling intersected the pyrite band over a strike of 140 m and to a maximum vertical depth of 240 m. Assays for gold and silver returned only trace values.

A distance of 1.5 km to the west of the JS-32 occurrence, three north-northeast trending cobalt mineralized veins in aplite occurring on the east shore of Kelvin Lake were tested by several small surface pits.

At the Williamson occurrence, located 2 km southeast of Kelvin Lake, a 28 m vertical shaft and 5 m pit was put down on a narrow 18 cm southeast striking calcite vein, in addition to a pit 45 m to the northwest centred on a narrow 2.5 cm chalcopyrite mineralized vein. Approximately 550 m to the southwest occur north-northwest striking, steeply west dipping, 5 to 10 cm quartz-calcite-aplite veins, one containing cobalt-niccolite mineralization, exposed in surface pits. During 1965, L.J. Cunningham tested the Williamson occurrences via 465 m of diamond drilling in 5

holes. Drill hole W65-1 targeting the northeast showing returned 10 g/t silver over 0.60 m from a downhole depth of 61 m hosted within sheared calcite veined Archean volcanic rocks that were intersected beneath diabase. Drill hole W65-3 drilled under the southwest showing, intersected a 8.6 g/t Ag over 0.6 m in diabase from a downhole depth of 34 m.

Ragged Chutes Silver Mines Ltd. completed geologic mapping and a small 44 sample humus soil survey on the claims immediately to the south of the Williamson occurrence during 1967; however, the soils, analyzed for silver, cobalt or nickel, did not return anomalous values and no mineral occurrences were located.

During 1971, Silverfields Mining Corp. Ltd., then owned by Teck Corporation Ltd. (Teck), completed a large humus soil geochemical survey at their Gillies Limit Property over a 2 x 2 km area east and south of Bass Lake. Samples were collected along a series of 60 m spaced north-south oriented gridlines at 30 m sample spacing. Most of the grid occurred east of the present-day Hector Property. However, samples collected within the Hector Property returned anomalous cobalt values of 35, 45 and 180 parts-per-million (ppm) over a 200 m distance 600 m south from the T.J Newton shaft, and 55 ppm cobalt along the westernmost survey line directly south of Bass Lake.

The following year Teck completed infill sampling of anomalies and surveying of newly acquired claims along the Montreal River immediately south of the Gilbert Interests occurrence, and 800 m south of the T.J. Newton prospect. Significant silver anomalies, with a peak value of 25 ppm silver, occur in the area south of the Gilbert Interests occurrence. Infill sampling south of the T.J. Newton shaft defined an approximately 100 x 100 m greater than 10 ppm silver anomaly. The “Teck Block 9” anomaly was subsequently tested via 4 inclined diamond core holes totaling 387 m drilled along southwest and northeast azimuths (GL-6 through GL-9). All holes reportedly intersected carbonate stringers and veinlets, locally containing pyrite, chalcopyrite and galena mineralization. GL-7 returned the highest silver values of 9.51 oz/t (326 g/t) silver over 10 cm from 43 m downhole, results which were not replicated within flanking drill holes GL8 and GL-9.

During 1974 Teck acquired claims west of the Montreal River and completed geologic mapping, ground magnetic, electromagnetic (EM) and self-potential surveys (SP). The claims were found to be underlain by Archean volcanic rocks, like the Gillies Limit claims east of the river. Magnetic surveys identified northwest trending lineaments; however, EM and SP surveys did not return significant anomalies. The work was followed up in 1976 by a 360 B-horizon soil sample survey. Survey lines were oriented northeast-southwest at 100 m spacing, with samples collected at 15 and 30 m intervals depending on the terrain. Soils were analyzed for copper, lead, zinc, nickel, manganese, silver and gold. The results define and approximately 500 x 200 m northwest oriented copper-lead-zinc (defined as greater than 35 ppm copper and lead, and 75 ppm zinc) geochemical anomaly centered 500 m southwest of the JS-32 occurrence.

During 1997, Wabana Explorations Inc. completed a total of 26 line-km of magnetic and Very Low Frequency (VLF) EM surveys on their Montreal River claims covering much of the historic Teck Gillies Limit and Montreal River claim groups south of the T.J. Newton shaft and west of the Montreal River. The survey outlined, like the previous Teck surveys, northwest trending magnetic and VLF anomalies on the west side of the Montreal River, in addition to east-west trending magnetic and VLF anomalies in area south of the T.J. Newton shaft drilled by Teck. Outcrop stripping of the historic JS-32 pyrite occurrence was also completed however no assay results were reported.

No historical mineral resource or mineral reserve estimates have been reported on the Hector Property.

Approximately 4.5 tonnes of cobalt mineralized rock was reportedly produced from the James Dolan occurrence circa 1935. Grab samples are reported to have returned assays of “up to” 1.7% cobalt (Table 6.1 and Figure 6.1 below). During 2018, the James Dolan occurrence was subject to surface rock sampling and subsequent diamond drill testing by Makenita and is described in Section 9 Exploration, and Section 10 Drilling.

Mineral Occurrence	Status	Mineral Deposit Inventory ID (URL)	Work History

James Dolan Property	Developed Prospect without Reserves	MDI31M05SE00127	1935: J. Dolan - approximately 5 tons of cobalt mineralized rock was mined from vein, grab samples returned up to 1.7% Co;
			1961: Sterling Engineering – 1 drill hole, 125 ft.
Williamson	Occurrence	MDI31M05SE00113	1966: 93 ft shaft sunk on a calcite vein; 16 ft pit sunk on a 2nd vein;
			2005-06: Cabo Mining Enterprises Corp drilled 5 holes, 1316ft, stripping;
			2011: Outcrop Exploration Ltd, sampling, assays, magnetometer survey. Calcite vein is 7 inches wide, strikes SE; 2nd vein strikes N10W, dips 80E; both veins occur in Nipissing diabase.
Kelvin Lake	Past producing mine without reserves	MDI31M05SE00125	1909-1910: Waldman Silver Mines – 85 ft shaft;
			1963: J Burke – a small pit 180 ft east of southwest corner of claim, cobalt-bearing aplitic vein striking N20E, 3 pits sunk on 3 aplite veins;
			2006: Sears, Barry and Associates – 2 drill holes, 301 metres.
Brewster	Occurrence	MDI31M05SW00013	1909-1920: Waldman Silver mines – in production (no production data listed);
			1947: Brewster Silver & Lead Syndicated Ltd – 30 ft shaft put down on calcite vein, 3 drill holes, 1129 ft. The calcite vein strikes N22E and dips vertically in Nipissing diabase.
South Keora	Past producing mine without reserves	MDI31M05SE00131	1927-1928: South Keora Mines Ltd – a shaft put down 109' and 13' of drifting done on the 100' level, an open cut 30' deep was made northeast of shaft;
			The South Keora Shaft-vein is 300' long and 4 inches wide, strikes N25E, dips 70W. A 2nd vein 100' long occurs east and parallel to shaft vein. Individual assays were reported up to 12-15% Cobalt, and >1,000 oz/ton Silver.
Hector Silver Mines, Block 4 (Occurs Outside Present Day Hector Property)	Developed Prospect without Reserves	MDI31M05SE00129	Pre-1924-29: Hector Silver Mines – prospecting, shaft sinking, underground development. The shaft was sunk 500 ft. with 3 developed levels. About 5 tons of cobalt ore of unknown grade was produced from claim C-1101 (James Dolan), reported in 1924. (Sergiades, 1968)
			Circa 1930: J. Dolan – owner.
			1962: St. Mary's Explorations Limited -magnetic and resistivity surveys.
			1968: W. Gutzman – owner.
			1969: EM survey.
			2013: Outcrop Explorations Ltd. – ground magnetometer survey, beep mat survey.
Villa, P.	Occurrence	MDI31M05SE00115	1960: P. Villa – pits and trenches put down on a calcite vein that strikes NW.

Table 6.1

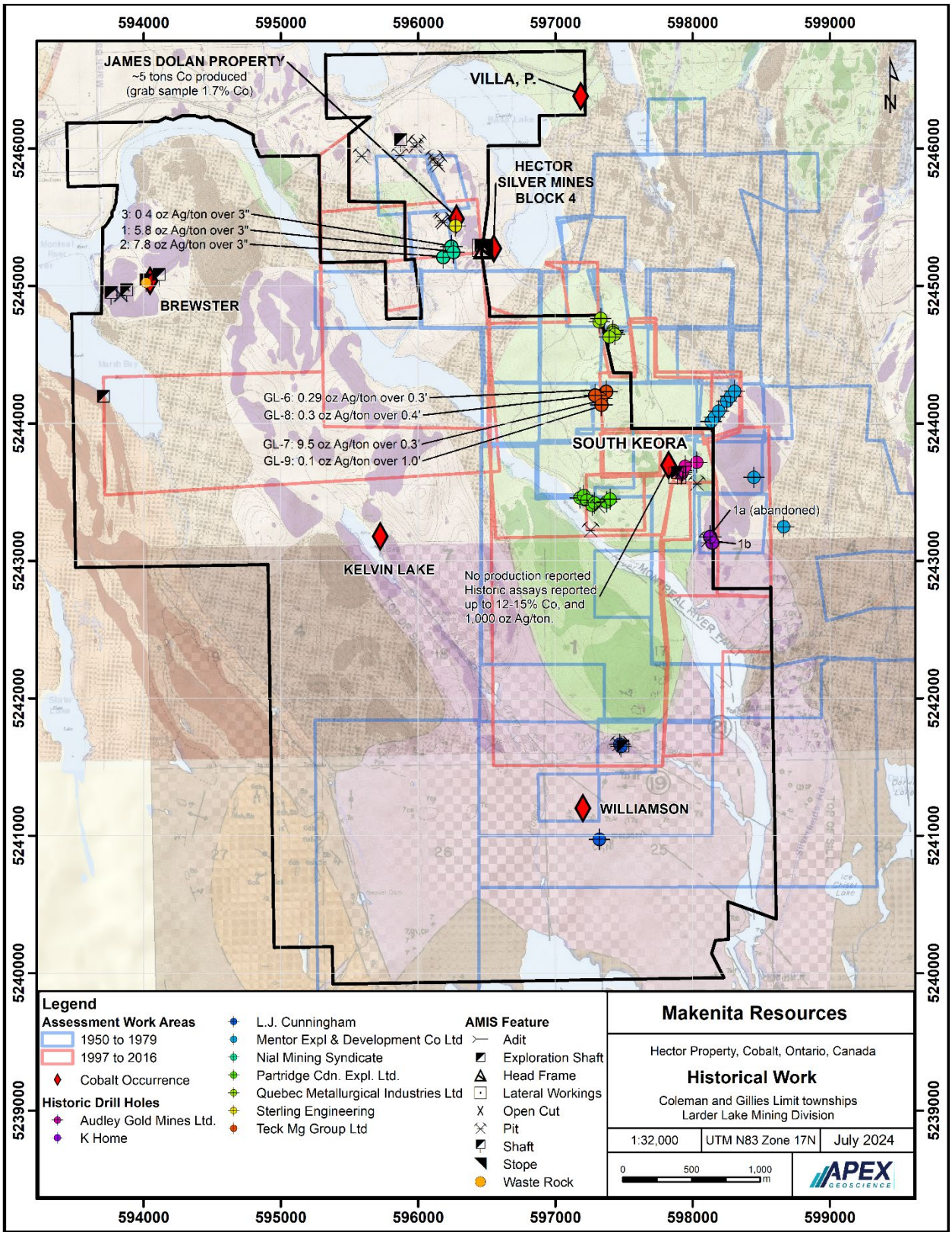

JAMES DOLAN PROPERTY
~5 tons Co produced
(grab sample 1.7% Co)
VILLA, P.
HECTOR
SILVER MINES
BLOCK 4
3: 0.4 oz Ag/ton over 3"
1: 5.8 oz Ag/ton over 3"
2: 7.8 oz Ag/ton over 3"
BREWSTER
GL-6: 0.29 oz Ag/ton over 0.3'
GL-8: 0.3 oz Ag/ton over 0.4'
GL-7: 9.5 oz Ag/ton over 0.3'
GL-9: 0.1 oz Ag/ton over 1.0'
SOUTH KEORA
1a (abandoned)
1b
KELVIN LAKE
No production reported
Historic assays reported
up to 12-15% Co, and
1,000 oz Ag/ton.
WILLIAMSON
N
Legend
Assessment Work Areas
1950 to 1979
1997 to 2016
Cobalt Occurrence
Historic Drill Holes
Audley Gold Mines Ltd.
K Home
L.J. Cunningham
Mentor Expl & Development Co Ltd
Nial Mining Syndicate
Partridge Cdn. Expl. Ltd.
Quebec Metallurgical Industries Ltd
Sterling Engineering
Teck Mg Group Ltd
AMIS Feature
Adit
Exploration Shaft
Head Frame
Lateral Workings
Open Cut
Pit
Shaft
Stope
Waste Rock
Makenita Resources
Hector Property, Cobalt, Ontario, Canada
Historical Work
Coleman and Gillies Limit townships
Larder Lake Mining Division
1:32,000
UTM N83 Zone 17N
July 2024
0
500
1,000
m
APEX GEOSCIENCE
594000
595000
596000
597000
598000
599000
5246000
5245000
5244000
5243000
5242000
5241000
5240000
5239000

Figure 6.1

The Cobalt-Gowganda silver-cobalt mining camps of northeastern Ontario occur within the Cobalt Embayment, part of the Proterozoic Huronian Supergroup. The historic mining area occurs within the northeastern part of the Southern geological province, close to the boundary of the Superior and Grenville provinces. Extending for approximately 200 km from Gowganda to the area southeast of Cobalt, an arc of mineral occurrences are present along the northern and eastern boundaries of the Cobalt Embayment and the boundary with the Superior geological province (Figure 7.1 below).

Steeply dipping Archean basement metavolcanics and metasedimentary rocks are unconformably overlain by relatively flat-lying Proterozoic sedimentary rocks of the Huronian Supergroup. The Archean and Proterozoic rocks were intruded by undulating sill-like sheets of the regionally distributed Proterozoic Nipissing diabase. All of the past producing silver-cobalt deposits of the Cobalt Embayment are hosted within or adjacent to the diabase sills, near the Huronian-Archean unconformity. In the northeastern corner of the embayment, outliers of Paleozoic limestones, dolostones and sandstones unconformably overlie the Huronian sedimentary rocks followed by Pleistocene and Recent sediments.

The oldest rocks are found in the Archean basement and are exposed in parts of the north and northeastern margin of the Cobalt Embayment. The Archean basement in this area is primarily made up of metavolcanics rocks and associated interflow sedimentary rocks of the Abitibi Sub-province, Felsic intrusive and metamorphic rock types predominate along the western margin. Unconformably overlying the volcanic rocks are syn-orogenic Timiskaming-type lithic and feldspathic arenites, wackes and conglomerates.

These rocks were intruded by Archean granites followed by mafic, ultramafic and lamprophyric dikes and sills. Subsequently, metamorphism to greenschist facies and isoclinal folding deformation occurred during the Kenoran Orogeny (ca 2,676-2,660 Ma).

Proterozoic Huronian Supergroup

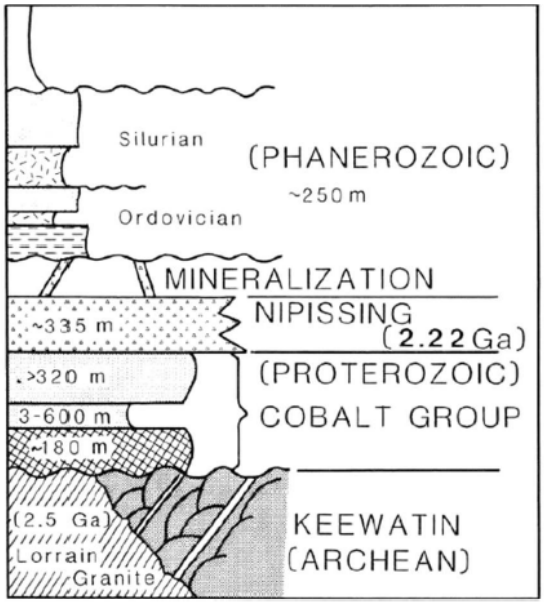
The Cobalt Embayment is a large (~10,000 km^2), somewhat circular, 120-km diameter north-trending graben within which a flat-lying, or gently undulating succession of dominantly siliciclastic sedimentary rocks belonging to the Huronian Supergroup was deposited. In the Hector Property area, the Cobalt Embayment is mostly comprised of the Cobalt Group.

The Cobalt group includes the Gowganda, Lorrain, and the Gordon Lake Formations. The Gowganda Formation is divided into the Firstbrook and Coleman Members. The overall tectonic setting of the Cobalt Embayment is that of a continental rift system, reflecting the original configuration of the sedimentary basin. The Proterozoic succession unconformably overlies steeply dipping Archean rocks of the Abitibi greenstone belt. The embayment is bound in most directions by Archean rocks, and is interpreted as a continental rift system reflecting the original configuration of a paleo basin. To the south, the basin is truncated by the Grenville Front tectonic zone; the remnants of a mountain building event that terminated at ca. 1.0 Ga.

Proterozoic Nipissing Diabase sills

Both Archean and Proterozoic rocks have been largely intruded by gabbroic rocks of the Nipissing Intrusive event (2219 Ma), forming regionally-distributed sills, dykes and sheets up to a few hundred meters thick (Bennett et al. 1991). The diabase is the most abundant and widespread igneous rocks intruding the Archean metavolcanics and Huronian sedimentary rocks and comprise a range of rock types from fine-grained border facies to coarser-grained inner-facies; the most common is pyroxene gabbro but olivine gabbro, hornblende gabbro, leucogabbro, granophyric gabbro, feldspathic pyroxenite, and late-stage granophyres are also common.

Figure 7.1. Stratigraphic Column of the Cobalt Area



These are interpreted to originate from a radiating dike swarm related to a magmatic event located under the Labrador Trough, which locally appears to be controlled by Archean and Huronian structures. In general, the sills are horizontal to shallowly dipping and form regional basin and dome like undulations, which often mirror pre-existing basement topography. The sills maintain a relatively uniform thickness of 300-350 m. The contact with the intruded country rocks is marked by a narrow chill margin. A simplified stratigraphic column for the Cobalt is presented in Figure 7.1, above.

Deformation within the Cobalt Embayment is dominated by three separate fault sets (Figure 7.2).

A major southeast-trending fault system is manifested by the Montreal River, Cross Lake, and Timiskaming Fault (from west to east). This regional-scale fault system is part of the Lake Timiskaming Structural Zone, a northwest-southeast trending graben structure that trends from the Grenville Front at the southern extent of the embayment northward well beyond the Cobalt area. Geological and geophysical evidence indicates that these major fault systems were probably initiated in the late Archean, prior to Huronian sedimentation, and were reactivated during and after Huronian sedimentation and intrusion of the Nipissing diabase (Andrews et al. 1986).

A second fault set trends northeast, resulting in offsets of the Nipissing diabase prior to silver mineralization (Thomson, 1964). These faults and the southeast-trending system are generally veined with carbonate and silicate minerals and exhibit no apparent control over the occurrence of the silver veins, as most are barren (Jambor, 1971a).

The third set of faults, trending east-southeast, are generally smaller, subvertical normal faults that show displacements of up to 7.5 m, and locally host silver veins (Wilson, 1986).

Hector Property Geology

The Hector Property area and surrounding was mapped over the course of several decades by various government geologists. The property geology is best represented by ODM Map 2051 covering the northern two-thirds of the Hector Property (Thomson, 1964b); and ODM Map 2551 covering the southern third of the Hector Property (Born et al., 1990) Figure 7.3 below.

The northernmost claims on the Hector Property are underlain by Nipissing diabase that intrudes the Archean volcanic sequence in the east, and Coleman Member sediments in the west. In the western section of claims, the diabase has a moderate to steep dip to the west along with Coleman Member sediments. In the southeast and east, Archean volcanics and Cobalt Member sediments underlie the sill, where it is interpreted to be more eroded than in the centre-western and northern areas. The thickness of the Nipissing diabase is variable over the Hector Property, from 150 to 300 m.

Figure 7.2. Regional Geology of Hector Property

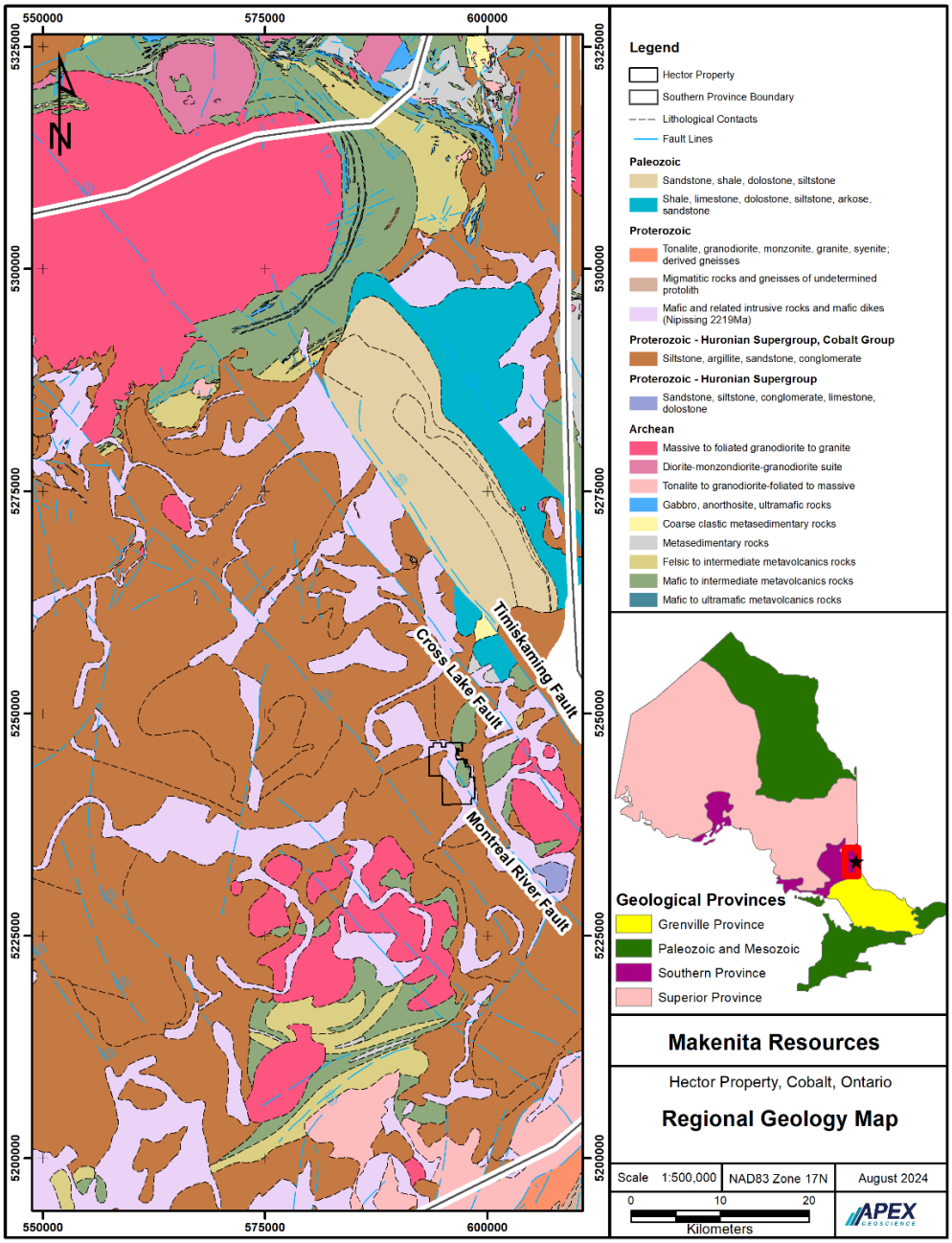
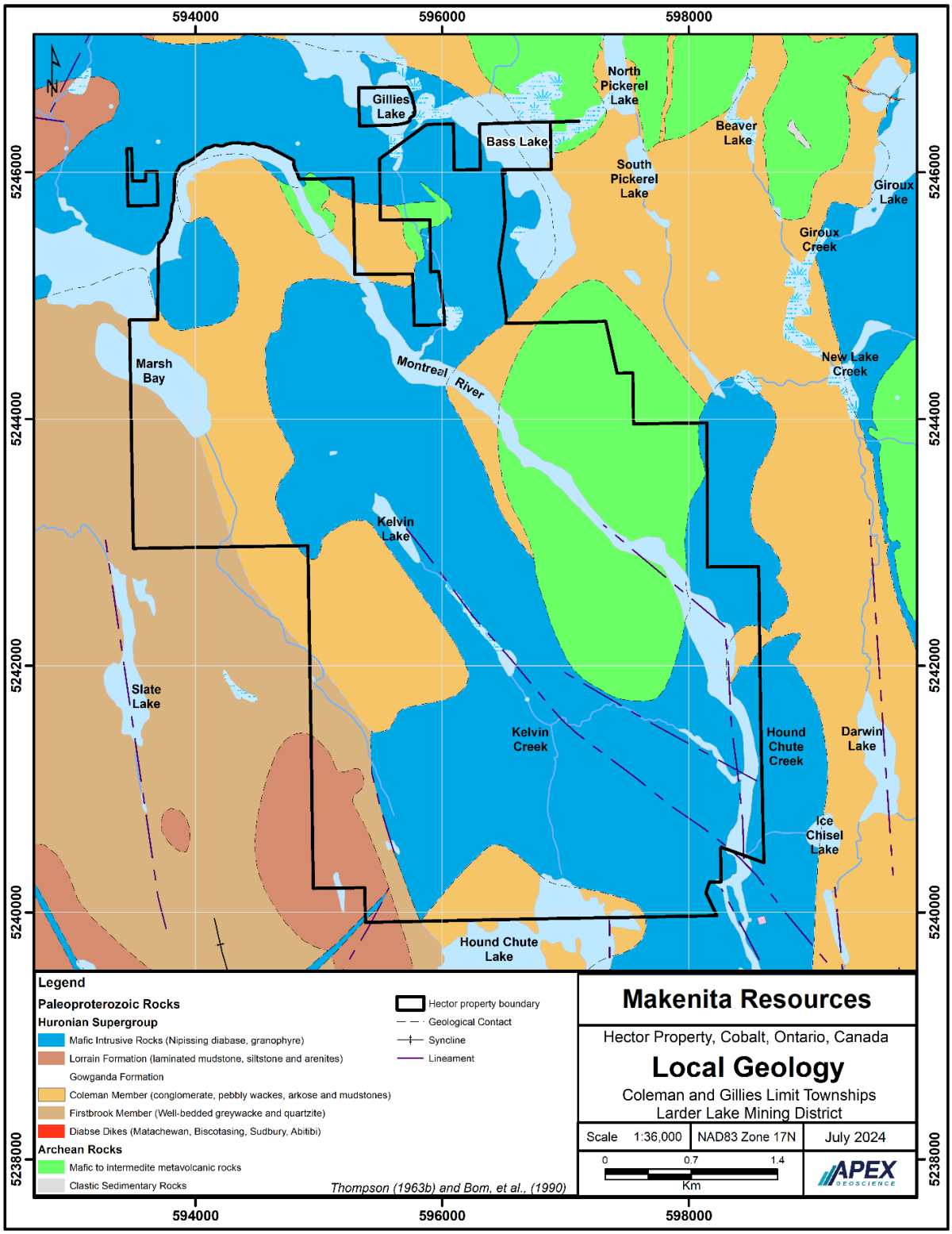


Figure 7.3. Property Geology of Hector Property



Archean basement rocks area exposed on both sides of the Montrell River within the central portion of the Hector Property, extending south to the Williamson occurrence along what was likely a paleo-topographic high where Archean rocks occur in direct contact with overlying diabase. West of the Montreal River, the sediments have a gentle dip to the west and considerable thickening towards Highway 11, where they are unconformably overlain by Firstbrook and Lorrain formation strata (Thomson, 1964b; Hughes, 2017).

Mineralization

Mineralization present within the Hector Property displays characteristics of the silver-cobalt arsenide subtype of epigenetic vein deposits, described in detail in Section 8 'Deposit Types" below. In general the metallic minerals occur in fracture filling lenses or veinlets, or as disseminations within wall rocks in association with carbonate and/or quartz gangue. Wall rocks adjacent to the veins are commonly hydrothermally altered.

Regionally, veins of the Cobalt Camp are commonly steeply dipping to vertical. Individual veins occur over strike lengths of up to 1 km and 100 m vertical extent, and pinch and swell from hair-line thickness and up to approximately 1 m in width. They may occur as single or multiple veins that branch and join, which are may be grouped into vein networks separated by zones of barren rock. Simple dilatant, shear-hosted, and less common replacement-type veins are recognized. Mineralization is typically discontinuous along any given vein structure, with the highest grade zones generally occurring near vein intersection, lithological contacts, and abrupt changes in Archean basement topography (Andrews et al., 1986). Metallic mineralogy comprises arsenides and sulph-arsenides of cobalt, nickel, iron, native silver and bismuth, and lesser antimonides, and sulphides of lead, zinc and copper.

The majority of mineral occurrences with the Hector Property consist of narrow fracture controlled northwest-southeast, or northeast-southwest striking, sub-vertical to steeply dipping, quartz-carbonate-potassium feldspar veins containing variable percentages of disseminated to clotty pyrite, chalcopyrite, pyrrhotite, and erythrite (hydrous cobalt arsenate) mineralization. Veins range in width from less than 5 cm up to 25 cm in width. The majority of historically reported mineral occurrences are represented by one or more shallow prospect pits and trenches, or water-filled shafts. Due to presence of limited outcrop, and overburden cover, the approximately strike length of historic mineral occurrences was determined largely based on the detailed geologic mapping of Thomson (1960); in adding to the spatial distribution of historic AMIS excavations recorded on the ground. At the Gillies East occurrence the Author observed a northwest trending, sub-vertical potassium feldspar-quartz-carbonate vein zone intermittently exposed on surface over a 100 m strike length. Details of the historically reported mineralization within the Hector Property are presented in sub-sections 7.3.1 and 7.3.2 in the Technical Report.

Rock grab sampling of the historic James Dolan occurrences at Bass Lake (now referred to as the Gillies East, West and Hector anomalies) returned cobalt values in excess of 0.1% and up to 2.02% cobalt from outcrop and historic prospect pit float. Subsequent diamond drilling completed by Makenita intersected mineralization comprising disseminated to clotty pyrite-chalcopyrite at the Hector anomaly associated with moderate to intense chlorite-silica and potassic alteration of diabase host-rocks and narrow quartz-carbonate-potassium feldspar veins zones. Diamond drill intersected mineralization at the Gillies East occurrence is characterized by moderate chlorite-potassic alteration and disseminate pyrite-chalcopyrite mineralization.

The distribution of mineral occurrences throughout the Hector Property is coincident with interpreted structural lineaments within the Nipissing Diabase sill, for example between the Williamson to Brewster occurrences, and in the case of the Bass Lake area showings they appear to be spatially associated with the margins of a relatively more magnetic phase of the diabase. Archean basement hosted mineral occurrences on the east side of the Montreal River are generally coincident with relative magnetic low regions. The majority of document mineral showing occur within the Nipissing Diabase, however within Bass Lake, and east of the Montreal River there is a close spatial association of Archean volcanic, basal Coleman Member sediments and diabase rocks, which is considered highly prospective within the context of the silver-cobalt arsenide vein deposit model.

The principal deposit type of interest within the Hector Property is arsenide silver-cobalt vein deposits. The Cobalt Camp of Ontario was once the largest silver-producing area in Canada. In addition to silver, the Camp produced significant cobalt, copper, nickel, arsenic and bismuth.

During 2017 and 2018, Makenita conducted early exploration activities at the Hector Property. The work completed comprised data compilation and review, an airborne geophysical survey, ground magnetic geophysical surveys, prospecting, rock and soil geochemical surveys, and diamond drilling. This section summarizes results from the geophysical surveys and surface exploration completed by Makenita. The diamond drilling is discussed in Section 10 of this Report.

During June 2017, Antediluvial Consulting Inc. was engaged by Makenita to compile and review historical data and carry out prospecting and site visits at the Hector Property ahead of the airborne geophysical survey. Eagle Geophysics Ltd. was retained by Makenita to complete the 522.9 line-km helicopter-borne geophysical magnetometer and very low frequency electromagnetic (VLF-EM) survey over the Hector Property during August 2017. Simcoe Geoscience Limited processed, compiled, levelled, inverted and summarized the airborne geophysical survey results in September 2017. In addition, Campbell & Walker Geophysics Limited carried out additional geophysical inversion modelling on the dataset in September 2017. Antediluvial Consulting Inc. compiled and summarized the 2017 exploration results for the Hector Property during October 2017.

Following the 2017 airborne survey, Makenita retained Jean Marc Gaudreau to complete a soil geochemical survey in the northeast corner of the Hector Property. A total of 428 soil samples were collected between October 25 and November 3, 2017.

In 2018, Makenita further compiled and reviewed historical data, completed a soil and rock geochemical survey, a ground geophysical survey, and an exploration diamond drilling program at the Hector Property. The 2018 exploration program was designed to evaluate and follow up on 2017 and historical results, and to generate targets for future exploration. The 2018 exploration program was completed in three phases: (Phase 1) a soil (203 samples) and rock (31 samples) geochemical survey from July 31st to August 10th, 2018, and a 23 line-km ground magnetometer geophysical survey from July 25th to August 2nd; (Phase 2) follow up rock sampling (12 samples) on October 2nd and 3rd, 2018; and (Phase 3) a 10 hole (843 m) diamond drilling program from October 29th to December 19th, 2018.

In 2018, Makenita completed a diamond drilling program at the Hector Property comprising ten NQ diameter diamond drill holes, totaling 843 m (Table 10.1; Figure 10.1). The drilling program tested historical cobalt results, in addition to 2017 and 2018 surface geochemical anomalies and ground magnetic anomalies at the Hector and Gillies East targets. Four drill holes totaling 395 m tested the Hector anomaly, 3 holes totaling 264 m tested the Gillies East 1 anomaly, and 3 holes totaling 185 m targeted the Gillies East 2 anomaly.

In 2021, Makenita completed a diamond drilling program at the Hector Property comprising three NQ diameter drill holes, totaling 837 m (Table 10.1; Figure 10.1). The 2021 drilling targeted the prospective lower contact of Nipissing diabase sills and Archean volcanic basement rocks at depth. All three holes were drilled from the same 2018 drill pad targeting the Hector anomaly.

Table 10.1. 2018 and 2021 Diamond Drill Hole Details

Hole ID	Easting	Northing	Elevation (m)	Azimuth	Dip	Depth (m)
18HC01	596242	5245430	294	350	-45	85.7
18HC02	596242	5245430	294	350	-60	105
18HC03	596242	5245430	294	40	-50	105
18HC04	596242	5245430	294	40	-65	99
18HC05	596062	5245903	303	30	-45	91.5

18HC06	596062	5245903	303	30	-60	98.5
18HC07	596080	5245928	294	255	-45	74
18HC08	595957	5246005	295	315	-45	59
18HC09	595957	5246005	295	315	-60	80
18HC10	595942	5246007	295	5	-45	45.5
21HC01	596242	5245430	294	20	-60	326
21HC02	596242	5245430	294	70	-60	261.85
21HC03	596242	5245430	294	250	-50	249
					Total:	**1680.05**

The 2018 and 2021 drilling programs were contracted to Vital Drilling Services of Sudbury, Ontario. Drill core logging and sampling was completed on site by geological consultants. For each drill hole, geological observations were recorded comprising lithology, mineralization, alteration, veining and structural measurements. Geotechnical data were recorded comprising core recovery, rock quality designation (RQD) and magnetic susceptibility. The 2018 drilling program was completed between October 29th and December 19th, 2018 and the 2021 drilling program was completed between June 28 and July 20, 2021.

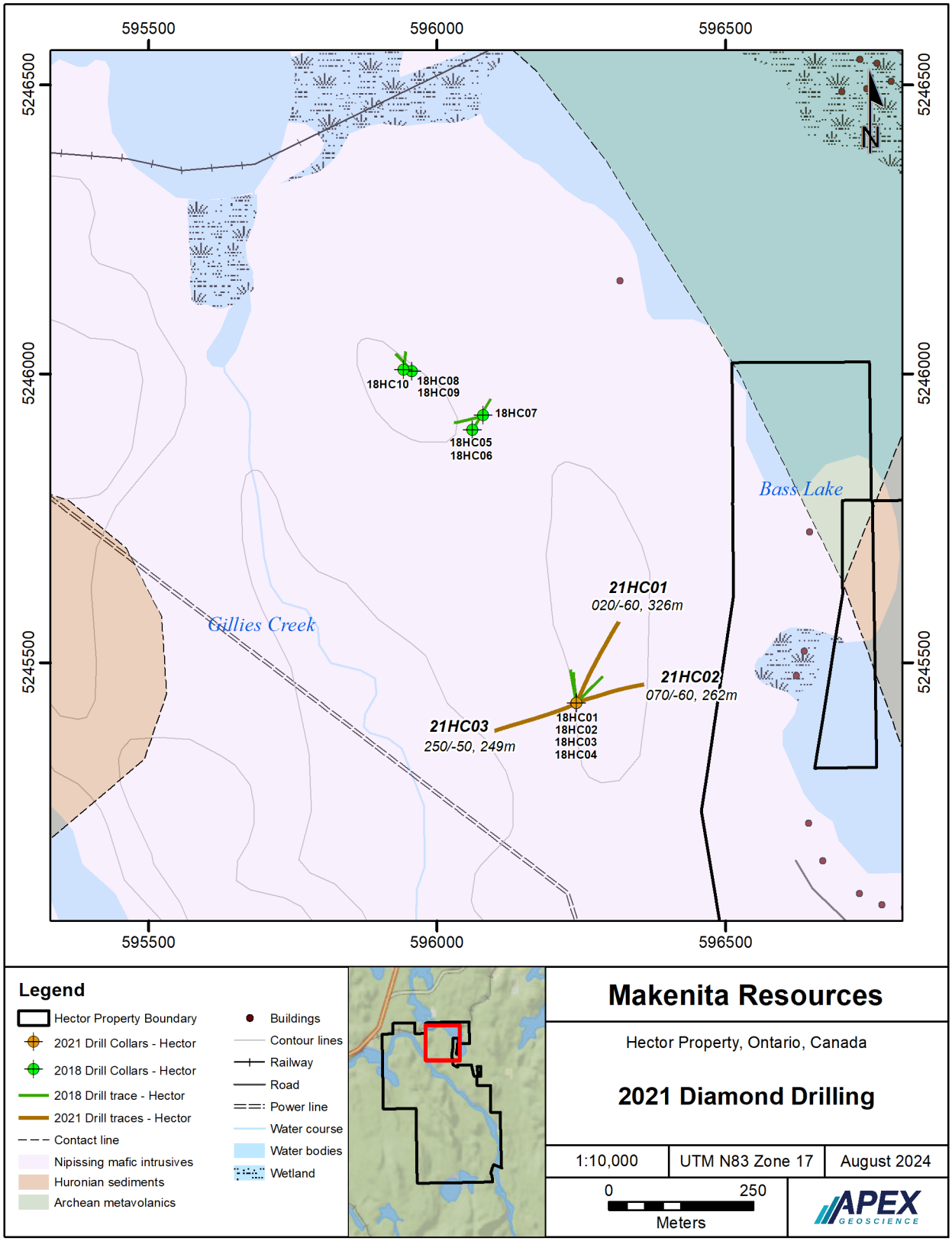

595500
596000
596500
5246500
5246000
5245500
N
18HC10
18HC08
18HC09
18HC07
18HC05
18HC06
Bass Lake
Gillies Creek
21HC01
020/-60, 326m
21HC02
070/-60, 262m
21HC03
250/-50, 249m
18HC01
18HC02
18HC03
18HC04
Legend
Hector Property Boundary
2021 Drill Collars - Hector
2018 Drill Collars - Hector
2018 Drill trace - Hector
2021 Drill traces - Hector
Contact line
Nipissing mafic intrusives
Huronian sediments
Archean metavolanics
Buildings
Contour lines
Railway
Road
Power line
Water course
Water bodies
Wetland
Makenita Resources
Hector Property, Ontario, Canada
2021 Diamond Drilling
1:10,000
UTM N83 Zone 17
August 2024
0
250
Meters
APEX GEOSCIENCE

Figure 10.1

A total of 428 soil samples were collected in 2017, primarily targeting the B horizon. A shovel or auger was used to dig a small hole to reach the B horizon. Depending on ground conditions and vegetation, the hole depth ranged from a few centimeters (cm) up to 61 cm but was typically 10 to 12 cm. Samples weighing approximately 50 to 100 grams (g) were placed in labelled sample bags and sealed. Sample locations were recorded with a handheld GPS device and written in a notebook along with the matching sample number and a description of the sample, and later transcribed to an Excel spreadsheet. Handheld GPS devices are accurate to ± 5 m.

From the field, samples were transported to AGAT laboratories in Mississauga, Ontario for analysis. The authors of this Report consider the measures employed in the chain of custody of the samples to be sufficient for this stage of exploration.

Sample Preparation and Analysis

Once received by AGAT, the soil samples were dried and screened to -180 microns (80 mesh). The prepared samples were analyzed by AGAT method number 201-071 (Metals Package by 4 Acid Digest, ICP/ICP-MS Finish). A prepared sample is digested with hydrochloric, perchloric, nitric and hydrofluoric acids. The final solution is then analyzed by inductively coupled plasma mass spectrometry (ICP-MS).

Quality Assurance and Quality Control

For the 2017 soil sampling program, Makenita relied on the internal quality assurance and quality control (QA/QC) measures employed by AGAT laboratories. QA/QC measures at AGAT include routine screen tests to verify crushing and pulverizing efficiency, sample preparation duplicates, and analytical quality controls (blanks, standards, and duplicates). AGAT Mississauga is certified with ISO/IEC 17025:2005 and ISO 9001:2008 accreditation from the Standards Council of Canada.

It is the authors' opinion that the sample collection, preparation, security, analytical and QA/QC measures used during the 2017 soil sampling program were adequate for this stage of exploration at the Hector Property.

A total of 203 soil samples were collected at the Hector Property in 2018, primarily targeting the Ah horizon (humus). A shovel was used to clear the sample area of surface material and dig a small hole to reach the Ah horizon. Depending on ground conditions and vegetation, the hole depth ranged from a few centimeters (cm) up to 30 cm but was typically 4 to 6 cm. Samples weighing approximately 50 to 100 grams (g) were placed in labelled sample bags along with a sample tag inscribed with the unique sample number, and sealed. Sample locations were recorded with a handheld GPS device and on a tablet device along with the matching sample number, the date, the sampler's name and a description of the sample. Additional details, such as site disturbance, ground cover, vegetation and landform were also recorded on the tablet device. All data recorded on the tablet was later copied into an Excel spreadsheet. Handheld GPS and tablet devices are accurate to ± 5 m and ± 7 m respectively.

A total of 43 rock samples were collected at the Hector Property in 2018. One representative rock sample, weighing no more than 2.5 kg, was collected from each sample site. Samples were placed in labelled sample bags along with a sample tag inscribed with the unique sample number and sealed. Sample locations were recorded with a handheld GPS device and written on a sample card bearing the matching sample number, the date and the sampler's name. Rock samples were described in terms of lithology, mineralization, alteration, mineralogy, grain size and texture. These observations were recorded on the sample card and later transcribed to an Excel spreadsheet. Handheld GPS devices are accurate to ± 5 m.

Rock samples were placed into woven poly (rice) bags for shipment to the analyzing laboratory. Cable ties were used to securely close the rice bags. Samples were transported to the ALS geochemistry laboratory in Sudbury, Ontario for preparation. From there, the samples were transported within the ALS network to the ALS geochemistry laboratory in North Vancouver, British Columbia for analysis.

It is the authors' opinion that the sample collection, preparation, security, analytical and QA/QC measures used during the 2018 soil sampling program were adequate for this stage of exploration at the Hector Property

Ten NQ diameter diamond drill holes, totaling 843 m, were completed during the 2018 program. Once extracted, drill core was placed in wooden core boxes, sealed with wooden lids and transported to a core logging tent. For each drill hole, geological observations were recorded comprising lithology, mineralization, alteration, veining and structural measurements. Geotechnical data were recorded comprising core recovery, rock quality designation (RQD) and magnetic susceptibility. Down-hole survey directional data was collected using a Reflex EZ-Shot instrument.

A total of 292 drill core intervals were selected and sent for analysis, totaling 320.57 meters of core length. Sample lengths ranged from 0.5 m to 2.0 m, depending on the intensity of visual mineralization and alteration. The average sample length was 1.0 m. The sample intervals were marked out and tagged, and the core was then photographed. Samples were sawed in half longitudinally using a core saw. For each sample, one half core was sent for analysis and the other was left in the box. Duplicate samples were cut into quarters, where one quarter of the core was used as the "original" sample and the other quarter was used as the "duplicate" sample. The remaining half core was left in the box.

Drill core samples were placed into labelled plastic sample bags along with a sample tag inscribed with the unique sample number. The samples were placed into woven poly (rice) bags for shipment to the analyzing laboratory. Cable ties were used to securely close the rice bags. Samples were transported to the ALS geochemistry laboratory in Sudbury, Ontario for preparation. From there, the samples were transported within the ALS network to the ALS geochemistry laboratory in North Vancouver, British Columbia for analysis.

Three NQ diameter diamond drill holes, totaling 837 m, were completed during the 2021 program. Upon completion of each run, drill core was transferred directly from the core tube to wooden core boxes and sealed with wooden lids. Full boxes of core were transported to a nearby core logging facility in Cobalt, Ontario. For each drill hole, geological observations were recorded comprising lithology, mineralization, alteration, veining and structural measurements. Geotechnical data were recorded comprising core recovery, rock quality designation (RQD) and magnetic susceptibility.

A total of 180 drill core intervals were sampled and sent for analysis, totaling 270.25 meters of core length. Sampled intervals were selected based on geological characteristics, with lengths ranging from 0.4 m to 3.0 m depending on the intensity of visual mineralization and alteration. The average sample length was 1.78 m, with nominal lengths of 1.0, 1.5 or 3.0 meters. All sample intervals were selected, marked out and tagged in the box. Standards, blanks and core duplicate samples were inserted at regular intervals in the sample sequence. Wet and dry photographs were taken of the drill core after the samples were marked out.

Data Verification

A site visit to the Hector Property was completed by Mr. Raffle during October 2018. During the site visit Mr. Raffle completed traverses within the Hector Property and visited historically documented silver-cobalt mineral occurrences throughout the Bass Lake area, collected surface rock grab samples designed to confirm the historically reported mineralization, completed ground checks of significant 2018 cobalt in soil geochemical anomalies, and reviewed and observed the proposed diamond drill sites.

A recent site visit to the Hector Property was also completed by Mrs. Verigeanu on June 23rd, 2024. During the site visit, Mrs. Verigeanu completed traverses within the Hector Property, visited historic silver-cobalt mineral occurrences west and south of the Bass Lake area (South Keora) and reviewed the 2021 diamond drill core

No metallurgical testing analysis has been carried out on the Hector Property as of the effective date of the Technical Report.

No mineral resource estimates are available for the Hector Property as of the effective date of the Technical Report.

Results and Interpretations

The Hector Property is an early-stage exploration project with historical development and small-scale production in the 1920s and early 1930s that yielded mineralized rock containing silver and cobalt. The Hector Property is located within the Cobalt Embayment, associated with the structurally significant Montreal River fault system. The Cobalt Embayment is recognized for its occurrence of and potential to host arsenide silver-cobalt vein deposits.

Most mineral occurrences with the Hector Property consist of narrow, fracture controlled, northwest-southeast or northeast-southwest striking, sub-vertical to steeply dipping, quartz-carbonate-potassium feldspar veins containing variable percentages of disseminated to clotty pyrite, chalcopyrite, pyrrhotite, and erythrite (hydrous cobalt arsenate) mineralization. Veins range in width from less than 5 cm up to 25 cm. The majority of historically reported mineral occurrences are represented by one or more shallow prospect pits and trenches, or water-filled shafts.

The results of the 2017 and 2018 soil and rock geochemical campaigns have defined cobalt in soil and rock anomalies west of Gillies Creek that warrant follow-up exploration. Airborne and ground magnetic geophysical surveys reveal diabase sills present strong positive magnetic anomalies in comparison to Archean basement. Internal magnetic variation of the diabase sill, which comprises one or more parallel linear of sinuous magnetic trends, indicates it is a multi-phase composite intrusion. Locally

The 2018 diamond drill testing of the Hector and Gillies east targets yielded anomalous copper cobalt values. Surface soil and rock geochemical anomalies and cobalt in diamond drill intercepts returned from the Bass Lake area are interpreted to represent high-level expressions of potential Archean unconformity-associated silver-cobalt vein mineralization; the geologic setting from which the majority of historic Cobalt Camp silver production occurred.

The 2021 drilling targeted lateral and down-dip extensions of mineralization intersected during the 2018 drilling program, as well as the prospective lower contact of the Nipissing diabase sills with Archean volcanic basement rocks at depth. No economic grades were returned; however, zones of anomalous silver-copper mineralized basement mafic volcanic rocks were encountered in holes 21HC01 and 21HC02, demonstrating the exploration potential at the unconformable contact with and within the Archean basement, in addition to mineralization known to occur within the Nipissing diabase at the Hector Property. Mineralization in the mafic volcanic rocks is characterized by moderate chlorite alteration and silica flooding accompanied by fine grained disseminated chalcopyrite-pyrite mineralization

The distribution of historic mineral occurrences throughout the Hector Property is coincident with interpreted structural lineaments within the Nipissing Diabase sill, for example between the Williamson to Brewster occurrences, and in the case of the Bass Lake area showings they appear to be locally spatially associated with the margins of a relatively more magnetic phase of the diabase. The majority of historic silver-cobalt vein showings within the Hector Property occur within the Nipissing Diabase and are spatially related to one of two parallel northwest trending structural lineaments coincident with the trace of the Kelvin Lake fault, and an interpreted Archean basement topographic high and anticlinal fold axis subparallel to the Montreal River fault. In the area east of the Montreal River there is a close spatial relationship between Archean volcanic, basal Coleman Member sediments and diabase rocks, which is considered highly prospective within the context of the silver-cobalt arsenide vein deposit model.

Additional follow-up exploration within the both the Kelvin Lake and Montreal River fault and anticline areas are warranted where a close spatial relationship between the Archean-Huronian unconformity and diabase sill is predicted by prior geologic mapping.

Recommendations

Based on the presence of silver-cobalt arsenide vein intersects in drill core and numerous historic occurrences, airborne and ground magnetic geophysical anomalies, cobalt and silver in rock and soil geochemical anomalies, and favourable geology; the Hector Property is of a high priority for follow-up exploration.

Where all previous exploration campaigns by Makenita have focused on the Bass Lake area, APEX recommends expanding the geographic scope of exploration to the area near the South Keora showing and Montreal River where recent logging has improved access and exposure mineral occurrences that have returned high grade cobalt and silver values from historic surface pits trenches, shallow shafts, and diamond drilling. These showings have not been previously evaluated by the Company and are prospective for discovery of arsenide silver-cobalt vein deposits.

The 2025 exploration program should include but not be limited to:

Phase 1: An airborne Lidar survey supplemented by a surface exploration program of rock and soil geochemical sampling, ground magnetic surveys, and geologic mapping designed to evaluate the silver-cobalt arsenide vein potential of the South Keora and Montreal River area. Geologic mapping should focus on defining the geometry of the Nipissing Diabase sills, and on identifying areas with the potential to host Coleman Member sediments overlain by diabase; in proximity to exposed Archean basement and the Huronian unconformity in the Montreal River area. The results of geologic mapping should be used to prioritize rock, soil and ground magnetic surveys over geologically perspective targets. The estimated cost to complete Phase 1 exploration is approximately $253,000.

Phase 2**:** The Phase 2 exploration is contingent on the results of the Phase 1 exploration. Diamond drilling of approximately 10 holes totaling 2,000 m designed to test priority targets defined by the Phase 1 exploration. The estimated cost to complete the Phase 2 exploration is $500,000.00 (Table 26.1).

Table 0.2. Proposed 2025 Hector Property Exploration Budget

Budget Item	Estimated Cost
Lidar Survey Geochemical Sampling & Ground Magnetic Survey	
PHASE 1: 4 weeks	
Senior Supervisor, 3 Geologists and 3 Field Assistants	$82,500.00
Lidar Survey	$30,000.00
Ground Magnetic Survey	$52,500.00
Flights/Accommodations and Meals	$12,000.00
Truck rental + Fuel	$6,000.00
Field Rentals – magnetometer, laptop/software, GPS, sample bags, etc.	$10,000.00
Truck rental	$3,000.00
Analytical (150 rocks, 1000 soils)	
Rock Samples - ALS (PREP-31, ME-MS61)	$50,500.00
Soil Samples - ALS (PREP-41, ME-MS41L)	
Sample supplies	
Miscellaneous Field Supplies - fuel, field supplies, freight	$2,500.00

Office and Logistics	$4,000.00
TOTAL PHASE 1:	$253,000.00
PHASE 2: (Contingent on the results of Phase 1)	$500,000.00
Diamond drilling of priority targets (2000m @ $250/meter)	
Total Project Costs (excluding GST)	**$753,000.00**

Description of the Makenita Shares

The authorized capital of Makenita consists of an unlimited number Makenita Shares without par value. On completion of the Arrangement, including the Makenita Financing, it is anticipated that there will be approximately 26,787,997 Makenita Shares outstanding. This consists of 16,787,997 Makenita Spinout Shares and 10,000,000 Makenita Shares issued as part of the Makenita Units.

Dividend Policy

Makenita has not paid dividends since its incorporation. Makenita currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

Voting and Other Rights

Holders of Makenita Shares are entitled to one vote per Makenita Share at all meetings of Makenita Shareholders, to receive dividends as and when declared by the directors and to receive a pro rata share of the assets of Makenita available for distribution to holders of Makenita Shares in the event of liquidation, dissolution or winding up of Makenita. All rank *pari passu*, each with the other, as to all benefits which might accrue to the holders of Makenita Shares.

Makenita Financing

Makenita intends to complete the Makenita Financing, pursuant to which Makenita will issue 10,000,000 Makenita Units at a price of $0.05 per Makenita Unit for gross proceeds of up to $500,000. Each Makenita Unit will be comprised of one Makenita Share and one Makenita Warrant. Each Makenita Warrant will entitle the holder to acquire one additional Makenita Share at a price of $0.06 per share for a period of five years from the date of issuance. It is anticipated that the Makenita Financing will close immediately after the Arrangement and prior to the anticipated listing of the Makenita Shares.

There can be no assurance that the Makenita Financing will be completed on the foregoing terms, or at all.

Consolidated Capitalization

Makenita has not completed a financial year. There have not been any material changes in the share and loan capital of Makenita since the date of incorporation other than the proposed issuance of the Makenita Spinout Shares to Cruz prior to the Effective Time. See the audited financial statements of Makenita as at the date of incorporation on July 12, 2024, appended as Schedule “E” to this Information Circular, and the Hector Property Carve Out Financial Statements and related management discussion and analysis appended as Schedule “G” and Schedule “H”, respectively, to this Information Circular.

Options and Other Rights to Purchase Shares

The Makenita Board has adopted the Makenita Equity Incentive Plan, subject to approval by the Cruz Shareholders and, if required, the CSE. The purpose of the Makenita Equity Incentive Plan is to allow Makenita to grant certain forms of equity-based compensation, such as Options, RSUs, DSUs and PSUs (as such terms are defined in this Information Circular), to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Makenita. The granting of such equity-based forms of compensation is intended to align the interests of such persons with that of the Makenita Shareholders. The terms of the Makenita Equity Incentive Plan are virtually identical to those of the Cruz Equity Incentive Plan adopted by the Cruz Board, and as further described in this Information Circular. See "*Particulars of Matters to be Acted Upon – Approval of Makenita Equity Incentive Plan*".

No equity-based compensation has been granted under the Makenita Equity Incentive Plan or otherwise since incorporation.

The full text of the Makenita Equity Incentive Plan is available for viewing up to the date of the Meeting at Cruz's head office located at 2905 – 700 West Georgia Street, Vancouver, British Columbia V7Y 1C6 and will also be available for review at the Meeting.

Upon completion of the Arrangement, it is anticipated that Makenita will have obligations to issue approximately 4,282,777 Makenita Shares upon exercise of Cruz Warrants in accordance with the terms of the Plan of Arrangement. In addition, Makenita intends to grant Makenita Options to the new directors, officers, employees and consultants pursuant to and subject to the terms and limits in the Makenita Equity Incentive Plan.

Prior Sales

Makenita has not issued any shares except 100 Makenita Shares to Cruz on July 12, 2024, for consideration of $1.00. This share will be cancelled and returned to treasury upon closing of the Arrangement. Prior to the Effective Time, Makenita intends to issue the Makenita Spinout Shares to Cruz to complete the acquisition of the Spinco Property.

Escrowed Securities and Securities Subject to Contractual Restriction on Transfer

There are no Makenita Shares currently held in escrow or that are subject to a contractual restriction on transfer. On completion of the Arrangement, all Makenita Shares held by principals of Makenita will be subject to the escrow requirements of the CSE.

Resale Restrictions

See "*Particulars of matters to be Acted Upon – Approval of the Arrangement -Securities Law Considerations*" in this Information Circular.

There is currently no market through which the Makenita Shares may be sold and, unless the Makenita Shares are listed on a stock exchange, Cruz Shareholders may not be able to resell the Makenita Shares. There can be no assurances that Makenita will be able to obtain such a listing on the CSE or any other stock exchange.

Principal Shareholders

To the knowledge of the directors and executive officers of Makenita, and based on existing information as of the date hereof, no person or company, upon completion of the Arrangement will, beneficially own, or control or direct, directly or indirectly, voting securities of Makenita carrying 10% or more of the voting rights attached to any class of voting securities of Makenita.

Directors and Officers

The following table sets forth certain information with respect to each proposed director and executive officer of Makenita:

Name, Province or State, and Country of Residence and Position(s)[1]	Principal Occupation During Past Five Years[1]	Number of Makenita Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement[2]	Percentage of Makenita Shares Issued and Outstanding Immediately Following the Completion of the Arrangement[3]
Jason Gigliotti[4] British Columbia, Canada President, CEO and Director	Mr. Gigliotti has been a director and officer of numerous Canadian public companies. Mr. Gigliotti has provided consulting services to public companies since 1999.	154,600	0.58%
Dr. Scott Jobin-Bevans[4] Santiago, Chile Director	Managing Director and Director of Caracle Creek Chile SPA (2019-present); and Principal Geoscientist and Director of Caracle Creek International Consulting Inc.	Nil	Nil%
Negar Adam[4] British Columbia, Canada Director	Ms. Adam has been a director and officer of numerous Canadian public companies. Ms. Adam is self-employed as a consultant and has offered consulting services to public companies since 1999.	2,000	0.01%
Nancy Chow British Columbia, Canada CFO	Ms. Chow has been assistant to the CFO of Cruz and other public companies since September 2016. Ms. Chow has offered accounting services to public and private companies since 2009.	3,300	0.01%

(1) The information as to residence and principal occupation, not being within the knowledge of Cruz or Makenita, has been furnished by the respective directors and officers individually.

(2) The information as to securities beneficially owned or over which a director or officer exercises control or direction, not being within the knowledge of Cruz or Makenita, has been furnished by the respective directors and officers individually based on shareholdings in Cruz as of the date of this Information Circular.

(3) Assuming approximately 26,787,997 Makenita Shares are outstanding after completion of the Arrangement, assuming completion of the Makenita Financing.

(4) Proposed member of Makenita's Audit Committee.

Upon the completion of the Arrangement, it is expected that the directors and executive officers of Makenita as a group, will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 159,900 Makenita Shares, representing approximately 0.60% of the issued Makenita Shares assuming approximately 26,787,997 Makenita Shares are outstanding after completion of the Arrangement, assuming completion of the Makenita Financing.

The principal occupations of each of the proposed directors and executive officers of Makenita within the past five years are disclosed in the table above.

Jason Gigliotti – President, Chief Executive Officer and a Director

Mr. Gigliotti has a corporate finance background and graduated from Simon Fraser University with a Bachelor of Arts degree. Mr. Gigliotti has been a director and officer of numerous Canadian public companies. Mr. Gigliotti provides consulting services to private and public companies since 1999. Mr. Gigliotti's years of experience with public companies has given him significant exposure to the preparation and review of financial statements.

Mr. Gigliotti is expected to commit approximately 50% of his time to Makenita's business. He has not executed a non-competition or non-disclosure agreement with Makenita.

Dr. Scott Jobin-Bevans – Director

Dr. Jobin-Bevans has over 30 years' experience in the geosciences, including mineral exploration, management and administration, lecturing, research, administrative reporting, technical report writing (proposals, research articles), presentations (wide range of audiences), project finance, and more recently mineral processing. With more than 20 years of direct experience with public and private companies as an officer, director and technical advisor, he has been involved with taking numerous private companies public. Dr. Jobin-Bevans has a Ph.D. (Geology) from the University of Western Ontario and is a registered geoscientist with the Professional Geoscientists of Ontario (PGO), an External Adjunct Professor in the Department of Geology (Lakehead University, Ontario, Canada) and a certified Project Management Professional (PMP). Dr. Jobin-Bevans is a past president (2010-2012) and a director of the Prospectors and Developers Association of Canada.

Dr. Jobin-Bevans is expected to commit approximately 10% of his time to Makenita's business. He has not executed a non-competition or non-disclosure agreement with Makenita.

Negar Adam – Director

Ms. Adam earned a Bachelor of Commerce from the University of British Columbia and has a corporate finance background. Ms. Adam has been a director and officer of numerous Canadian public companies. In addition to previously sitting on the board of numerous companies, Ms. Adam is self-employed as a consultant who offers consulting services to public companies. Ms. Adam's years of experience with public companies has given her significant exposure to the preparation and review of financial statements and assistance with capital raising activities

Ms. Adam will not work full time for Makenita but will devote such time as is required in connection with his duties. Management of Makenita does not anticipate that Ms. Adam will enter into a non-competition or non-disclosure agreement with Makenita.

Nancy Chow – Chief Financial Officer

Ms. Chow earned a Bachelor of Science from the University of British Columbia. Ms. Chow has an accounting and corporate finance background working with multiple public companies for over 15 years.

Ms. Chow will not work full time for Makenita, but will devote such time as is required in connection with her duties. She has not entered into a non-competition or non-disclosure agreement with Makenita.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies, Penalties or Sanctions or Individual Bankruptcies

Other than as disclosed below, to the knowledge of Makenita, no director or executive officer:

(a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Makenita) that:

(i) was the subject, while the director was acting in that capacity as a director, chief executive officer or chief financial officer of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

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

(c) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director;

None of the proposed directors or executive officers (or any of their personal holding companies) 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.

Indebtedness of Directors, Executive Officers and Senior Officers

There is and has been no indebtedness of any director, executive officer or senior officer or associate of any of them, to or guaranteed or supported by Makenita during the period from incorporation.

Conflicts of Interest

The common directors and officers of Cruz and Makenita are not expected to be subject to any conflicts of interest.

Statement of Executive Compensation

Compensation Discussion and Analysis

Makenita was incorporated on July 12, 2024, and, accordingly, has not yet completed a financial year and has not yet developed a compensation program. Makenita anticipates that it will adopt a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, option-based awards and annual cash incentives, which elements are similar to those paid by Cruz and described in this Information Circular.

Summary Compensation

Makenita was incorporated on July 12, 2024, and has not yet completed a financial year. No compensation has been paid to date. In addition, it has no compensatory plan or other arrangements in respect of compensation received or that may be received by its Chief Executive Officer or its Chief Financial Officer in its current financial year.

Following the completion of the Arrangement, Makenita will establish a Compensation Committee (the "**Compensation Committee**"), which will administer the compensation mechanisms to be implemented by the Makenita Board. The individuals that will be appointed to the Compensation Committee, once formed, will each have direct experience that is relevant to their responsibilities in determining executive compensation for Makenita.

On an annual basis, the Compensation Committee will review the compensation of the Named Executive Officers to ensure that each is being compensated in accordance with the objectives of Makenita's compensation program, which will be to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with shareholder interests;
- pay for performance;
- support the Makenita's vision, mission and values; and
- be flexible to recognize the needs of Makenita in different business environments.

Makenita does not currently have any compensation policies or mechanisms in place. The compensation policies are anticipated to be comprised of three components; namely, base salary, equity compensation in the form of stock options, and discretionary performance-based. In addition, NEOs will be entitled to participate in a benefits program to be implemented by Makenita. An NEO's base salary will be intended to remunerate the NEO for discharging job responsibilities and will reflect the executive's performance over time. Base salaries are used as a measure to compare to, and remain competitive with, compensation offered by competitors and as the base to determine other elements of compensation and benefits. The stock option component of a NEO's compensation, which includes a vesting element to ensure retention, will aim to meet the objectives of the compensation program to be implemented, by both motivating the executive towards increasing share value and enabling the executive to share in the future success of Makenita. Discretionary performance-based bonuses will be considered from time to time to reward those who have achieved exceptional performance and meet the objectives of Makenita's compensation program by rewarding pay for performance. Other benefits will not form a significant part of the remuneration package of any of the NEOs of Makenita.

The Makenita Board has adopted the Makenita Equity Incentive Plan, which plan is also subject to approval by the CSE. The Makenita Equity Incentive Plan will be substantially similar to the Cruz Equity Incentive Plan and which, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Makenita in compensating, attracting, retaining and motivating

the directors of Makenita and to closely align the personal interests of such persons to that of the shareholders of Makenita. For a summary of the terms of the Makenita Equity Incentive Plan see "*Particulars of Matters to be Acted Upon – Approval of Makenita Equity Incentive Plan".*

Equity-Based Awards

The purpose of the Makenita Equity Incentive Plan is to allow Makenita to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Makenita. The granting of such options is intended to align the interests of such persons with that of the shareholders. The Makenita Equity Incentive Plan, once implemented, will be used to provide stock options which will be awarded based on the recommendations of the directors of Makenita, taking into account the level of responsibility of such person, as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer term operating performance of Makenita. In determining the number of options to be granted, Makenita Board will take into account the number of options, if any, previously granted, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the CSE and to closely align the interests of such person with the interests of shareholders. The Makenita Board will determine the vesting provisions of all stock option grants.

Incentive Plan Awards

Makenita does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to its NEOs. Other than the Makenita Options that the Named Executive Officers will receive on completion of the Arrangement, Makenita has made no option-based or share-based awards to any of its NEOs.

Pension Plan Benefits

Makenita does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

Makenita has no employment contracts between it and either of its NEOs. Further, it has no contract, agreement, plan or arrangement that provides for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of Makenita or its subsidiaries, if any, or a change in responsibilities of a NEO following a change of control. Makenita will consider entering into contracts with its NEOs following completion of the Arrangement.

Defined Benefit or Actuarial Plan Disclosure

Makenita has no defined benefit or actuarial plans.

Director Compensation

Makenita currently has no arrangements, standard or otherwise, pursuant to which directors are compensated by Makenita for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert since its incorporation on July 12, 2024 and up to and including the date of this Information Circular.

Upon completion of the Arrangement, Makenita will adopt a compensation program for directors. The objectives of the director compensation program will be to attract, retain and inspire performance of members of the Makenita Board of a quality and nature that will enhance Makenita's growth. The compensation will be intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and

accountability of directors. The philosophy, and market comparisons and review with respect to director compensation, will be the same as for the executive compensation programs to be implemented by Makenita.

The Makenita Equity Incentive Plan, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Makenita in compensating, attracting, retaining and motivating the directors of Makenita and to closely align the personal interests of such persons to that of the shareholders of Makenita.

No stock options or any other security-based compensation has been granted or awarded by Makenita since the date of its incorporation on July 12, 2024.

Aggregate Options Exercised and Option Values

No stock options have been granted by Makenita or exercised since the date of its incorporation on July 12, 2024.

Audit Committee and Corporate Governance

Audit Committee

Makenita will appoint an Audit Committee following the completion of the Arrangement. Each member of the Audit Committee to be appointed will have adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Makenita's financial statements. It is anticipated that each of Jason Gigiliotti, Dr. Scott Jobin-Bevans, and Negar Adam will be members of Makenita's Audit Committee. As Jason Gigiliotti is CEO and President of Makenita, Mr. Gigliotti is not considered independent. Dr. Scott Jobin-Bevans and Negar Adam will be the independent members of Makenita's Audit Committee.

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to preapprove audit and non-audit services provided by the independent auditor. All such preapprovals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

The charter to be adopted by the Audit Committee is substantially similar to that of Cruz's Audit Committee, which is appended to this Information Circular as Schedule "M".

To date, Makenita has paid no fees to its external auditor.

Corporate Governance

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. Please refer to Schedule "L" for Makenita's Statement of Corporate Governance Practices.

Risk Factors

In addition to the other information contained in this Information Circular, the following factors should be considered carefully when considering risk related to Makenita's proposed business.

Nature of the Securities and No Assurance of any Listing

Makenita Shares are not currently listed on any stock exchange and there is no assurance that the Makenita Shares will be listed. Even if a listing is obtained, the holding of Makenita Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Makenita Shares should not be held by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of Makenita should not constitute a major portion of an investor's portfolio.

Possible Non-Completion of Arrangement

There is no assurance that the Arrangement will receive regulatory, stock exchange, Court or shareholder approval or will be completed. If the Arrangement is not completed, Makenita will remain a private company and a wholly-owned subsidiary of Cruz. If the Arrangement is completed, Makenita Shareholders (which will consist of Cruz Shareholders who receive Makenita Shares) will be subject to the risk factors described below relating to resource properties.

Limited Operating History

Makenita was incorporated on July 12, 2024, and has a limited operating history and no operating revenues.

Dependence on Management

Makenita will be very dependent upon the personal efforts and commitment of its directors and officers**.** If one or more of Makenita's proposed executive officers become unavailable for any reason, a severe disruption to the business and operations of Makenita could result, and Makenita may not be able to replace them readily, if at all. As Makenita's business activity grows, Makenita will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that Makenita will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If Makenita is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Makenita's future cash flows, earnings, results of operations and financial condition.

Makenita's operations are subject to human error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Makenita's interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Makenita. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Makenita might undertake and legal claims for errors or mistakes by Makenita personnel.

Financing Risks

If the Arrangement is completed, additional funding will be required to conduct future exploration programs on the Spinco Property and to conduct other exploration programs. If Makenita's proposed exploration programs are successful, additional funds will be required for the development of an economic mineral body and to place it in commercial production. The only sources of future funds presently available to Makenita are the sale of equity capital, or the offering by Makenita of an interest in its properties to be earned by another party or parties carrying out exploration or development thereof. There is no assurance that any such funds will be available for operations. Failure to obtain additional financing on a timely basis could cause Makenita to reduce or terminate its proposed operations.

Conflicts of Interest

Certain directors and officers of Makenita are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Makenita, including possibly Cruz. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Makenita. Directors and officers of Makenita with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

No History of Earnings

Makenita has no history of earnings or of a return on investment, and there is no assurance that the Spinco Property or any other property or business that Makenita may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Makenita has no plans to pay dividends for some time in the future, if ever. The future dividend policy of Makenita will be determined by the Makenita Board.

Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk. There are no known mineral reserves on the Spinco Property. There is no certainty that the expenditures to be made by Makenita in the exploration of the Spinco Property or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by Makenita will be affected by numerous factors beyond the control of Makenita. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Makenita not receiving an adequate return on invested capital.

Environmental Risks and Other Regulatory Requirements

The current or future operations of Makenita, including future exploration and development activities and commencement of production on its property or properties, will require permits or licences from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which Makenita may require for the conduct of its operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which Makenita might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on Makenita and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Dilution

Issuances of additional securities including, but not limited to, its common shares or some form of convertible debentures, will result in a substantial dilution of the equity interests of any persons who may become Makenita Shareholders as a result of or subsequent to the Arrangement.

Market for securities

There is currently no market through which the Makenita Shares may be sold and Makenita Shareholders may not be able to resell the Makenita Shares acquired under the Plan of Arrangement. There can be no assurance that an active trading market will develop for the Makenita Shares following the completion of the Plan of Arrangement. There can be no assurances that any securities regulatory authority will recognize Makenita as a reporting issuer, or that Makenita will be able to obtain a listing on the CSE or any stock exchange.

Nature of Mineral Exploration and Development

All of Makenita's operations are at the exploration stage and there is no guarantee that any such activity will result in commercial production of mineral deposits. The exploration for mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineralization may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by Makenita or any future development programs will result in a profitable commercial mining operation. There is no assurance that the Makenita's mineral exploration activities will result in any discoveries of commercial mineralization. There is also no assurance that, even if commercial mineralization is discovered, a mineral property will be brought into commercial production. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted. The long-term profitability of Makenita will be in part directly related to the cost and success of its exploration programs and any subsequent development programs.

No Operating History

Exploration projects have no operating history upon which to base estimates of future cash flows. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and future economic returns may differ materially from Makenita's estimates. There can be no assurance that the underlying assumed levels of expenses for any project will prove to be accurate. Further, it is not unusual in the mining industry for new mining operations to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. There can be no assurance that Makenita's projects will move beyond the exploration stage and be put into production, achieve commercial production or that Makenita will produce revenue, operate profitably or provide a return on investment in the future. Mineral exploration involves considerable financial and technical risk. There can be no assurance that the funds required for exploration and future development can be obtained on a timely basis. There can be no assurance that Makenita will not suffer significant losses in the near future or that Makenita will ever be profitable.

Commodity Prices

The price of the Makenita Shares and Makenita's financial results may be significantly adversely affected by a decline in the price of cobalt and other metals and mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond Makenita's control. The level of interest rates, the rate of inflation, world supply of mineral commodities, global and regional consumption patterns, speculative trading activities, the value of the United States

and Canadian currencies and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, political systems and political and economic developments. The price of mineral commodities has fluctuated widely in recent years and future serious price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on Makenita.

Dividend Policy

No dividends on Makenita Shares have been paid by Makenita to date. Makenita anticipates that it will retain all earnings and other cash resources for the foreseeable future for the operation and development of its business. Makenita does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Makenita Board after taking into account many factors, including Makenita's operating results, financial condition and current and anticipated cash needs.

Permitting

Makenita's mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Prior to any development of any of their properties, Makenita must receive permits from appropriate governmental authorities. There can be no assurance that Makenita will continue to hold all permits necessary to develop or continue its activities at any particular property. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on Makenita, resulting in increased capital expenditures and other costs or abandonment or delays in development of properties.

Land Title

The acquisition of title to resource properties is a very detailed and time-consuming process. No assurances can be given that there are no title defects affecting the properties in which Makenita has an interest. The properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. The title may also be affected by undetected encumbrances or defects or governmental actions. Makenita has not conducted surveys of properties in which it holds an interest and the precise area and location of claims or the properties may be challenged. Makenita may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict Makenita's ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by Makenita invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although Makenita believes it has taken reasonable measures to ensure proper title to the properties in which it has an interest, there is no guarantee that such title will not be challenged or impaired.

Influence of Third Party Stakeholders

The mineral properties in which Makenita holds an interest, or the exploration equipment and road or other means of access which Makenita intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Makenita's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Makenita.

Insurance

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and Makenita may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Makenita's properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. Makenita expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. Makenita expects to carry liability insurance with respect to its mineral exploration operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Makenita. If Makenita is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect Makenita's future cash flow and overall profitability.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Makenita expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources tha Makenita, Makenita may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Makenita's ability to consummate and to integrate effectively any future acquisitions on terms that are favourable to Makenita may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Makenita's ability to obtain financing on satisfactory terms, if at all.

Promoter

Cruz took the initiative in Makenita's organization and, accordingly, may be considered to be the promoter of Makenita within the meaning of applicable securities legislation. Cruz will not, at the closing of the Arrangement, beneficially own, or control or direct, any Makenita Shares. During the period from incorporation to and including the closing of the Arrangement, the only property of value which Cruz has or will receive from Makenita are the Makenita Spinout Shares to be issued to Cruz in consideration for the transfer to Makenita by Cruz of the Spinco Property, which Makenita Spinout Shares will be distributed to the Cruz Shareholders pursuant to the Arrangement.

Legal Proceedings

To the best of Makenita's knowledge, following due enquiry, Makenita is not a party to any material legal proceedings and Makenita is not aware of any such proceedings known to be contemplated.

To the best of Makenita's knowledge, following due enquiry, there have been no penalties or sanctions imposed against Makenita by a court relating to federal, state, provincial and territorial securities legislation or by a securities regulatory authority since incorporation, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Makenita and it has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

Interest of Management and Others in Material Transactions

No director, executive officer or greater than 10% shareholder of Makenita and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction since incorporation or in any proposed transaction which in either such case has materially affected or will materially affect Makenita save as described herein.

Auditors

The auditor of Makenita is Davidson & Company LLP, Chartered Professional Accountants of 1200 - 609 Granville Avenue, Vancouver, British Columbia V7Y 1H4.

Registrar and Transfer Agent

The registrar and transfer agent for the Makenita Shares is Computershare Investors Services Inc. at its principal offices at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

Material Contracts

The only agreements or contracts that Makenita has entered into since its incorporation or will enter into as part of or in connection with the Arrangement which may be reasonably regarded as being material are as follows:

- the Arrangement Agreement; and
- the Conveyance Agreement.

A copy of any material agreement may be inspected at any time up to the commencement of the Meeting during normal business hours at Makenita's offices located 2905 – 700 West Georgia Street, Vancouver, British Columbia V7Y 1C6 and under Cruz's profile on the SEDAR website at www.sedarplus.ca.

Interest of Experts

Davidson & Company LLP, Chartered Professional Accountants, is the auditor of Makenita and is independent of Makenita within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Kritopher Raffle P.Geo and Eliza Verigeanu, P.Geo. prepared the Technical Report. As of the date of this Information Circular, Mr. Raffle and Ms. Verigeanu do not own any of the issued and outstanding Makenita Shares.

Other Matters

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

Additional Information

Additional information relating to Cruz is on SEDAR+ at www.sedarplus.ca. Cruz Shareholders may contact Cruz at (604) 899-9150 to request copies of Cruz's financial statements and management's discussion and analysis.

DIRECTOR'S APPROVAL

The contents of this Information Circular and the sending thereof to the Cruz Shareholders have been approved by the Cruz Board.

DATED at Vancouver, British Columbia, this 1st day of November, 2024.

BY ORDER OF THE CRUZ BOARD
(signed) "James Nelson"
President, Chief Executive Officer and Director

SCHEDULE "A"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

ARRANGEMENT RESOLUTION

(see attached)

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION AND AN ORDINARY RESOLUTION OF THE CRUZ SHAREHOLDERS THAT:

1. The arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving Cruz Battery Metals Corp., a corporation incorporated pursuant to the laws of the Province of British Columbia ("**Cruz**"), its shareholders and Makenita Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia ("**Makenita**"), all as more particularly described and set forth in the management information circular (the "**Information Circular**") of Cruz dated October 29, 2024 accompanying the notice of meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), implementing the Arrangement, the full text of which is appended to the Information Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

3. The arrangement agreement (the "**Arrangement Agreement**") between Cruz and Makenita dated September 5, 2024 and all the transactions contemplated therein, the actions of the directors of Cruz in approving the Arrangement and the actions of the directors and officers of Cruz in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the shareholders of Cruz or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Cruz are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Cruz:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).

5. Any one director or officer of Cruz is hereby authorized and directed, for and on behalf and in the name of Cruz, to execute and deliver, whether under the corporate seal of Cruz or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

   (a) all actions required to be taken by or on behalf of Cruz, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Cruz;

   such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "B"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

ARRANGEMENT AGREEMENT

(see attached)

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated as of the 5th day of September, 2024.

BETWEEN:

CRUZ BATTERY METALS CORP., a corporation existing under the *Business Corporations Act* (British Columbia)

("**Cruz**")

AND:

MAKENITA RESOURCES INC., a corporation existing under the *Business Corporations Act* (British Columbia)

("**Makenita**")

WHEREAS:

A. Cruz and Makenita wish to implement a corporate restructuring by way of a statutory arrangement;

B. Prior to the Effective Time of the Arrangement, Cruz will have sold and transferred its interest in certain mineral claims comprising the Property to Makenita, and issued the Makenita Spinout Shares to Cruz, all upon and subject to the terms and conditions set forth in a conveyance agreement;

C. Cruz and Makenita wish to proceed with a corporate restructuring by way of a statutory arrangement under Part 9, Division 5 of the BCBCA, pursuant to which Cruz and Makenita will participate in a series of transactions whereby, among other things, Cruz will distribute the Makenita Spinout Shares such that the holders of Cruz Common Shares (other than Dissenting Shareholders) will become the holders of the Makenita Spinout Shares;

D. Cruz proposes to convene a meeting of the Cruz Shareholders to consider the Arrangement pursuant to Part 9, Division 5 of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement; and

E. Each of the parties to this Agreement has agreed to participate in and support the Arrangement.

NOW THEREFORE, in consideration of the premises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto hereby covenant and agree as follows:

ARTICLE 1
DEFINITIONS, INTERPRETATION AND EXHIBIT

1.1 **Definitions**. In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

(a) "**Agreement**" means this arrangement agreement, including the exhibits attached hereto, as the same may be supplemented or amended from time to time;

(b) "**Arrangement Provisions**" means Part 9, Division 5 of the BCBCA;

(c) "**Arrangement Resolution**" means the special resolution of the Cruz Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA in the form attached as Schedule "A" to the Plan of Arrangement;

(d) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of this Agreement and the Plan of Arrangement;

(e) "**Authority**" means any: (i) multinational, federal, provincial, state, municipal, local or foreign governmental or public department, court or commission, domestic or foreign; (ii) subdivision or authority of any of the foregoing; or (iii) quasi-governmental or self-regulatory organization exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above;

(f) "**BCBCA**" means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;

(g) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

(h) "**Constating Documents**" means, in respect of Cruz and Makenita, the Articles and related Notice of Articles under the BCBCA;

(i) "**Court**" means the British Columbia Supreme Court;

(j) "**Cruz**" means Cruz Battery Metals Corp., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(k) "**Cruz Board**" means the board of directors of Cruz;

(l) "**Cruz Class A Shares**" means the renamed and redesignated Cruz Shares as described in §3.1(b)(i) of the Plan of Arrangement;

(m) "**Cruz Meeting**" means the special meeting of the Cruz Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;

(n) "**Cruz Options**" means stock options to acquire Cruz Shares, including stock options under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time;

(o) "**Cruz Replacement Option**" means a stock option to acquire a New Cruz Share to be issued by Cruz to a holder of a Cruz Option pursuant to §3.1(c) of the Plan of Arrangement;

(p) "**Cruz Replacement RSU**" means a restricted share unit to be issued to a holder of a Cruz RSU pursuant to Section 3.1(f) of the Plan of Arrangement;

(q) "**Cruz RSUs**" means the outstanding restricted share units issued pursuant to Cruz's equity incentive plan;

(r) "**Cruz Shareholder**" means a holder of Cruz Shares;

(s) "**Cruz Shares**" means the common shares without par value which Cruz is authorized to issue as the same are constituted on the date hereof;

(t) "**Cruz Warrants**" means the share purchase warrants of Cruz exercisable to acquire Cruz Shares, including warrants under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time;

(u) "**CSE**" means the Canadian Securities Exchange, operated by CNSX Inc.;

(v) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of the Plan of Arrangement;

(w) "**Dissent Rights**" means the right of a registered Cruz Shareholder to dissent from the Arrangement Resolution in accordance with the provisions of the BCBCA, as modified by the Interim Order, and to be paid the fair value of the Cruz Shares in respect of which the holder dissents;

(x) "**Dissenting Shareholder**" means a registered holder of Cruz Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

(y) "**Effective Date**" means the date that the Arrangement is effective under the BCBCA as endorsed by the Certificate of Arrangement;

(z) "**Effective Time**" means 12:01 a.m. (British Columbia time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Makenita and Cruz;

(aa) "**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA, approving the Arrangement, in form and substance acceptable to both Cruz and Makenita, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both Cruz and Makenita, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to Makenita);

(bb) "**In the Money Amount**" at a particular time with respect to a Cruz Option, Cruz Replacement Option or Makenita Option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;

(cc) "**Information Circular**" means the management information circular of Cruz, including all schedules thereto, to be sent to the Cruz Shareholders in connection with the Cruz Meeting, together with any amendments or supplements thereto;

(dd) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Cruz Meeting and the Arrangement;

(ee) "**Laws**" means all laws, by-laws, statutes, rules, regulations, principles of law, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements and the terms and conditions of any grant of approval, permission, authority or license of any Authority, to the extent of the foregoing have the force of law, and the term "applicable" with respect to such laws and in a context that refers to one or more parties, means such laws as are applicable to such party or its business, undertaking, property or securities and emanate from a Person having jurisdiction over the party or parties or its or their business, undertaking, property or securities;

(ff) "**Makenita**" means Makenita Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(gg) "**Makenita Board**" means the board of directors of Makenita;

(hh) "**Makenita Financing**" means a private placement by Makenita of Makenita securities to raise gross proceeds of approximately $500,000, or such other amount as the Makenita Board may determine, on terms acceptable to Makenita, in order to allow Makenita to satisfy the initial listing requirements of the CSE;

(ii) "**Makenita Options**" means share purchase options issued pursuant to the Makenita Equity Incentive Plan, including the Makenita Options pursuant to §3.1(c) of the Plan of Arrangement;

(jj) "**Makenita RSU**" means restricted share units governed pursuant to the Makenita Equity Incentive Plan;

(kk) "**Makenita Shares**" means the common shares without par value which Makenita is authorized to issue as the same are constituted on the date hereof;

(ll) "**Makenita Spinout Shares**" means the 16,787,997 Makenita Shares (or such other amount determined by the Makenita Board) issued or to be issued to Cruz prior to the Effective Time to complete the acquisition of the Property and certain related assets, such shares to be distributed to the Cruz Shareholders pursuant to the Plan of Arrangement;

(mm) "**Makenita Equity Incentive Plan**" means the equity incentive plan to be adopted by Makenita pursuant to Section 4.3 of this Agreement, in substantially similar terms as the equity incentive plan in respect of Cruz and may otherwise be modified, amended or restated as more particularly described in the Information Circular;

(nn) "**New Cruz Shares**" means the new class of voting common shares without par value which Cruz will create and issue as described in §3.1(b)(ii) of the Plan of Arrangement and for which the Cruz Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Cruz Shares;

(oo) "**party**" means either Cruz or Makenita and "**parties**" means, together, Cruz and Makenita;

(pp) "**Person**" means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;

(qq) "**Plan of Arrangement**" means the plan of arrangement attached to this Agreement as Exhibit I, as the same may be amended from time to time;

(rr) "**Registrar**" means the Registrar of Companies under the BCBCA;

(ss) "**Property**" means the Hector Silver-Cobalt property comprising 126 contiguous unpatented mineral claims totaling 2,243 hectares in the Larder Lake Mining Division located near Cobalt, Ontario;

(tt) "**Tax Act**" means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended; and

(uu) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

1.2 **Currency**. All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 **Interpretation Not Affected by Headings**. The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement. The terms "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the exhibits hereto as a whole and not to any particular article, section, subsection, paragraph or subparagraph hereof and include any agreement or instrument supplementary or ancillary hereto.

1.4 **Number and Gender**. In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.5 **Date for any Action**. In the event that any date on which any action is required to be taken hereunder by Cruz or Makenita is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 **Meaning**. Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.7 **Exhibits**. Attached hereto and deemed to be incorporated into and form part of this Agreement as Exhibit I is the Plan of Arrangement.

ARTICLE 2
ARRANGEMENT

2.1 **Arrangement**. The parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 **Effective Date of Arrangement**. The Arrangement shall become effective on the Effective Date as set out in the Plan of Arrangement.

2.3 **Commitment to Effect**. Subject to termination of this Agreement pursuant to Article 6 hereof, the parties shall each use all commercially reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective by no later than December 31, 2024, or by such other date as the parties may determine, and in conjunction therewith to cause the conditions described in Section 5.1 to be complied with prior to the Effective Date. Without limiting the generality of the foregoing, the parties shall proceed forthwith to apply for the Interim Order and Cruz shall call the Cruz Meeting and mail the Information Circular to the Cruz Shareholders.

2.4 **Filing of Final Order**. Subject to the rights of termination contained in Article 6 hereof, upon the Cruz Shareholders approving the Arrangement Resolution in accordance with the provisions of the Interim Order and the BCBCA, Cruz obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Cruz on its behalf and on behalf of Makenita shall file with the Registrar:

(a) the records and information required by the Registrar pursuant to the Arrangement Provisions; and

(b) a copy of the Final Order.

2.5 **U.S. Securities Law Matters**. The parties agree that the Arrangement will be carried out with the intention that the New Cruz Shares and Makenita Shares, the Cruz Replacement Options and Makenita Options, the Cruz Replacement RSUs and the Makenita RSUs, and the modified Cruz Warrants delivered or deemed to be delivered upon completion of the Arrangement to Cruz Shareholders, holders of Cruz Options, Cruz RSUs and Cruz Warrants will be issued by Cruz and Makenita in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act, the parties agree that the Arrangement will be carried out on the following basis:

(a) the Arrangement will be subject to the approval of the Court and the Court will hold a hearing approving the fairness of the terms and conditions of the Arrangement;

(b) prior to the hearing required to approve the Arrangement, the Court will be advised as to the intention of the Parties to rely on the exemption under Section 3(a)(10) of the U.S. Securities Act;

(c) the Court will be required to satisfy itself as to the substantive and procedural fairness of the terms and conditions of the Arrangement to the Cruz Shareholders, holders of Cruz Options, Cruz RSUs and Cruz Warrants subject to the Arrangement;

(d) Cruz will ensure that each Cruz Shareholder, holder of Cruz Options, Cruz RSUs and Cruz Warrants entitled to receive New Cruz Shares and Makenita Shares, Cruz Replacement Options and Makenita Options, Cruz Replacement RSUs and Makenita RSUs or modified Cruz Warrants on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(e) the Cruz Shareholders, holders of Cruz Options, Cruz RSUs and Cruz Warrants entitled to receive such securities on completion of the Arrangement will be advised that such securities issued in the Arrangement have not been registered under the U.S. Securities Act and will be issued in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act;

(f) the Final Order approving the Arrangement that is obtained from the Court will expressly state that the terms and conditions of the Arrangement is approved by the Court as being fair, substantively and procedurally, to the Cruz Shareholders, holders of Cruz Options, Cruz RSUs and Cruz Warrants;

(g) the Interim Order approving the Cruz Meeting will specify that each Cruz Shareholder, holder of Cruz Options, Cruz RSUs and Cruz Warrants will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as the Cruz Shareholder, holder of Cruz Options, Cruz RSUs and Cruz Warrants enters an appearance within a reasonable time and in accordance with the requirements of Section 3(a)(10) under the U.S. Securities Act; and

(h) the Final Order shall include a statement substantially to the following effect:

> "This Order will serve as a basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that Act, regarding the issuance or deemed issuance of New Cruz Shares and Makenita Shares, Cruz Replacement Options and Makenita Options, Cruz Replacement RSUs and Makenita RSUs and modified Cruz Warrants pursuant to the Plan of Arrangement."

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties**. Each of the parties hereby represents and warrants to the other party that:

(a) it is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation, and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;

(b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and to consummate the transactions contemplated herein and this Agreement has been duly executed and delivered by it;

(c) it is not a non-resident of Canada for purposes of the Tax Act;

(d) it is a "taxable Canadian corporation" as defined in the Tax Act;

(e) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of (i) any provision of its Constating Documents or other governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it, or (iii) any agreement or instrument to which it is a party or by which it is bound; and

(f) no dissolution, winding up, bankruptcy, liquidation or similar proceedings has been commenced or are pending or proposed in respect of it.

ARTICLE 4
COVENANTS

4.1 **Covenants**. Each of the parties covenants with the other that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

4.2 **Interim Order and Final Order**. The parties acknowledge that Cruz will apply to and obtain from the Court, pursuant to the Arrangement Provisions, the Interim Order providing for, among other things, the calling and holding of the Cruz Meeting for the purpose of considering and, if deemed advisable, approving and adopting the Arrangement Resolution. The parties each covenant and agree that if the approval of the Arrangement by the Cruz Shareholders as set out in Section 5.1(b) hereof is obtained, Cruz will thereafter (subject to the exercise of any discretionary authority granted to Cruz's directors) take the necessary actions to submit the Arrangement to the Court for approval and apply for the Final Order and, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 6 hereof, file the material described in Section 2.4 with the Registrar.

4.3 **Makenita Equity Incentive Plan**. In connection with, but prior to, the Arrangement, Makenita shall adopt the Makenita Equity Incentive Plan.

4.4 **Cruz Options**. The parties acknowledge that pursuant to the Arrangement, each Cruz Option then outstanding to acquire one Cruz Share shall be transferred and exchanged for:

(a) one Cruz Replacement Option to acquire one New Cruz Share having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of a

New Cruz Share at the Effective Time divided by the total of the fair market value of a New Cruz Share and the fair market value of 0.1 of an Makenita Share at the Effective Time; and

(b) one Makenita Option to acquire 0.1 of an Makenita Share, each whole Makenita Option having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of 0.1 of an Makenita Share at the Effective Time divided by the total of the fair market value of one New Cruz Share and 0.1 of an Makenita Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Cruz Replacement Option and the Makenita Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Cruz Option so exchanged. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Cruz Options, and Makenita agrees to promptly issue Makenita Shares upon the due exercise of Makenita Options.

4.5 **Cruz Warrants**. The parties acknowledge that, from and after the Effective Date, all Cruz Warrants shall entitle the holder to receive, upon due exercise of the Cruz Warrant, for the original exercise price:

(a) one New Cruz Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time; and

(b) 0.1 of an Makenita Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time;

and Makenita hereby covenants that it shall forthwith upon receipt of written notice from Cruz from time to time issue, as directed by Cruz, that number of Makenita Shares as may be required to satisfy the foregoing.

Cruz shall, as agent for Makenita, collect and pay to Makenita an amount for each 0.1 of an Makenita Share so issued that is equal to the exercise price under the Cruz Warrant multiplied by the fair market value of 0.1 of an Makenita Share at the Effective Time divided by the total of the fair market value of one New Cruz Share and 0.1 of an Makenita Share at the Effective Time.

4.6 **Cruz RSUs.** The parties acknowledge that, from and after the Effective Date, each Cruz RSU then outstanding to acquire one Cruz Share shall be transferred and exchanged for:

(a) one Cruz Replacement RSU to acquire one New Cruz Share and having the same vesting conditions and other terms as the Cruz RSU; and

(b) one Makenita RSU to acquire 0.1 of a Makenita Share as governed by the Makenita Equity Incentive Plan.

It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Makenita RSUs. Accordingly, and notwithstanding the foregoing, the number of shares receivable under the Cruz Replacement RSUs and Makenita RSUs will be adjusted such that the aggregate fair market value of such shares receivable immediately after the exchange does not exceed the fair market value of the Cruz Shares receivable immediately before the exchange, and Makenita agrees to promptly issue Makenita Shares upon the due exercise of the Makenita RSUs.

4.7 **Fair Market Value**. For the purposes of Sections 4.4 and 4.5 and Section 3.1 of the Plan of Arrangement, fair market value of the New Cruz Shares and the Makenita Shares shall be determined by the Cruz Board, acting in good faith.

4.8 **Issuance of Makenita Spinout Shares to Cruz**. Prior to the Effective Time, Makenita shall have issued the Makenita Spinout Shares to Cruz to complete the acquisition of the Property and certain related assets.

ARTICLE 5
CONDITIONS

5.1 **Conditions Precedent**. The respective obligations of the parties to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of the following conditions:

(a) the Interim Order shall have been granted in form and substance satisfactory to Cruz;

(b) the Arrangement Resolution, with or without amendment, shall have been approved by the required number of votes cast by Cruz Shareholders at the Cruz Meeting in accordance with the Arrangement Provisions, the Constating Documents of Cruz, the Interim Order and the requirements of any applicable regulatory authorities;

(c) the Arrangement and this Agreement, with or without amendment, shall have been approved by the shareholder of Makenita, to the extent required by, and in accordance with the applicable Laws and the Constating Documents of Makenita;

(d) the Final Order shall have been obtained in form and substance satisfactory to each of Cruz and Makenita;

(e) the CSE shall have conditionally approved the Arrangement to the extent required, including the listing of the New Cruz Shares issuable under the Arrangement in substitution for the Cruz Class A Shares and the delisting of the Cruz Class A Shares, as of the Effective Date, subject to compliance with the requirements of the CSE;

(f) the CSE shall have conditionally approved the listing of the Makenita Shares, subject to compliance with the requirements of the CSE;

(g) prior to the Effective Date, Makenita shall have completed or shall be in a position to complete the Makenita Financing;

(h) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to Cruz and Makenita;

(i) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Plan of Arrangement;

(j) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a material adverse effect on any of Cruz, the Cruz Shareholders or Makenita if the Arrangement is completed;

(k) notices of dissent pursuant to Article 5 of the Plan of Arrangement shall not have been delivered by Cruz Shareholders holding greater than 5% of the outstanding Cruz Shares; and

(l) this Agreement shall not have been terminated under Article 6 hereof.

Except for the conditions set forth in Sections 5.1(a), (b), (d), (e), (h), (i), (j) and (k), which may not be waived, any of the other conditions in this Section 5.1 may be waived by either Cruz or Makenita at its discretion.

5.2 **Pre-Closing**. Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of Cozen O'Connor LLP, Bentall 5, Suite 2501 – 550 Burrard Street, Vancouver, British Columbia V6C 2B5, at 9:00 a.m. on the Business Day immediately preceding the Effective Date, or at such other location or at such other time or on such other date as they may mutually agree, and each of them shall deliver to the other of them:

(a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and

(b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 **Merger of Conditions**. The conditions set out in Section 5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 **Merger of Representations, Warranties and Covenants**. The representations and warranties in Section 3.1 shall be conclusively deemed to be correct as of the Effective Date and the covenants in Section 4.1 hereof shall be conclusively deemed to have been complied with in all respects as of the Effective Date, and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6
AMENDMENT AND TERMINATION

6.1 **Amendment**. Subject to any mandatory applicable restrictions under the Arrangement Provisions or the Final Order, this Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Cruz Meeting, but prior to the Effective Date, be amended by the written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the Cruz Shareholders.

6.2 **Termination**. Subject to Section 6.3, this Agreement may at any time before or after the holding of the Cruz Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the Cruz Board without further action on the part of the Cruz Shareholders and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the Cruz Board to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

6.3 **Cessation of Right**. The right of Cruz or Makenita or any other party to amend or terminate the Plan of Arrangement pursuant to Section 6.1 and Section 6.2 shall be extinguished upon the occurrence of the Effective Date.

ARTICLE 7
GENERAL

7.1 **Notices**. All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or sent by facsimile or email, addressed as follows:

(a) in the case of Cruz or Makenita:

Suite 2905 – 700 West Georgia Street
Vancouver, British Columbia
V7Y 1C6

Attention: James Nelson
Email: info@cruzbatterymetals.com
Facsimile: 604.899.9150

(b) in each case with a copy to:

Cozen O'Connor LLP
Bentall 5, Suite 2501 – 550 Burrard Street,
Vancouver, British Columbia
V6C 2B5

Attention: Cam McTavish
Email: CMctavish@cozen.com
Facsimile: 778-357-3312

7.2 **Assignment**. Neither of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other.

7.3 **Binding Effect**. This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

7.4 **Waiver**. Any waiver or release of the provisions of this Agreement, to be effective, must be in writing and executed by the party granting such waiver or release.

7.5 **Governing Law**. This Agreement shall be governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

7.6 **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

7.7 **Expenses**. All expenses incurred by a party in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by Cruz or as otherwise mutually agreed by the parties.

7.8 **Entire Agreement**. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

7.9 **Time of Essence**. Time is of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

CRUZ BATTERY METALS CORP.

Per: "*James Nelson*"
Authorized Signatory

MAKENITA RESOURCES INC.

Per: *"James Nelson*"
Authorized Signatory

EXHIBIT I

TO THE ARRANGEMENT AGREEMENT
DATED AS OF THE 5th DAY OF SEPTEMBER, 2024 BETWEEN
CRUZ BATTERY METALS CORP. AND
MAKENITA RESOURCES INC.

PLAN OF ARRANGEMENT
UNDER PART 9, DIVISION 5 OF
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 **Definitions**. In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

(a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and this Plan of Arrangement;

(b) "**Arrangement Agreement**" means the arrangement agreement dated as of September 5, 2024 between Cruz and Makenita, as may be supplemented or amended from time to time;

(c) "**Arrangement Provisions**" means Part 9, Division 5 of the BCBCA;

(d) "**Arrangement Resolution**" means the special resolution of the Cruz Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA, in the form attached as Schedule "A" hereto;

(e) "**BCBCA**" means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;

(f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

(g) "**Court**" means the Supreme Court of British Columbia;

(h) "**Cruz**" means Cruz Battery Metals Corp., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(i) "**Cruz Board**" means the board of directors of Cruz;

(j) "**Cruz Class A Shares**" means the renamed and redesignated Cruz Shares as described in §3.1(b)(i) of this Plan of Arrangement;

(k) "**Cruz Meeting**" means the special meeting of the Cruz Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;

(l) "**Cruz Optionholders**" means the holders of Cruz Options on the Effective Date;

(m) "**Cruz Options**" means stock options to acquire Cruz Shares, including stock options under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time;

(n) "**Cruz Replacement Option**" means a stock option to acquire a New Cruz Share to be issued by Cruz to a holder of a Cruz Option pursuant to §3.1(c) of this Plan of Arrangement;

(o) "**Cruz Replacement RSU**" means a restricted share unit to be issued to a holder of a Cruz RSU pursuant to Section 3.1(f) of this Plan of Arrangement;

(p) "**Cruz RSUs**" means restricted share units issued pursuant to Cruz's equity incentive plan that are outstanding immediately prior to the Effective Time;

(q) "**Cruz Shareholder**" means a holder of Cruz Shares;

(r) "**Cruz Shares**" means the common shares without par value which Cruz is authorized to issue as the same are constituted on the date hereof;

(s) "**Cruz Warrantholders**" means the holders of Cruz Warrants on the Effective Date;

(t) "**Cruz Warrants**" means the share purchase warrants of Cruz exercisable to acquire Cruz Shares, including warrants under the terms of which are deemed exercisable for Cruz Shares, that are outstanding immediately prior to the Effective Time;

(u) "**Depositary**" means Computershare Investor Services Inc., or such other depositary as Cruz may determine;

(v) "**Dissent Procedures**" means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of this Plan of Arrangement;

(w) "**Dissent Rights**" means the rights of dissent granted in favour of registered holders of Cruz Shares in accordance with Article 5 of this Plan of Arrangement;

(x) "**Dissenting Share**" has the meaning given in §3.1(a) of this Plan of Arrangement;

(y) "**Dissenting Shareholder**" means a registered holder of Cruz Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

(z) "**Effective Date**" means the date that the Arrangement;

(aa) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by Cruz and Makenita;

(bb) "**Final Order**" means the final order of the Court approving the Arrangement;

(cc) "**In the Money Amount**" at a particular time with respect to a Cruz Option, Cruz Replacement Option or Makenita Option means the amount, if any, by which the fair market value of the underlying security exceeds the exercise price of the relevant option at such time;

(dd) "**Information Circular**" means the management information circular of Cruz, including all schedules thereto, to be sent to the Cruz Shareholders in connection with the Cruz Meeting, together with any amendments or supplements thereto;

(ee) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Cruz Meeting and the Arrangement;

(ff) "**Letter of Transmittal**" means the letter of transmittal in respect of the Arrangement to be sent to Cruz Shareholders together with the Information Circular;

(gg) "**Makenita**" means Makenita Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia;

(hh) "**Makenita Board**" means the board of directors of Makenita;

(ii) "**Makenita Equity Incentive Plan**" means the equity incentive plan to be adopted by Makenita pursuant to the Arrangement Agreement, in substantially similar terms as the equity incentive plan in respect of Cruz and may otherwise be modified, amended or restated as more particularly described in the Information Circular;

(jj) "**Makenita Incorporation Shares**" means the 100 Makenita Shares held by Cruz that were issued to Cruz on the incorporation of Makenita;

(kk) "**Makenita Financing**" means a private placement by Makenita of Makenita securities to raise gross proceeds of approximately $500,000, or such other amount as the Makenita Board may determine, on terms acceptable to Makenita, in order to allow Makenita to satisfy the initial listing requirements of the CSE;

(ll) "**Makenita Options**" means share purchase options issued pursuant to the Makenita Equity Incentive Plan, including the Makenita Options pursuant to §3.1(c) of this Plan of Arrangement;

(mm) "**Makenita RSU**" means restricted share units governed pursuant to the Makenita Equity Incentive Plan;

(nn) "**Makenita Shares**" means the common shares without par value which Makenita is authorized to issue as the same are constituted on the date hereof;

(oo) "**Makenita Shareholder**" means a holder of Makenita Shares;

(pp) "**Makenita Spinout Shares**" means the 16,787,997 Makenita Shares (or such other amount determined by the Makenita Board) issued or to be issued to Cruz prior to the Effective Time to complete the acquisition of the Property and certain related assets, such shares to be distributed to the Cruz Shareholders pursuant to this Plan of Arrangement;

(qq) "**New Cruz Shares**" means a new class of voting common shares without par value which Cruz will create and issue as described in §3.1(b)(ii) of this Plan of Arrangement and for which the Cruz Class A Shares are, in part, to be exchanged under this Plan of Arrangement and which, immediately after completion of the transactions comprising this Plan of Arrangement, will be identical in every relevant respect to the Cruz Shares;

(rr) "**Plan of Arrangement**" means this plan of arrangement, as the same may be amended from time to time;

(ss) "**Property**" means the Hector Silver-Cobalt property comprising 126 contiguous unpatented mineral claims totaling 2,243 hectares in the Larder Lake Mining Division located near Cobalt, Ontario;

(tt) "**Share Distribution Record Date**" means the close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Cruz Shareholders entitled to receive New Cruz Shares and Makenita Shares pursuant to this Plan of Arrangement or such other date as the Cruz Board may select;

(uu) "**Tax Act**" means the Income Tax Act (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended; and

(vv) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

1.2 **Interpretation Not Affected by Headings**. The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "herein", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender**. Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 **Meaning**. Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA, unless the context otherwise requires.

1.5 **Date for any Action**. If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action shall be required to be taken on the next succeeding Business Day.

1.6 **Governing Law**. This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 **Arrangement Agreement**. This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

2.2 **Arrangement Effectiveness**. The Arrangement and this Plan of Arrangement shall become final and conclusively binding on Cruz, Makenita, the Cruz Shareholders (including Dissenting Shareholders), Cruz Optionholders, Cruz Warrantholders and Makenita Shareholders at the Effective Time without any further act or formality as required on the part of any person, except as expressly provided herein.

ARTICLE 3
THE ARRANGEMENT

3.1 **The Arrangement**. Commencing at the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality notwithstanding anything contained in the provisions attaching to any of the securities of Cruz or Makenita, but subject to the provisions of Article 5:

(a) each Cruz Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each, a "**Dissenting Share**") shall be directly transferred and assigned by such Dissenting Shareholder to Cruz, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Cruz Shareholders other than the right to be paid the fair value for their Cruz Shares by Cruz;

(b) the authorized share structure of Cruz shall be altered by:

(i) renaming and redesignating all of the issued and unissued Cruz Shares as "Class A common shares without par value" and amending the special rights and restrictions attached to those shares to provide the holders thereof with two votes in respect of each share held, being the "Cruz Class A Shares", and

(ii) creating a new class consisting of an unlimited number of "common shares without par value" with terms and special rights and restrictions identical to those of the Cruz Shares immediately prior to the Effective Time, being the "New Cruz Shares";

(c) Cruz's Notice of Articles shall be amended to reflect the alterations in §3.1(b);

(d) each Cruz Option then outstanding to acquire one Cruz Share shall be transferred and exchanged for:

(i) one Cruz Replacement Option to acquire one New Cruz Share having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of a New Cruz Share at the Effective Time divided by the total of the fair market value of a New Cruz Share and the fair market value of 0.1 of an Makenita Share at the Effective Time, and

(ii) one Makenita Option to acquire 0.1 of an Makenita Share, each whole Makenita Option having an exercise price equal to the product of the original exercise price of the Cruz Option multiplied by the fair market value of 0.1 of an Makenita Share at the Effective Time divided by the total of the fair market value of one New Cruz Share and 0.1 of an Makenita Share at the Effective Time,

provided that the aforesaid exercise prices shall be adjusted to the extent, if any, required to ensure that the aggregate In the Money Amount of the Cruz Replacement Option and the Makenita Option immediately after the exchange does not exceed the In the Money Amount immediately before the exchange of the Cruz Option so exchanged. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Cruz Options;

(e) each Cruz Warrant then outstanding shall be deemed to be amended to entitle the Cruz Warrantholder to receive, upon due exercise of the Cruz Warrant, for the original exercise price:

(i) one New Cruz Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time, and

(ii) 0.1 of an Makenita Share for each Cruz Share that was issuable upon due exercise of the Cruz Warrant immediately prior to the Effective Time;

(f) each Cruz RSU then outstanding to acquire one Cruz Share shall be transferred and exchanged for:

(i) one Cruz Replacement RSU to acquire one New Cruz Share and having the same vesting conditions and other terms as the Cruz RSU; and

(ii) one Makenita RSU to acquire 0.1 of a Makenita Share as governed by the Makenita Equity Incentive Plan.

It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Makenita RSUs. Accordingly, and notwithstanding the foregoing, the number of shares receivable under the Cruz

Replacement RSUs and Makenita RSUs will be adjusted such that the aggregate fair market value of such shares receivable immediately after the exchange does not exceed the fair market value of the Cruz Shares receivable immediately before the exchange;

(g) each issued and outstanding Cruz Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Cruz Share; and (ii) 0.1 of a Makenita Spinout Share, the holders of the Cruz Class A Shares will be removed from the central securities register of Cruz as the holders of such and will be added to the central securities register of Cruz as the holders of the number of New Cruz Shares that they have received on the exchange set forth in this §3.1(g), and the Makenita Spinout Shares transferred to the then holders of the Cruz Class A Shares will be registered in the name of the former holders of the Cruz Class A Shares and Cruz will provide Makenita and its registrar and transfer agent notice to make the appropriate entries in the central securities register of Makenita;

(h) the Cruz Class A Shares, none of which will be issued or outstanding once the exchange in §3.1(g) is completed, will be cancelled and the appropriate entries made in the central securities register of Cruz and the authorized share structure of Cruz will be amended by eliminating the Cruz Class A Shares, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Cruz Shares will be equal to that of the Cruz Shares immediately prior to the Effective Time less the fair market value of the Makenita Spinout Shares distributed pursuant to §3.1(g);

(i) the Makenita Incorporation Shares issued to Cruz on incorporation shall be cancelled for no consideration and as a result thereof:

(i) Cruz shall cease to be, and shall be deemed to have ceased to be, the holder of the Makenita Incorporation Shares and to have any rights as a holder of the Makenita Incorporation Shares, and

(ii) Cruz shall be removed as the holder of the Makenita Incorporation Shares from the register of Makenita Shares maintained by or on behalf of Makenita; and

(j) In the event that the number of outstanding Cruz Shares changes between the date hereof and the Effective Time, the fraction referred to in this Plan of Arrangement shall be adjusted so that it is the fraction calculated by dividing the number of Makenita Spinout Shares by the number of outstanding Cruz Shares immediately prior to the Effective Time.

3.2 **No Fractional Shares or Options**. Notwithstanding any other provision of this Arrangement, no fractional Makenita Shares shall be distributed to the Cruz Shareholders and no fractional Makenita Options shall be distributed to the holders of Cruz Options, and, as a result, all fractional amounts arising under this Plan of Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Makenita Shares not distributed as a result of so rounding down shall be cancelled by Makenita.

3.3 **Share Distribution Record Date**. In §3.1(g) the reference to a holder of a Cruz Class A Share shall mean a person who is a Cruz Shareholder on the Share Distribution Record Date, subject to the provisions of Article 5.

3.4 **Deemed Time for Redemption**. The exchanges, cancellations and steps provided for in this Plan of Arrangement shall be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Time.

3.5 **Deemed Fully Paid and Non-Assessable Shares**. All New Cruz Shares, Cruz Class A Shares and Makenita Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.6 **Supplementary Actions**. Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Cruz and Makenita shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, any necessary additions to or deletions from share registers, and agreements for stock options.

3.7 **Withholding**. Each of Cruz, Makenita and the Depositary shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Cruz Shares, Makenita Shares, Cruz Replacement Options or Makenita Options made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Cruz Shares or Makenita Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

3.8 **No Liens**. Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

3.9 **U.S. Securities Law Matters**. The Court is advised that the Arrangement will be carried out with the intention that all securities issued on completion of the Arrangement will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act.

ARTICLE 4
CERTIFICATES

4.1 **Cruz Class A Shares**. Recognizing that the Cruz Shares shall be renamed and redesignated as Cruz Class A Shares pursuant to §3.1(b)(i) and that the Cruz Class A Shares shall be exchanged partially for New Cruz Shares pursuant to §3.1(g), Cruz shall not issue replacement share certificates representing the Cruz Class A Shares.

4.2 **Makenita Share Certificates**. As soon as practicable following the Effective Date, Cruz or Makenita shall deliver or cause to be delivered to the Depositary certificates representing the Makenita Shares required to be distributed to registered holders of Cruz Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(g) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.3 **New Cruz Share Certificates**. As soon as practicable following the Effective Date, Cruz shall deliver or cause to be delivered to the Depositary certificates representing the New Cruz Shares required to be issued to registered holders of Cruz Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(g) of this Plan of Arrangement, which certificates shall be held by the Depositary as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.4 **Interim Period**. Any Cruz Shares traded after the Share Distribution Record Date will represent New Cruz Shares as of the Effective Date and shall not carry any rights to receive Makenita Shares.

4.5 **Stock Option Agreements**. The stock option agreements for the Cruz Options shall be deemed to be amended by Cruz to reflect the adjusted exercise price of, and the replacement of the underlying security under, the Cruz Replacement Options, and Makenita shall enter into stock option agreements for the Makenita Options issued pursuant to §3.1(c) of this Plan of Arrangement.

ARTICLE 5
RIGHTS OF DISSENT

5.1 **Dissent Right**. Registered holders of Cruz Shares may exercise Dissent Rights with respect to their Cruz Shares in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in the Dissent Procedures, as they may be amended by the Interim Order, Final Order or any other order of the Court, and provided that such dissenting Shareholder delivers a written notice of dissent to Cruz at least two Business Days before the day of the Cruz Meeting or any adjournment or postponement thereof.

5.2 **Dealing with Dissenting Shares**. Cruz Shareholders who duly exercise Dissent Rights with respect to their Dissenting Shares and who:

(a) are ultimately entitled to be paid fair value for their Dissenting Shares by Cruz shall be deemed to have transferred their Dissenting Shares to Cruz for cancellation as of the Effective Time pursuant to §3.1(a); or

(b) for any reason are ultimately not entitled to be paid for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Cruz Shareholder and shall receive New Cruz Shares and Makenita Shares on the same basis as every other non-dissenting Cruz Shareholder;

but in no case shall Cruz be required to recognize such persons as holding Cruz Shares on or after the Effective Date.

5.3 **Reservation of Makenita Shares**. If a Cruz Shareholder exercises Dissent Rights, Cruz shall, on the Effective Date, set aside and not distribute that portion of the Makenita Shares which is attributable to the Cruz Shares for which Dissent Rights have been exercised. If the dissenting Cruz Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Cruz shall distribute to such Cruz Shareholder his or her pro rata portion of the Makenita Shares. If a Cruz Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Cruz shall retain the portion of the Makenita Shares attributable to such Cruz Shareholder and such shares will be dealt with as determined by the Cruz Board in its discretion.

ARTICLE 6
DELIVERY OF SHARES

6.1 **Delivery of Shares**.

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Cruz Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate representing the New Cruz Shares and a certificate representing the Makenita Shares that such holder is entitled to receive in accordance with §3.1 hereof.

(b) After the Effective Time and until surrendered for cancellation as contemplated by §6.1(a) hereof, each certificate that immediately prior to the Effective time represented one or more Cruz Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Cruz Shares and a certificate representing the Makenita Shares that such holder is entitled to receive in accordance with §3.1 hereof.

6.2 **Lost Certificates**. If any certificate that immediately prior to the Effective Time represented one or more outstanding Cruz Shares that were exchanged for New Cruz Shares and Makenita Shares in accordance with §3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder

claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the New Cruz Shares and Makenita Shares that such holder is entitled to receive in accordance with §3.1 hereof. When authorizing such delivery of New Cruz Shares and Makenita Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a condition precedent to the delivery of such New Cruz Shares and Makenita Shares give a bond satisfactory to Cruz, Makenita and the Depositary in such amount as Cruz, Makenita and the Depositary may direct, or otherwise indemnify Cruz, Makenita and the Depositary in a manner satisfactory to Cruz, Makenita and the Depositary, against any claim that may be made against Cruz, Makenita or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Cruz.

6.3 **Distributions with Respect to Unsurrendered Certificates**. No dividend or other distribution declared or made after the Effective Time with respect to New Cruz Shares or Makenita Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Cruz Shares unless and until the holder of such certificate shall have complied with the provisions of §6.1 or §6.2 hereof. Subject to applicable law and to §3.7 hereof, at the time of such compliance, there shall, in addition to the delivery of the New Cruz Shares and Makenita Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Cruz Shares and/or Makenita Shares, as applicable.

6.4 **Limitation and Proscription**. To the extent that a former Cruz Shareholder shall not have complied with the provisions of §6.1 or §6.2 hereof, as applicable, on or before the date that is six (6) years after the Effective Date (the "**Final Proscription Date**"), then the New Cruz Shares and Makenita Shares that such former Cruz Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the New Cruz Shares and Makenita Shares to which such Cruz Shareholder was entitled, shall be delivered to Makenita (in the case of the Makenita Shares) or Cruz (in the case of the New Cruz Shares) by the Depositary and certificates representing such New Cruz Shares and Makenita Shares shall be cancelled by Cruz and Makenita, as applicable, and the interest of the former Cruz Shareholder in such New Cruz Shares and Makenita Shares or to which it was entitled shall be terminated as of such Final Proscription Date.

6.5 **Paramountcy**. From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Cruz Shares, Cruz Options or Cruz Warrants issued prior to the Effective Time; and (ii) the rights and obligations of the registered holders of Cruz Shares, Cruz Options, Cruz Warrants, Makenita, the Depositary and any transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement.

ARTICLE 7
AMENDMENTS & WITHDRAWAL

7.1 **Amendments**. Cruz, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Cruz Meeting, approved by the Court.

7.2 **Amendments Made Prior to or at the Cruz Meeting**. Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Cruz at any time prior to or at the Cruz Meeting with or without any prior notice or communication, and if so proposed and accepted by the Cruz Shareholders voting at the Cruz Meeting, shall become part of this Plan of Arrangement for all purposes.

7.3 **Amendments Made After the Cruz Meeting**. Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Cruz after the Cruz Meeting but prior to the Effective Time and any such amendment, modification or supplement which is approved by the Court following the Cruz Meeting shall be

effective and shall become part of the Plan of Arrangement for all purposes. Notwithstanding the foregoing, any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by Cruz, provided that it concerns a matter which, in the reasonable opinion of Cruz, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of New Cruz Shares or Makenita Shares.

7.4 **Withdrawal**. Notwithstanding any prior approvals by the Court or by Cruz Shareholders, the Cruz Board may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the Effective Time, without further approval of the Court or the Cruz Shareholders.

SCHEDULE "A"

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE CRUZ SHAREHOLDERS THAT:

1. The arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving Cruz Battery Metals Corp., a corporation incorporated pursuant to the laws of the Province of British Columbia ("**Cruz**"), its shareholders and Makenita Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia ("**Makenita**"), all as more particularly described and set forth in the management information circular (the "**Information Circular**") of Cruz dated November 1, 2024 accompanying the notice of meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), implementing the Arrangement, the full text of which is appended to the Information Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

3. The arrangement agreement (the "**Arrangement Agreement**") between Cruz and Makenita dated September 5, 2024 and all the transactions contemplated therein, the actions of the directors of Cruz in approving the Arrangement and the actions of the directors and officers of Cruz in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the shareholders of Cruz or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Cruz are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Cruz:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).

5. Any one director or officer of Cruz is hereby authorized and directed, for and on behalf and in the name of Cruz, to execute and deliver, whether under the corporate seal of Cruz or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

   (a) all actions required to be taken by or on behalf of Cruz, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Cruz;

   such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "C"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

INTERIM ORDER

(see attached)

Form 35 (Rules 8-4(1), 13-1(3), 17-1(2) and 25-9(2))

No. S247445
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288 TO 299 OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING CRUZ BATTERY METALS CORP. AND MAKENITA RESOURCES INC.

RE: CRUZ BATTERY METALS CORP.

PETITIONER

INTERIM ORDER MADE AFTER APPLICATION

BEFORE	ASSOCIATE JUDGE HARPER	31/OCT/2024

ON THE APPLICATION of the Petitioner, Cruz Battery Metals Corp. (the "**Company**"), without notice, coming on for hearing at The Law Courts at 800 Smithe Street, Vancouver, British Columbia on 31/OCT/2024 and on hearing Oliver C. Hanson, counsel for the Petitioner, for an interim order pursuant to Section 291 of the *Business Corporations Act*, S.B.C. 2002, c.57, as amended ("***BCBCA***"), and upon reading the materials and pleadings filed herein, and upon being advised that it is the intention of the Petitioner to rely on Section 3(a)(10) of the United States Securities Act of 1933, as amended (the "**1933 Act**");

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Interim Order Made After Application (the "**Interim Order**"), unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft Management Information Circular (the "**Information Circular**"), containing the draft Notice of the Meeting (the "**Notice**") to the securityholders (the "**Securityholders**") holding common shares of the Petitioner (the "**Common Shares**") and share purchase warrants exercisable into Common Shares (the "**Warrants**" and together with the Common Shares, the "**Securities**"), relating to the Petitioner's Special Meeting, a copy of which is attached at Exhibit "B", Schedule A to the Affidavit #1 of Negar Adam made on October 29, 2024 (the "**Adam Affidavit**").

MEETING

2. Pursuant to the *BCBCA* and the Petitioner's Articles, the Petitioner is authorized to call, hold and conduct a special meeting (the "**Meeting**") of the holders of Common Shares (the "**Shareholders**"), to be held in-person on December 11, 2024 commencing at 10:00 a.m. (Vancouver time), to:

(a) to consider and, if thought fit, pass, with or without variation, a special resolution, the full text of which is set forth in Schedule A to the Information Circular (the "**Arrangement Resolution**"), to approve a proposed plan of arrangement (the "**Arrangement**") under Division 5 of Part 9 of the *BCBCA* involving the Petitioner and Makenita Resources Inc.; and

(b) to act upon such other matters, including amendments to the foregoing, as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

3. The record date for determining the Securityholders who are entitled to receive notice of, and the Shareholders who are entitled to receive notice of, attend and vote at the Meeting is October 29, 2024 (the "**Record Date**"), as approved by the Petitioner's board of directors (the "**Board**"), and shall not change in respect of any adjournment to the Meeting.

4. The Meeting shall be called, held and conducted in accordance with the *BCBCA*, the Information Circular, and the Petitioner's Articles, subject to the terms of this Interim Order.

5. The Chair of the Meeting shall be a person so authorized in accordance with the Petitioner's Articles. The Chair is at liberty to call on the assistance of the Petitioner's legal counsel at any time and from time to time as the Chair of the Meeting may deem necessary or appropriate.

6. The only persons entitled to attend the Meeting shall be those Shareholders that appear on the Petitioner's central securities register (the "**Registered Shareholders**") as of the close of business (Vancouver time) on the Record Date, the Board, auditors and advisors and any other person admitted on the invitation or consent of the Chair of the Meeting, and the only persons entitled to be represented and to vote at the Meeting shall be the Registered Shareholders as at the close of business (Vancouver time) on the Record Date, or their respective proxy holders.

ADJOURNMENT

7. Notwithstanding the provisions of the *BCBCA*, the Petitioner, if it deems it advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement and without the need for the Court's approval. Notice of any such adjournments or postponements shall

be given by such method as the Petitioner may determine is appropriate in the circumstances, including by news release, newspaper advertisement, or by notice sent to the Securityholders by one of the methods specified in paragraph 10 of this Interim Order, or by posting same to SEDAR+.

8. The Record Date shall not change in respect of adjournments or postponements of the Meeting.

NOTICE OF MEETING AND METHOD OF DISTRIBUTION OF MEETING MATERIALS

9. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 290(1)(a) of the *BCBCA,* and the Petitioner shall not be required to send to the Securityholders, or any other person identified under paragraph 6 of this Interim Order, any other or additional statement pursuant to Section 290(1)(a) of the *BCBCA*.

10. The Information Circular, the Notice, the form of proxy for the Registered Shareholders and the form of voting instruction form for non-registered Shareholders (collectively, referred to as the "**Meeting Materials**"), with such deletions, amendments or additions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, shall be distributed to:

(a) the Registered Shareholders as they appear on the central securities register of the Petitioner as at the Record Date at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:

(i) the Company will utilize the notice-and-access delivery model provided for under National Instrument 54-101 ("**Notice and Access**") for the delivery of the Meeting Materials to Registered Shareholders in respect of the Meeting. Under Notice and Access, instead of receiving paper copies of the Meeting Materials, Registered Shareholders will receive a notice with information on how they may access the Meeting Materials electronically. Registered Shareholders will receive a proxy enabling them to vote at the Meeting. The Meeting Materials will be available on the Company's website at https://www.cruzbatterymetals.com as of November 1, 2024 and will remain on the website for one full year thereafter. The Meeting Materials are also available upon request, without charge, by e-mail at info@cruzbatterymetals.com, or can be accessed online on SEDAR+ at www.sedarplus.ca as of November 1, 2024. All Registered Shareholders not requesting a paper copy will receive a Notice and Access notification, which will contain information on how they may access the Meeting Materials electronically in advance of the Meeting;

(ii) by prepaid ordinary mail addressed to the Registered Shareholders who have elected to receive paper copies of the Meeting Materials at their respective addresses as they appear on the Petitioner's central securities register as at the Record Date;

(iii) by delivery in person or by courier delivery to the address specified on the Petitioner's central securities register; or

(iv) by email or facsimile transmission to any Registered Shareholder who identifies himself, herself or itself to the Petitioner's satisfaction (acting through its representatives), who requests such email or facsimile transmission and, if required by the Petitioner, agrees to pay the charges related to such transmission;

(b) in the case of non-registered Shareholders, by providing relevant portions of the Meeting Materials, including a voting instruction form, to their intermediaries and registered nominees at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, for sending to beneficial owners in accordance with National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer of the Canadian Securities Administrators* ("**NI 54-101**") by one or more of the methods specified in paragraph 10(a)(i)-(iv) of this Interim Order;

(c) the Petitioner's directors and auditors by mailing the Meeting Materials by prepaid ordinary mail, email or facsimile transmission, courier or delivery in person, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal and the date of the Meeting; and

(d) the Securityholders to the address specified on the Petitioner's applicable Securities registry by prepaid ordinary mail, email or facsimile transmission, courier or delivery in person, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal and the date of the Meeting;

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

11. Accidental failure of or omission by the Petitioner to give notice to any one or more of the Securityholders, directors or the auditors of the Petitioner, or the non-receipt of such notice by any of such persons, or any failure or omission to give such notice as a result of events beyond the Petitioner's reasonable control (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order, or a defect in the calling of the Meeting, and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission

is brought to the Petitioner's attention then it shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

12. No other form of service of the Meeting Materials or any portion thereof need be made or notice given or other material served in respect of these proceedings or the Meeting, except as may be directed by a further order of this Court. Provided that notice of the Meeting and the provision of the Meeting Materials to the Securityholders takes place in compliance with this Interim Order, the requirement of Section 290(1)(b) of the *BCBCA* to include certain disclosure in any advertisement of the Meeting is waived.

DEEMED RECEIPT OF NOTICE

13. The Meeting Materials shall be deemed, for the purposes of this Interim Order, to have been received:

(a) in the case of Notice and Access, when Shareholders receive a notice with information on how they may access the Meeting Materials electronically, including receipt of a proxy or voting instruction form, as applicable, enabling them to vote at the Meeting;

(b) in the case of mailing, when deposited in a post office or public letter box;

(c) in the case of delivery in person or by courier, the day of such personal delivery or delivery by courier;

(d) when provided to intermediaries and registered nominees; and

(e) in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch.

14. Receipt of notice under Notice and Access and mailing of the Meeting Materials, as applicable, in accordance with paragraph 10 of this Interim Order shall be good and sufficient service of the Notice of Hearing of Petition, the Petition, the Adam Affidavit and this Interim Order on all persons who are entitled to be served. No other form of service need be made. No other materials need be served on such persons in respect of these proceedings, and service of further affidavits in support is dispensed with.

AMENDMENTS TO MEETING MATERIALS

15. The Petitioners are authorized to make such amendments, revisions, or supplements to the Meeting Materials as they may determine and the Meeting Materials, as so amended, revised, or supplemented, shall be the Meeting Materials to be distributed in accordance with paragraph 10 of this Interim Order.

UPDATING MEETING MATERIALS

16. Notice of any amendments, updates, or supplement to any of the information provided in the Meeting Materials may be communicated to the Securityholders by news release, newspaper advertisement or by notice sent to them by one of the methods specified in paragraph 10 of this Interim Order, or by posting same to SEDAR+, as determined to be the most appropriate method of communication by the Board.

AMENDMENTS TO THE ARRANGEMENT AND PLAN OF ARRANGEMENT

17. The Company is authorized to make, subject to the terms of the Arrangement Agreement, as amended, the Plan of Arrangement, and paragraph 18, below, such amendments, modifications or supplements to the Arrangement pursuant to the Plan of Arrangement and the Plan of Arrangement as it may determine without any additional notice to Securityholders or others entitled to receive notice under paragraph 10 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders, and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

18. If any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 17, above, would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, first class mail, or by the method most reasonably practicable in the circumstances, as the Company may determine.

QUORUM AND VOTING

19. The quorum for the Meeting is one person, present in person, or by proxy, Shareholders who, in the aggregate, hold at least 1% of the issued shares entitled to be voted at the Meeting.

20. In respect of the Arrangement Resolution, the votes taken at the Meeting shall be taken on the basis of one vote per Common Share held, and the vote required to pass the Arrangement Resolution shall be an affirmative vote by at least 66⅔% of the votes cast on the Arrangement Resolution by the Shareholders present in person or by proxy at the Meeting.

21. The vote required to pass the Arrangement Resolution shall be sufficient to authorize and direct the Petitioner to do all such acts and things as may be necessary or desirable to give effect to the Arrangement on a basis consistent with what is provided for in the Information Circular without the necessity of any further approval by the Shareholders, subject only to the final approval of this Honourable Court.

22. For the purposes of counting votes respecting the Arrangement Resolution, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed to be votes not cast and the Common Shares represented by such spoiled votes, illegible votes, defective votes and abstentions shall not be counted in determining the number of Common Shares represented at the Meeting. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

23. In all other respects, the terms, restrictions and conditions of the Petitioner's Articles and the *BCBCA* shall apply in respect of the Meeting.

SCRUTINEER

24. A representative of the Company is authorized to act as scrutineer for the Meeting.

SOLICITATION OF PROXIES

25. The Petitioner is authorized to use proxies at the Meeting in accordance with the Petitioner's Articles of Incorporation. The Petitioner is authorized, at its own expense, to solicit proxies, directly and through its directors, officers and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as it may determine.

26. The procedure for delivery, revocation and use of proxies at the Meeting shall be as set out in the Meeting Materials.

DISSENT RIGHTS

27. Each Registered Shareholder shall have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Division 2 of Part 8 of the *BCBCA*, as modified by the terms of this Interim Order and the Plan of Arrangement.

28. In order for a Registered Shareholder to exercise such right of dissent under Division 2 of Part 8 of the *BCBCA*, a dissenting Registered Shareholder must provide written notice of dissent (a "**Dissent Notice**") contemplated by s. 242 of the *BCBCA* which must be received by the Company, in the manner set out below, not later than 10:00 a.m. (Vancouver time) on the business day that is at least two business days before the date of the Meeting. All notices of dissent to the Arrangement pursuant to s. 242 of the *BCBCA* should be delivered by mail or hand delivery to Cruz Battery Metals Corp., Suite 2905 – 700 West Georgia Street, PO Box 10112 – Pacific Centre, Vancouver, BC V7Y 1C6 (Attention: Chief Executive Officer), and:

(a) a dissenting Registered Shareholder shall not have voted his, her, or its Common Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;

(b) a vote against the Arrangement Resolution or an abstention shall not constitute the Dissent Notice required under paragraph 28;

(c) a dissenting Registered Shareholder may not exercise rights of dissent in respect of only a portion of such dissenting Registered Shareholder's Common Shares but rather shall dissent only with respect to all of the Common Shares held by such person; and

(d) the exercise of such right of dissent must otherwise comply with the requirements of Division 2 of Part 8 of the *BCBCA*, as modified by this Interim Order.

29. Subject to further order of this Court, the rights available to the Registered Shareholders under the *BCBCA*, this Interim Order and the Plan of Arrangement to dissent in respect of the Arrangement Resolution shall constitute full and sufficient rights of dissent for the Shareholders with respect to the Arrangement Resolution.

30. Notice to the Registered Shareholders of their right of dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the *BCBCA* and the Arrangement, the fair value of their Common Shares shall be given by including information with respect to this right in the Information Circular to be sent to the Registered Shareholders in accordance with this Interim Order.

APPLICATION FOR FINAL ORDER

31. Upon approval, with or without variation, by the Shareholders of the Arrangement, in the manner set forth in this Interim Order, the Petitioner may apply to this Court for, *inter alia*, an Order:

(a) pursuant to Section 291 of the *BCBCA* approving the Arrangement and its terms and conditions;

(b) pursuant to Section 291 of the *BCBCA* declaring that the terms and conditions of the Arrangement, and the exchange of securities to be effected by completion of the Arrangement, are substantively and procedurally fair;

(c) pursuant to Section 297 of the *BCBCA* that the Arrangement shall be binding on the Petitioner, the Securityholders and other affected parties upon taking effect; and

(d) pursuant to Sections 291, 292 and 296 of the *BCBCA* that the Arrangement shall take effect as of the Effective Time,

(collectively, the "**Final Order**").

32. The Petitioner is at liberty to proceed with hearing of the Final Order on December 16, 2024 at 9:45 a.m. (Vancouver time) at the Courthouse at 800 Smithe

Street, Vancouver, British Columbia or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as the Petitioner may determine or this Court may direct.

33. Any Securityholder, director, auditor, or other interested party with leave of the Court, desiring to support or oppose the application has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order. Any such person seeking to appear at the hearing of the application for the Final Order shall:

(a) file a Response to Petition, in the form prescribed by the *Supreme Court Civil Rules*, with this Court; and

(b) serve the filed Response to Petition, together with a copy of any additional affidavits and other materials on which the person intends to rely at the hearing for the Final Order on the Petitioner's solicitors at:

Cozen O'Connor LLP
Bentall 5
550 Burrard Street, Suite 2501
Vancouver, B.C. V6C 2B5
Attention: Oliver C. Hanson

by or before 4:00 p.m. (Vancouver time) on the business day immediately preceding the day on which the Final Order is scheduled to be heard.

34. Sending the Meeting Materials and the Interim Order in accordance with paragraph 10 of this Interim Order shall:

(a) constitute good and sufficient service of the within proceedings and no other form of service need be made and no other material need be served on such persons in respect of these proceedings and that service of the affidavits in support is dispensed with; and

(b) to the extent necessary, shorten the time-period provided in the *Supreme Court Civil Rules* for filing a Response to Petition and for delivery of a Notice of Hearing of this Petition for final order.

35. The Petitioner shall be at liberty to give notice of this proceeding to persons outside the jurisdiction of this Court in the manner specified herein.

36. The only persons entitled to receive notice of any further proceedings herein, including any hearing to sanction or approve the Arrangement, and to appear and be heard thereon, shall be the Petitioner's solicitors.

37. In the event that the hearing for the Final Order is adjourned, only those persons who have filed and served a Response to Petition in accordance with this

Interim Order need be provided notice of materials filed in this proceeding and the adjourned hearing date.

38. Accidental failure of or omission by the Petitioner to send the Meeting Materials in accordance with paragraph 10 to any of the Securityholders or any of the directors or auditors of the Petitioner shall not invalidate any order made by this Honourable Court to approve the Arrangement, but if any such failure or omission is brought to the attention of the Petitioner, then the Petitioner shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

VARIANCE

39. The Petitioner shall be entitled, at any time, to apply to vary this Interim Order and apply for such other orders as may be necessary or appropriate.

40. *Supreme Court Civil Rules* 8-1 and 16-1(3), (7) & (8) shall not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for Cruz Battery Metals Corp.
Lawyer: Oliver C. Hanson, Cozen O'Connor LLP

BY THE COURT

Registrar

No. S247445
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288 TO 299 OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING CRUZ BATTERY METALS CORP. AND MAKENITA RESOURCES INC.

CRUZ BATTERY METALS CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

File No.: 3701583.00619605

COZEN O'CONNOR LLP
Bentall 5

550 Burrard Street, Suite 2501
Vancouver, BC V6C 2B5
604.674.9170

LAWYER: Oliver C. Hanson
(Direct #: 604.674.9170)

SCHEDULE "D"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

DISSENT PROVISIONS

(see attached)

DISSENT PROVISIONS OF THE BCBCA

Division 2 — Dissent Proceedings

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291(2)(c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238(1)(g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on,

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91; or

(iii) without limiting subparagraph (i), in the case of a benefit company, to alter the company's benefit provision;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301(5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995(5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), (e) or (f) or (1.1) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2)(b)or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242(4)(c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244(1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244(1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244(1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244(4) or (5), 245(4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244(1)(b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244(6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "E"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

MAKENITA RESOURCES INC. – AUDITED FINANCIAL STATEMENTS

(see attached)

MAKENITA RESOURCES INC.

FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the period from incorporation on July 12, 2024 to July 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Makenita Resources Inc.

Opinion

We have audited the accompanying financial statements of Makenita Resources Inc. (the "Company"), which comprise the statement of financial position as at July 31, 2024, and the statement of changes in equity for the period from incorporation on July 12, 2024 to July 31, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2024, and its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has limited capital and will require closing of the Arrangement Agreement to continue operations for the upcoming year. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada

Chartered Professional Accountants

October 29, 2024

MAKENITA RESOURCES INC.
STATEMENT OF FINANCIAL POSITION
As at July 31, 2024
(Expressed in Canadian Dollars)

ASSETS	2024 $
Current assets	
Cash	1
Total assets	1
EQUITY	
Share capital – Note 4	1
Deficit	-
Total equity	1

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 7)

Approved and authorized for issue on behalf of the Board on October 29, 2024:

"Jason Gigliotti"	Director	*"Negar Adam"*	Director
Jason Gigliotti		Negar Adam	

MAKENITA RESOURCES INC.
STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share Capital			
	Number of shares	**Amount**	**Deficit**	**Total**
		$	$	$
Balance upon incorporation, July 12, 2024	-	-	-	-
Issuance of common shares for cash	100	1	-	1
Balance, July 31, 2024	100	1	-	1

The accompanying notes form an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Makenita Resources Inc. ("Makenita") was incorporated under the Business Corporations Act of British Columbia on July 12, 2024. Makenita's head office and principal business address is Suite 2905, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. Makenita's registered and records office is located at 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

Makenita is a wholly owned subsidiary of Cruz Battery Metals Inc. ("Cruz") a publicly listed company on the Canadian Securities Exchange (the "CSE") under the symbol "CRUZ". Subsequent to July 31, 2024, Makenita entered into an arrangement agreement (Note 7) with Cruz.

These financial statements have been prepared on a going concern basis which assumes that Makenita will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Makenita has limited capital and will require closing of the Arrangement Agreement to continue operations for the upcoming year. These material uncertainties may cast significant doubt on Makenita's ability to continue as a going concern.

2. BASIS OF PREPARATION

a) Statement of Compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements of Makenita for the period from incorporation on July 12, 2024 to July 31, 2024 were approved and authorized for issuance by the board of directors (the "Board") on October 29, 2024.

b) Basis of Measurement

These financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments measured at fair value.

These financial statements are presented in Canadian dollars, which is Makenita's functional currency.

The preparation of these financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

There were no significant judgements or critical accounting estimates.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy information set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

a) Financial instruments

Classification

Makenita determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity instruments that are held for trading, Makenita may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, Makenita may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or Makenita has elected to measure them at FVTPL.

Under IFRS 9, Makenita classifies its financial instruments as follows:

Cash	Amortized cost

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

a) Financial instruments (continued)

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost
These assets are subsequently measured at amortized costs using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income ("OCI") and are never reclassified to profit or loss.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

Makenita assesses at each reporting date whether there is an objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, Makenita applies the expected credit loss impairment model.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

a) Financial instruments (continued)

An expected credit loss impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

b) Share capital

Makenita's common shares are classified as equity instruments. Incremental costs directly attributable to issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

c) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Income taxes (continued)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4. SHARE CAPITAL

Authorized: An unlimited number of common shares, without par value

As at July 31, 2024, there was 100 issued and outstanding common shares.

During the period from incorporation on July 12, 2024 to July 31, 2024:

a) Makenita issued 100 common shares upon incorporation to Cruz.

5. CAPITAL DISCLOSURE

Makenita's objectives when managing capital are to safeguard its ability to continue as a going concern. In the management of capital, Makenita includes the components of equity.

Makenita manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, Makenita may issue new shares, issue new debt and acquire or dispose of assets. Makenita is not subject to any externally imposed capital requirements.

6. FINANCIAL INSTRUMENTS AND RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of Makenita's cash approximates its carrying values due to the short-term nature of the financial instrument.

Makenita can be exposed to varying degrees to a variety of financial instrument related risks.

Based on management's knowledge and experience of the financial markets, management does not believe that Makenita's current financial instrument will be affected by foreign exchange risk, credit risk, interest rate risk, liquidity risk and price risk.

7. SUBSEQUENT EVENT

Subsequent to July 31, 2024, the following occurred:

a) Arrangement Agreement

On September 5, 2024, Cruz entered into an arrangement agreement with its wholly-owned subsidiary, Makenita, pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Silver-Cobalt Project (the "Hector Property"), and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "Cruz Class A Share") and Cruz will create a new class of voting common shares (each, a "New Cruz Share"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "Makenita Share") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and restricted share units will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

In connection with the Arrangement, Makenita intends to seek a listing of the Makenita Shares on the CSE. Additionally, Makenita will undertake one or more offerings of securities to raise gross proceeds of approximately $500,000 (the "Makenita Financing"), or such other amount as the board of directors of Makenita may determine, to, among other things, finance its exploration activities on the Hector Property and to fund its working capital requirements.

Cruz intends to obtain an interim order (the "Interim Order") from the Supreme Court of British Columbia (the "Court") to authorize Cruz to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "Meeting"), and approval of the CSE.

b) Omnibus Equity Incentive Plan

On October 1, 2024, Makenita's Board adopted an omnibus equity incentive plan (the "2024 Equity Incentive Plan"). The 2024 Equity Incentive Plan provides flexibility to Makenita to grant equity-based incentive awards to its directors, officers and consultants in the form of stock options, restricted share units, deferred share units and performance share units. The 2024 Equity Incentive Plan is subject to shareholder approval and CSE approval.

SCHEDULE "F"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

MAKENITA RESOURCES INC. MANAGEMENT DISCUSSION AND ANALYSIS
AS AT THE DATE OF INCORPORATION (JULY 12, 2024)

(see attached)

MAKENITA RESOURCES INC.

From incorporation on July 12, 2024 to July 31, 2024

Management's Discussion and Analysis ("MD&A")

Date of Report: October 29, 2024

The following discussion and analysis of Makenita's financial condition and results of operations for the period from incorporation on July 12, 2024 to July 31, 2024 should be read in conjunction with its audited financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

Description of Business and Overview

Makenita Resources Inc. ("Makenita") was incorporated under the Business Corporations Act of British Columbia on July 12, 2024. Makenita's head office and principal business address is Suite 2905, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. Makenita's registered and records office is located at 2501 – 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

Makenita is a wholly owned subsidiary of Cruz Battery Metals Inc. ("Cruz") a publicly listed company on the Canadian Securities Exchange (the "CSE") under the symbol "CRUZ".

On September 5, 2024, Cruz entered into an arrangement agreement Makenita, pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Silver-Cobalt Project (the "Hector Property"), and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "Cruz Class A Share") and Cruz will create a new class of voting common shares (each, a "New Cruz Share"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "Makenita Share") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and restricted share units will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

In connection with the Arrangement, Makenita intends to seek a listing of the Makenita Shares on the CSE. Additionally, Makenita will undertake one or more offerings of securities to raise gross proceeds of approximately $500,000 (the "Makenita Financing"), or such other amount as the board of directors of Makenita may determine, to, among other things, finance its exploration activities on the Hector Property and to fund its working capital requirements.

Cruz intends to obtain an interim order (the "Interim Order") from the Supreme Court of British Columbia (the "Court") to authorize Cruz to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval

by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "Meeting"), and approval of the CSE.

As of the date of this MD&A, Makenita does not have any assets or liabilities aside from the $1 in cash and has incurred no operations.

Off-Balance Sheet Arrangements

Makenita does not utilize off-balance sheet arrangements.

Approval

The Board of Directors of Makenita has approved the disclosure contained in the MD&A.

SCHEDULE "G"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

HECTOR PROPERTY CARVE-OUT FINANCIAL STATEMENTS

(see attached)

HECTOR SILVER-COBALT PROJECT

CARVE-OUT FINANCIAL STATEMENTS

July 31, 2024 and 2023

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Cruz Battery Metals Corp.

Opinion

We have audited the accompanying carve-out financial statements of the Hector Silver-Cobalt Project (the "Hector Property") from Cruz Battery Metals Corp., which comprise the carve-out statements of financial position as at July 31, 2024 and 2023, and the carve-out statements of loss and comprehensive loss, changes in equity, and cash flows for the years then ended, and notes to the carve-out financial statements, including material accounting policy information.

In our opinion, these carve-out financial statements present fairly, in all material respects, the financial position of the Hector Property as at July 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Carve-out Financial Statements section of our report. We are independent of the Property in accordance with the ethical requirements that are relevant to our audit of the carve-out financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the carve-out financial statements, which indicates that these carve-out financial statements have been prepared on a going concern basis which assumes that the Hector Property will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Hector Property are dependent upon its ability to raise adequate financing and to commence profitable operations in the future. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Hector Property's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Preparation

We draw attention to the fact that as described in Note 2 in the carve-out financial statements, the Hector Property did not operate as a separate legal entity during the years ended July 31, 2024 and 2023. The carve-out financial statements for the above years are, therefore, not necessarily indicative of the results that would have occurred if the Hector Property had been a separate stand-alone entity during the periods presented or of future results of the Hector Property. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the carve-out financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the carve-out financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the carve-out financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Carve-out Financial Statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Property's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Property or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Property's financial reporting process.

Auditor's Responsibilities for the Audit of the Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Property's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Property to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada

Chartered Professional Accountants

October 29, 2024

HECTOR SILVER-COBALT PROJECT
Carve-Out Statements of Financial Position
(Expressed in Canadian Dollars)

	July 31, 2024	July 31, 2023
ASSETS	$	$
Non-current assets		
Exploration and evaluation asset (Note 4)	921,344	912,356
TOTAL ASSETS	921,344	912,356
EQUITY		
Contributions from Cruz Battery Metals Corp. (Note 5)	2,912,704	2,735,336
Reserves	1,065,161	961,670
Deficit	(3,056,521)	(2,784,650)
TOTAL EQUITY	921,344	912,356

Nature and Continuance of Operations (Note 1)
Subsequent Event (Note 10)

APPROVED BY THE DIRECTORS:

"Seth Kay"	Director	*"James Nelson"*	Director
Seth Kay		James Nelson	

The accompanying notes form an integral part of these carve-out financial statements.

HECTOR SILVER-COBALT PROJECT
Carve-Out Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended July 31, 2024	Year Ended July 31, 2023
	$	$
Operating expenses		
Consulting	26,878	24,331
Corporate branding	11,787	42,217
Management fees (Note 8)	46,224	41,772
Office and miscellaneous	18,318	25,187
Professional fees (Note 8)	44,242	35,260
Shareholder information	2,616	4,186
Share-based payments (Note 8)	103,491	306,931
Transfer agent and filing fees	7,604	6,879
Travel	10,711	9,381
NET LOSS AND COMPREHENSIVE LOSS	(271,871)	(496,144)

The accompanying notes form an integral part of these carve-out financial statements.

HECTOR SILVER-COBALT PROJECT
Carve-Out Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Contributions from Cruz Battery Metals Corp.	Reserves	Deficit	Total Equity
	$	$	$	$
Balance as at July 31, 2022	2,546,123	654,739	(2,288,506)	912,356
Contributions from Cruz Battery Metals Corp.	189,213	-	-	189,213
Share-based payments	-	306,931		306,931
Net loss and comprehensive loss	-	-	(496,144)	(496,144)
Balance as at July 31, 2023	2,735,336	961,670	(2,784,650)	912,356
Contributions from Cruz Battery Metals Corp.	177,368	-	-	177,368
Share-based payments	-	103,491		103,491
Net loss and comprehensive loss	-	-	(271.871)	(271.871)
Balance as at July 31, 2024	2,912,704	1,065,161	(3,056,521)	921,344

The accompanying notes form an integral part of these carve-out financial statements.

HECTOR SILVER-COBALT PROJECT
Carve-Out Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended July 31, 2024	Year Ended July 31, 2023
	$	$
OPERATING ACTIVITIES		
Net loss for the year	(271.871)	(496,144)
Non-cash items		
Share-based payments	103,491	306,931
Cash flow used in operating activities	(168,380)	(189,213)
INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(8,988)	-
Cash flow used in investing activities	(8,988)	-
FINANCING ACTIVITIES		
Contributions from Cruz Battery Metals Corp.	177,368	189,213
Cash flow provided by financing activities	177,368	189,213
CHANGE IN CASH FOR THE YEAR	-	-
CASH – BEGINNING OF THE YEAR	-	-
CASH – END OF THE YEAR	-	-

There were no non-cash investing or financing activities for the years ended July 31, 2024 and 2023.

1. NATURE AND CONTINUANCE OF OPERATIONS

The Hector Silver-Cobalt Project (the "Hector Property") is an early stage Silver-Cobalt exploration project located within the Coleman and Gillies Limit Townships, Larder Lake Mining Division, Timiskaming District, Ontario.

These carve-out financial statements have been prepared on a going concern basis which assumes that the Hector Property will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Hector Property are dependent upon its ability to raise adequate financing and to commence profitable operations in the future. These material uncertainties may cast significant doubt upon the Hector Property's ability to continue as a going concern. If the Hector Property is unable to secure additional financing, repay liabilities as they come due, and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the carve-out statement of financial position classifications used. These carve-out financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Hector Property be unable to continue as a going concern.

2. BASIS OF PRESENTATION

Statement of compliance

The carve-out financial statements of the Hector Property have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The policies set out were consistently applied to all the periods presented unless otherwise noted below.

Basis of presentation

These carve-out financial statements reflect the assets, liabilities, comprehensive loss, and cash flows of the Hector Property undertaken by Cruz Battery Metals Corp. ("Cruz") for the years ended July 31, 2024, and 2023.

The purpose of these carve-out financial statements is to provide general purpose historical financial information of the Hector Property in connection with an arrangement agreement (Note 10) between Cruz and Makenita Resources Inc. ("Makenita") to reflect the Hector Property expenditures as if the Hector Property had been operating separately. Therefore, these carve-out financial statements present the historical financial information of that make up the Hector Property, now owned by Cruz with a 100% interest spinning out to Makenita.

On July 22, 2016, Cruz entered into a share purchase agreement to purchase 100% of the issued and outstanding shares of Cobalt Locaters Inc., which held a 100% interest in two cobalt prospects in B.C. (the "Purcell Cobalt Prospect") and a 50% interest in four cobalt prospects in Ontario (the "Coleman Cobalt Prospect", the "Bucke Cobalt Prospect", the "Hector Property", and the "Johnson Cobalt Prospect"). Cruz paid $20,000 cash and issued 4,800,000 shares (valued at $816,000) to acquire Cobalt Locaters Inc. The acquisition costs had been split evenly between these six cobalt properties.

In September 2016, Cruz acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in the Hector Property for staking costs of $13,700.

During the year ended July 31, 2019, Cruz acquired the remaining 50% interest in the above four Ontario cobalt prospects from an arm's length vendor at no cost. As of today, Cruz holds a 100% interest in the Hector Property.

2. BASIS OF PRESENTATION (continued)

Basis of presentation (continued)

The carve-out financial statements have been prepared on an accrual basis and are based on historical costs modified where applicable. The carve-out financial statements are presented in Canadian dollars unless otherwise noted. The policies set out below were consistently applied to all periods presented unless otherwise noted. The carve-out financial statements have been extracted and carved out from the historical accounting records of Cruz. The basis of preparation for the carve-out statements of financial position, loss and comprehensive loss, cash flows and changes in equity of the Hector Property is described below.

- The carve-out statements of financial position reflect the assets and liabilities recorded by Cruz on the basis that they are specifically identifiable and attributable to the Hector Property which have been spinned out to Makenita; and
- The historical costs and expenses reflected in these financial statements include an allocation for certain corporate and shared service functions historically provided by Cruz, including, but not limited to, consulting fees, management fees, professional fees, share-based payments and other shared services. The carve-out statements of loss and comprehensive loss included a pro-rata allocation of Cruz's income and expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of Cruz's exploration and evaluation assets, and based on specifically identifiable activities attributable to the Hector Property. The allocation of income and expense for each period presented is as follows: 2024 – 28.00% and 2023 – 25.61%;
- Although the Hector Property has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Hector Property's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Hector Property's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty; and

Nevertheless, these carve-out financial statements may not include all the actual expenses that would have been incurred had we operated as a standalone company during the periods presented and may not reflect our consolidated results of operations, financial position and cash flows had we operated as a standalone company during the periods presented.

Management believes the assumptions underlying these carve-out financial statements, including the assumptions regarding the allocation of general corporate expenses from Cruz, are reasonable. Nevertheless, management cautions readers of these carve-out financial statements, that the Hector Property's results do not necessarily reflect what the financial position, loss and comprehensive loss or cash flows would have been had the Hector Property been a separate entity. Further, the allocation of income and expenses in these carve-out statements of loss and comprehensive loss do not necessarily reflect the nature and level of the Hector Property's future income and operating expenses.

Foreign currency translation

The presentation and functional currency of the Hector Property is the Canadian Dollar.

Approval of the financial statements

These carve-out financial statements of the Hector Property for the years ended July 31, 2024 and 2023 were reviewed, approved and authorized for issue by the Board of Directors of Cruz on October 29, 2024.

3. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires the Hector Property's management to make estimates and assumptions concerning the future. The Hector Property's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the carrying value of the exploration and evaluation asset, valuation of share-based payments and pro-rata allocation of Cruz's income and expenses.

Significant judgements

The preparation of financial statements in accordance with IFRS requires the Hector Property's management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments related to the Hector Property's financial statements include the assessment of the Hector Property's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Exploration and evaluation assets

Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures are capitalized except for those expenditures incurred on properties prior to obtaining legal rights to explore the specific area which are recognized in profit or loss as incurred. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to development assets within property, plant and equipment. The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is recognized in profit or loss. An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Restoration and environmental obligations

Liabilities for statutory, contractual, constructive, or legal obligations associated with the retirement of long-term assets are recognized when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. The Hector Property currently has no measurable obligations for restoration and environmental costs.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The entity benefits from Cruz's Omnibus Equity Incentive Plan (the "Equity Plan"). The Equity Plan provides the grant of stock options, restricted share units ("RSUs"), deferred share units ("DSUs"), and performance share units ("PSUs") to directors, officers, employees and consultants of Cruz.

An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where stock options are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment, using the Black-Scholes option pricing model.

The RSUs are valued at the fair market value of the Cruz's stocks on the date of grant and recognized as share-based payments over the vesting periods, with a corresponding amount recognized as equity.

Contributions

Contributions from Cruz to the Hector Property are presented as part of equity.

Change in accounting policies

There are no IFRS Accounting Standards or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Hector Property's carve-out financial statements.

4. EXPLORATION AND EVALUATION ASSET

Exploration and evaluation asset consists of the following expenditures on the Hector Property:

	Hector Silver-Cobalt Project $
	$
Balance, July 31, 2022 and July 31, 2023	912,356
Exploration expenditures:	
Geological report	8,069
Travel and misc	919
Balance, July 31, 2024	921,344

5. CONTRIBUTIONS FROM CRUZ BATTERY METALS CORP.

Cruz's investment in the Hector Property is presented as contributions from Cruz in the carve-out financial statements. Equity represents the accumulated net contributions from Cruz.

Net financing transactions with Cruz as presented in the carve-out statements of cash flows represents the net contributions related to the funding of the Hector Property.

6. CAPITAL MANAGEMENT

The Hector Property defines its capital as working capital and equity. The Hector Property manages its capital structure and makes adjustments to it based on the funds available to the Hector Property in order to support future business opportunities. The Directors of Cruz do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Cruz's management to sustain future development of the business.

The Hector Property is dependent upon external financing completed by Cruz. In order to carry future activities and pay for administrative costs, the Hector Property will spend its existing working capital and rely on Cruz to raise additional funds as needed. Management of Cruz reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Hector Property, is reasonable. The Hector Property is not subject to externally imposed capital requirements.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instrument classification

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. directly from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Credit risk

Credit risk is the risk of financial loss to a corporation if a counter party to a financial instrument fails to meet its contractual obligations. The Hector Property is currently not exposed to credit risk. The Hector Property assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Hector Property will not be able to meet its financial obligations as they fall due. The Hector Property's liquidity and operating results may be adversely affected if Cruz's access to the capital markets are hindered. Cruz has no source of revenue and has obligations to meets its administrative overheads and to settle amounts payable to its creditors. There is no assurance that Cruz will be able to raise equity financing. The Hector Property assesses liquidity risk as high.

Market risk

Market risk is the risk that changes in market prices, such as currency risk, commodity risk and interest risk will affect the Hector Property's net earnings, future cash flows, the value of financial instruments, or the fair value of its assets and liabilities.

The Hector Property is not exposed to foreign exchange risk, commodity risk or interest risk.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Hector Property as a whole. Key management personnel consists of members of Cruz's Board of Directors and corporate officers and related companies. To determine related party transactions for the Hector Property, the allocation methodology outlines in Note 2 has been consistently applied.

	Year Ended July 31, 2024	Year Ended July 31, 2023
	$	$
Management fees	46,224	41,772
Professional fees	24,722	22,999
Share-based payments	70,727	214,943
	141,673	279,714

9. INCOMES TAXES

Deferred income tax assets and liabilities are calculated using the difference between the carrying amount of the mineral property and its corresponding tax value. As these financial statements represent carve-out statements of the Hector Property there is no entity that has a legal form and therefore the criteria to recognize any deferred tax assets have not been met. Therefore, no deferred tax assets have been recorded. Expenses presented on the carve-out statements of loss and comprehensive loss represent an allocation of Cruz's expenses and do not represent tax deductible expenses to a separate legal entity of these statements.

10. SUBSEQUENT EVENT

On September 5, 2024, Cruz entered into an arrangement agreement with its wholly-owned subsidiary, Makenita, pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Property, and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "Cruz Class A Share") and Cruz will create a new class of voting common shares (each, a "New Cruz Share"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "Makenita Share") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and restricted share units will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

10. SUBSEQUENT EVENT (continued)

In connection with the Arrangement, Makenita intends to seek a listing of the Makenita Shares on the Canadian Securities Exchange ("the CSE"). Additionally, Makenita will undertake one or more offerings of securities to raise gross proceeds of approximately $500,000 (the "Makenita Financing"), or such other amount as the board of directors of Makenita may determine, to, among other things, finance its exploration activities on the Hector Property and to fund its working capital requirements.

Cruz intends to obtain an interim order (the "Interim Order") from the Supreme Court of British Columbia (the "Court") to authorize Cruz to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "Meeting"), and approval of the CSE.

SCHEDULE "H"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

HECTOR PROPERTY CARVE-OUT MD&A

(see attached)

HECTOR SILVER-COBALT PROJECT

MANAGEMENT DISCUSSION AND ANALYSIS

For the years ended July 31, 2024 and 2023

This Management's Discussion and Analysis ("MD&A") of the exploration activities conducted by Cruz Battery Metals Corp. ("Cruz") on the Hector Silver-Cobalt Project as a single exploration project (the "Hector Property") and carved out from the financial records of Cruz ("Carve-Out MD&A") has been prepared to enable a reader to assess material changes in financial condition and results of operations as at and for the years ended July 31, 2024 and 2023 (the "Periods"). This MD&A should be read in conjunction with the Carve-Out Financial Statements – Hector Silver-Cobalt Project (the "Statements") and accompanying notes. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Hector Property.

All financial information in this MD&A has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of Cruz, unless otherwise indicated. This MD&A has taken into account information available up to and including October 29, 2024.

Overview

The Hector Silver-Cobalt Project (the "Hector Property") is an early stage Silver-Cobalt exploration project located within the Coleman and Gillies Limit Townships, Larder Lake Mining Division, Timiskaming District, Ontario.

On July 22, 2016, Cruz entered into a share purchase agreement to purchase 100% of the issued and outstanding shares of Cobalt Locaters Inc., which held a 100% interest in two cobalt prospects in B.C. (the "Purcell Cobalt Prospect") and a 50% interest in four cobalt prospects in Ontario (the "Coleman Cobalt Prospect", the "Bucke Cobalt Prospect", the "Hector Property", and the "Johnson Cobalt Prospect"). Cruz paid $20,000 cash and issued 4,800,000 shares (valued at $816,000) to acquire Cobalt Locaters Inc. The acquisition costs had been split evenly between these six cobalt properties.

In September 2016, Cruz acquired a 100% interest in certain mineral claims in Ontario to increase the holdings in the Hector Property for staking costs of $13,700.

During the year ended July 31, 2019, Cruz acquired the remaining 50% interest in the above four Ontario cobalt prospects from an arm's length vendor at no cost. As of today, Cruz holds a 100% interest in the Hector Property.

Significant Events

On September 5, 2024, Cruz entered into an arrangement agreement with its wholly-owned subsidiary, Makenita Resources Inc. ("Makenita"), pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Property, and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "Cruz Class A Share") and Cruz will create a new class of voting common shares (each, a "New Cruz Share"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "Makenita Share") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and restricted share units will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

In connection with the Arrangement, Makenita intends to seek a listing of the Makenita Shares on the CSE. Additionally, Makenita will undertake one or more offerings of securities to raise gross proceeds of approximately $500,000 (the "Makenita Financing"), or such other amount as the board of directors of Makenita may determine, to, among other things, finance its exploration activities on the Hector Property and to fund its working capital requirements.

Cruz intends to obtain an interim order (the "Interim Order") from the Supreme Court of British Columbia (the "Court") to authorize Cruz to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "Meeting"), and approval of the CSE.

Exploration Activities

Area and Location

The Hector Property is comprised of one hundred and twenty six (126) contiguous mining claims that are the subject of the Arrangement. The claims that comprise the Hector Property cover an area of 2,243 hectares and are located in the Larder Lake Mining Division, Timiskaming District, Ontario.

Exploration Expenditures

Exploration and evaluation asset consists of expenditures on the Hector Property in the Periods totaling $921,344 as set out in the table below:

	$
Balance, July 31, 2022 and July 31, 2023	912,356
Exploration expenditures:	
Geological report	8,069
Travel and misc	919
Balance, July 31, 2024	921,344

Selected Financial Information

The following table sets out the net loss and comprehensive loss attributed to the Hector Property for the years ended July 31, 2024 and 2023. Total operating and comprehensive loss for the Hector Property was $271,871 in the year ended July 31, 2024 and $496,144 for the year ended July 31, 2023. Details regarding the exploration expenditures are set out in the table above.

	Year Ended July 31, 2024	Year Ended July 31, 2023
	$	$
Operating expenses		
Consulting	26,878	24,331
Corporate branding	11,787	42,217
Management fees (Note 8)	46,224	41,772
Office and miscellaneous	18,318	25,187
Professional fees (Note 8)	44,242	35,260
Shareholder information	2,616	4,186
Share-based payments (Note 8)	103,491	306,931
Transfer agent and filing fees	7,604	6,879
Travel	10,711	9,381
Net loss and comprehensive loss	(271,871)	(496,144)

The following is a summary of certain financial information of the Hector Property for the eight quarters in the years ended July 31, 2024 and 2023:

	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023
Financial Results:				
Net loss for the period	$(53,932)	$(50,928)	$(74,820)	$(92,191)

	July 31, 2023	April 30, 2023	January 31, 2023	October 31, 2022
Financial Results:				
Net loss for the period	$(67,762)	$(90,513)	$(212,308)	$(125,561)

Contributions from Cruz Battery Metals Corp.

Cruz's investment in the Hector Property is presented as contributions from Cruz in the Statements. Equity represents the accumulated net contributions from Cruz.

Net financing transactions with Cruz as presented in the carve-out statements of cash flows represents the net contributions related to the funding of the Hector Property.

Capital Management

The Hector Property defines its capital as working capital and equity. The Hector Property manages its capital structure and makes adjustments to it based on the funds available to the Hector Property in order to support future business opportunities. The Directors of Cruz do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Cruz's management to sustain future development of the business.

The Hector Property is dependent upon external financing completed by Cruz. In order to carry future activities and pay for administrative costs, the Hector Property will spend its existing working capital and rely on Cruz to raise additional funds as needed. Management of Cruz reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Hector Property, is reasonable. The Hector Property is not subject to externally imposed capital requirements.

Financial instrument classification

IFRS 13 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. directly from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Credit risk

Credit risk is the risk of financial loss to a corporation if a counter party to a financial instrument fails to meet its contractual obligations. The Hector Property is currently not exposed to credit risk. The Hector Property assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Hector Property will not be able to meet its financial obligations as they fall due. The Hector Property's liquidity and operating results may be adversely affected if Cruz's access to the capital markets are hindered. Cruz has no source of revenue and has obligations to meets its administrative overheads and to settle amounts payable to its creditors. There is no assurance that Cruz will be able to raise equity financing. The Hector Property assesses liquidity risk as high.

Market risk

Market risk is the risk that changes in market prices, such as currency risk, commodity risk and interest risk will affect the Hector Property's net earnings, future cash flows, the value of financial instruments, or the fair value of its assets and liabilities.

The Hector Property is not exposed to foreign exchange risk, commodity risk or interest risk.

Related Party Transactions

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Hector Property as a whole. Key management personnel consists of members of Cruz's Board of Directors and corporate officers and related companies. Related party transactions consist of management fees, professional fees and share-based payments totaling $141,673 for the year ended July 31, 2024 and $279,714 for the year ended July 31, 2023.

Income Taxes

Deferred income tax assets and liabilities are calculated using the difference between the carrying amount of the mineral property and its corresponding tax value. As these financial statements represent carve-out statements of the Hector Property there is no entity that has a legal form and therefore the criteria to recognize any deferred tax assets have not been met. Therefore, no deferred tax assets have been recorded. Expenses presented on the carve-out statements of loss and comprehensive loss represent an allocation of Cruz's expenses and do not represent tax deductible expenses to a separate legal entity of these statements.

Financial condition, liquidity and capital resources

The Hector Property had no working capital as at July 31, 2024 and 2023. Please refer to Hector Property's July 31, 2024 and 2023 carve-out financial statements. The Hector Property had no long-term liability as at July 31, 2024 and 2023.

Off-balance sheet arrangements

The Hector Property has no off-balance sheet arrangement or long-term debt obligation.

Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires the Hector Property's management to make estimates and assumptions concerning the future. The Hector Property's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the carrying value of the exploration and evaluation asset, valuation of share-based payments and pro-rata allocation of Cruz's income and expenses.

Significant judgements

The preparation of financial statements in accordance with IFRS requires the Hector Property's management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments related to the Hector Property's financial statements include the assessment of the Hector Property's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

SCHEDULE "I"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

NOTICE OF HEARING OF PETITION

(see attached)

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288 TO 299 OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, CHAPTER 57, AS AMENDED

- AND -

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING CRUZ BATTERY METALS CORP. AND MAKENITA RESOURCES INC.

CRUZ BATTERY METALS CORP.

PETITIONER

RE: CRUZ BATTERY METALS CORP.

NOTICE OF HEARING

To: Without Notice

TAKE NOTICE that the Petition of Cruz Battery Metals Corp. dated 29/Oct/2024 will be heard at the courthouse at 800 Smithe Street, Vancouver, British Columbia V6Z 2E1 on 31/Oct/2024 at 9:45 a.m. for an Interim Order.

1. Date of hearing

☒ The Petition is unopposed, by consent or without notice.

2. Duration of hearing

☐ It has been agreed by the parties that the hearing will take 10 minutes (without notice application).

3. Jurisdiction

☒ This matter is within the jurisdiction of an Associate Judge.

Date: 29/Oct/2024

Signature of Lawyer for Petitioner,
Oliver C. Hanson

This PETITION TO THE COURT is prepared by Oliver C. Hanson of the firm of **COZEN O'CONNOR LLP** whose place of business is Bentall 5, 550 Burrard Street, Suite 2501, Vancouver, British Columbia V6C 2B5 (Direct #: 604.674.9170, Fax #: 778.357.3376, Email: OHanson@cozen.com) (File #: 3701583.00619605).

SCHEDULE "J"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

PRO FORMA FINANCIAL STATEMENTS

(see attached)

PRO-FORMA FINANCIAL STATEMENTS

MAKENITA RESOURCES INC.

JULY 31, 2024

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

MAKENITA RESOURCES INC.

Pro-Forma Statement of Financial Position

July 31, 2024

(Unaudited - Expressed in Canadian Dollars)

	Makenita Resources Inc. July 31, 2024 $	Note	Pro Forma Adjustment $	Pro-Forma Makenita Resources Inc. July 31, 2024 $ (Unaudited)
Current Assets				
Cash	1	4(a)	500,000	480,000
		4(b)	(20,000)	
		3	(1)	
	1		479,999	480,000
Exploration and evaluation assets	-	3	921,344	921,344
	1		1,401,343	1,401,344
Shareholders' Equity				
Share capital	1	4(a)	500,000	1,401,344
		4(b)	(20,000)	
		3	921,344	
			(1)	
	1		1,401,343	1,401,344
Retained earnings (deficit)	-		-	-
	1		1,401,343	1,401,344

See the accompanying notes to the unaudited pro-forma statement of financial position.

1. Basis of presentation

The unaudited pro-forma statement of financial position of Makenita Resources Inc. ("Makenita" or "SpinCo") as at July 31, 2024 has been prepared by management after giving effect to the Arrangement Agreement dated September 5, 2024 between Makenita and Cruz Battery Metals Corp ("Cruz"). The unaudited pro-forma statement of financial position is derived from the audited financial statements of Makenita and presents the effect on the statement of financial position of Makenita as at July 31, 2024 after giving effect to the transaction outlined in the Arrangement Agreement.

It is management's opinion that the pro-forma statement of financial position includes all adjustments necessary for the fair presentation, in all material respects, of the transactions described in Notes 3 and 4 in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applied on a basis consistent with Makenita's accounting policy information.

The unaudited pro-forma financial statement has been prepared for illustrative purposes only and may not be indicative of the financial position that would have occurred if the transactions had taken place on the date indicated or of the financial position which may be obtained in the future. The unaudited pro-forma financial statements are not a forecast or projection of future results. The actual financial statements and results of Makenita for any period following July 31, 2024 will likely vary from the amounts set forth in the unaudited pro-forma financial statements and such variation may be material.

The unaudited pro-forma financial statements should be read in conjunction with:

- Makenita's financial statements for the period from incorporation on July 12, 2024 to July 31, 2024.
- Cruz's consolidated financial statements as at July 31, 2024 and 2023
- Hector Silver-Cobalt Project carve-out financial statements as at July 31, 2024 and 2023

The unaudited pro-forma statement of financial position has been prepared as if the transaction described in Note 3 had occurred on July 31, 2024.

2. Material accounting policy information

The unaudited pro-forma statement of financial position has been compiled using the material accounting policy information as set out in the audited financial statements of Makenita as at and for the period from incorporation on July 12, 2024 to July 31, 2024.

3. Plan of Arrangement

On September 5, 2024, Cruz executed an arrangement agreement with a wholly-owned subsidiary, Makenita, created for the purposes of spinning out the Hector Silver-Cobalt Project (the "Hector Property"), pursuant to which Cruz intends to: (i) transfer all of its rights, title and interest in and to its Hector Property, and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "Makenita Spinout Share") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "Arrangement") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "BCBCA").

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "Cruz Class A Share") and Cruz will create a new class of voting common shares (each, a "New Cruz Share"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and RSUs will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "Makenita Share") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

(Unaudited - Expressed in Canadian Dollars)

3. Plan of Arrangement (continued)

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and RSUs will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

Cruz intends to obtain an interim order (the "Interim Order") from the Supreme Court of British Columbia (the "Court") to authorize Cruz to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "Meeting"), and approval of the CSE.

In connection with the Plan of Arrangement, Makenita entered into a Conveyance Agreement with Cruz. Pursuant to the Conveyance Agreement, the aggregate purchase price payable to Cruz for the Hector Property (the "Purchase Price") is equal to the fair market value of Hector Property, being $921,344. The Purchase Price is paid and satisfied by Makenita issuing to Cruz 16,787,997 common shares.

4. Pro-forma assumptions and adjustments

The pro-forma statement of financial position includes the effects of the following pro-forma assumptions and adjustments as if they had occurred at July 31, 2024:

(a) In connection with the Plan of Arrangement, Makenita completed a non-brokered private placement of $500,000 by the issuance of 10,000,000 units at a price of $0.05 per unit, each unit consisting of one common share of Makenita and one common share purchase warrant. Each warrant shall entitle the holder to purchase, for a period of five years following the closing date of the financing, one additional common share of Makenita at an exercise price of $0.06 per common share. No value was allocated to the warrants issued as part of the unit financing.

(b) Makenita incurred cash costs of $20,000 with respect to the private placement.

5. Pro-forma share capital

After giving effect to the pro-forma assumptions in Note 4, the issued and fully paid share capital of Makenita will be as follows:

	Common Shares	
	Number	Amount $
Balance, Makenita, July 31, 2024	100	1
Repurchase of the existing common shares	(100)	(1)
Plan of Arrangement (Note 3)	16,787,997	921,344
Private placement (Note 4(a))	10,000,000	500,000
Share issuance costs (Note 4(b))	–	(20,000)
	26,787,997	1,401,344

5. Pro-forma share capital (continued)

Share purchase warrants

After giving effect to the pro-forma assumptions in Note 4, a summary of Makenita's share purchase warrants outstanding is as follows:

Number	Exercise Price	Expiry Date
10,000,000	$0.06	July 31, 2029
10,000,000		

6. Pro forma statutory income tax rate

The pro forma effective statutory income tax rate of the combined companies is 28%. Makenita was incorporated under the Business Corporations Act of British Columbia.

SCHEDULE "K"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

THE FAIRNESS OPINION

prepared by Evans & Evans, Inc.

(see attached)

EVANS & EVANS, INC.

SUITE 130, 3RD FLOOR, BENTALL II, 555 BURRARD STREET
VANCOUVER, BRITISH COLUMBIA
CANADA V7X 1M8

19TH FLOOR, 700 2ND STREET SW
CALGARY, ALBERTA
CANADA T2P 2W2

357 BAY STREET
TORONTO, ONTARIO
CANADA M5H 4A6

September 5, 2024

CRUZ BATTERY METALS CORP.
2905 -700 West Georgia St.
Vancouver, British Columbia V7Y 1K8

Attention: Board of Directors

Dear Sir:

Subject: Fairness Opinion

1.0 Introduction

1.01 Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Opinion") has been requested by the Board of Directors (the "Board") of CRUZ Battery Metals Corp. ("CRUZ" or the "Issuer") to prepare a Fairness Opinion (the "Opinion"), with respect to the fairness of the Proposed Transaction, as outlined in section 1.04 below, from a financial standpoint, to the holders of common shares, options, warrants and RSUs of the Issuer (the "CRUZ Securityholders") as at September 5, 2024.

CRUZ is a reporting issuer whose shares are listed for trading on the Canadian Securities Exchange (the "Exchange") under the symbol "CRUZ".

1.02 *Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.*

1.03 The Issuer was incorporated under the British Columbia *Business Corporations Act* ("BCBCA") on March 28, 2007, as Cruz Cobalt Corp. On August 9, 2021, the Issuer changed its name from Cruz Cobalt Corp. to CRUZ. The Issuer was listed on the Exchange on August 6, 2019, under the symbol "CRUZ". Prior to being listed on the Exchange, the Issuer was listed on the TSX Venture Exchange under the symbol "CUZ".

The Issuer's principal business activities include acquiring, exploring, and evaluating mineral properties in Canada and the United States. The key project in Canada is the Hector property, located near the town of Cobalt, Ontario (the "Hector Property" or the "Spinco Property"). In the United States, the key projects include the Solar Lithium Property and the Clayton Valley Lithium Property in Nevada, as well as the Idaho Cobalt Belt Property in Idaho (together the "US Properties").

An overview of the Issuer's properties as taken from CRUZ's public disclosure documents is outlined below.

The Hector Property

The Issuer owns 100% interest in the Hector Property.

The Hector Property is located approximately 500 kilometers north of Toronto, 150 kilometers north of North Bay, and 10 kilometers southwest of the town of Cobalt in Ontario. The Hector Property consists of 126 contiguous unpatented mining claims totaling 2,243 hectares (5,542 acres), located within the Coleman and Gillies Limit Townships, Larder Lake Mining Division, in the Timiskaming District of northeastern Ontario, Canada.

The Hector Property is characterized by the physiography typical of the Precambrian Shield, with rocky hills, valleys, swamps, and small lakes. Elevations range from 300 to 360 meters above sea level. The property hosts silver-cobalt-arsenide vein deposits, which are epigenetic, with metallic minerals occurring in fracture-filling lenses or as disseminations within wall rocks, primarily in quartz-carbonate veins. Veins in the area range from 5 to 25 cm in width, and hydrothermal alteration of wall rocks is common.

Mineralization at the Hector Property is typical of the silver-cobalt arsenide subtype of epigenetic vein deposits. Metallic minerals such as pyrite, chalcopyrite, pyrrhotite, and erythrite occur in quartz-carbonate veins, with significant hydrothermal alteration of adjacent rocks. The mineralized veins are primarily narrow and fracture-controlled, with a northwest-southeast or northeast-southwest orientation.

Mining in the broader Cobalt area, where the Hector Property is located, began in 1903 with the discovery of silver. From 1904 to 1989, the surrounding Cobalt mining camp produced significant amounts of silver (458 million ounces), cobalt (19 million pounds), nickel, and copper. Although significant silver, cobalt, nickel, and copper were produced in the Cobalt mining camp, there is no documented historical resource or reserve data specific to the Hector Property.

Exploration work on the Hector Property from 2017 to 2021 included airborne magnetic and electromagnetic surveys, ground magnetic surveys, and diamond drilling. A total of 13 NQ diamond drill holes were completed, totaling 1,680 meters. Previous exploration activities also included rock sampling, geophysical surveys, and soil geochemical sampling, all aimed at identifying prospective mineralized areas. The drilling focused on the Bass Lake, Kelvin Lake, and South Keora shaft occurrence areas.

The Hector Property is subject of a National Instrument 43-101 (“NI 43-101”) Technical Report (the “Hector Property Report”) with an effective date of August 12, 2024.

The US Properties

Solar Lithium Property

The Issuer owns a 100% of the Solar Lithium Property located in Nevada, United States and covers an area of approximately 8,135 acres.

The Solar Lithium Property is situated in a region that is geologically favorable for lithium-bearing claystone deposits. The region's stratigraphy, particularly the presence of lithium-rich clays, is the primary target for CRUZ's exploration efforts. Geological surveys and drilling results suggest continuity in the claystone formations across the property and its surrounding areas.

The area surrounding the Solar Lithium Property has a rich history of mining and mineral exploration. Nevada has long been a significant player in mining, particularly for lithium in recent years, as demand for lithium has surged with the global shift toward electric vehicles and energy storage solutions. The project sits adjacent to American Lithium Corp., which announced on December 1, 2022, an updated resource estimate for its TLC property.

In February 2023, CRUZ completed and announced the results of phase 3 drill program comprising four core holes and that the targeted potential lithium bearing clays had been intersected in every hole. The phase 3 drill program discovered the presence of lithium in all four drill holes.

In June 2023, the Issuer completed the phase 4 drill program. Four reverse circulation drill holes were completed during the phase 4 drill program. CRUZ announced in July 2023, the drill results from the phase-4 drill program. Three reverse circulation (RC) drill holes from the phase 4 drill program were submitted for assaying; all three drill holes discovered the presence of lithium. CRUZ

Clayton Valley Lithium Property

CRUZ owns a 100% interest in six claim blocks in the Clayton Valley in Nevada, United States covering an area of 240 acres. CRUZ has access to the deepest parts of the only lithium brine basin in production in North America.

Idaho Cobalt Belt Property

The Idaho Cobalt Belt Property is wholly owned by the Issuer and is spread across 2,211 acres in Idaho, United States.

1.04 On August 1, 2024 the Issuer announced that CRUZ had initiated plans to spin-out (the "Spin-Out") its Hector Property located near Cobalt, Ontario into a new exploration company, to be named Makenita Resources Inc. ("Makenita").The transaction involves the transfer of ownership of the Hector Property from CRUZ to Makenita by way of a share capital reorganization effected through a statutory plan of arrangement (the "Proposed

Transaction"). The Proposed Transaction will be completed by way of plan of arrangement pursuant to the BCBCA involving CRUZ and Makenita.

Under the Proposed Transaction, Makenita's share structure will be as shown in the following table on a pro-rata basis.

	Number of Shares
CRUZ Common shares	16,787,997
CRUZ Options	105,000
CRUZ Warrants	4,282,777
Makenita common shares from Concurrent Financing	10,000,000
Makenita warrants from Concurrent Financing	10,000,000
Total number of fully diluted shares of Makenita	**41,175,774**

The principal property of Makenita will be the Hector Property.

Following the completion of the Proposed Transaction, Makenita intends to file a Listing Application with the Exchange to have the Makenita common shares listed for trading (the "Listing") in conjunction with the completion of a concurrent financing as described below.

In order to fund the phase one exploration program on the Spinco Property, phase two exploration, which is contingent on the results of the phase one exploration, maintenance costs, general and administration, working capital requirements, and other anticipated costs of Makenita's business for at least 12 months post-Listing, Makenita anticipates completing a non-brokered private placement, primarily through arm's length investors, for proceeds of $500,000 (the "Concurrent Financing"). Subject to market conditions, management is targeting the pricing of the Concurrent Financing at $0.05 per Makenita common share; however, the pricing of the Concurrent Financing remains subject to negotiation.

The Proposed Transaction is subject to a number of conditions including Exchange acceptance, approval by the CRUZ Securityholders and Court approval.

Once the Proposed Transaction is completed, CRUZ Securityholders will own shares in two public companies: Makenita, which will focus on the development of Spinco Property, and CRUZ, which will continue to explore and develop the US Properties with a focus on lithium projects.

1.05 CRUZ retained Evans & Evans to act as an independent advisor to CRUZ and to prepare and deliver the Opinion to the Board to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view to the CRUZ Securityholders.

2.0 Engagement of Evans & Evans, Inc.

2.01 Evans & Evans was formally engaged by the Board pursuant to an engagement letter signed August 1, 2024 (the "Engagement Letter"). The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Board.

The terms of the Engagement Letter provide that Evans & Evans is to be paid a fixed professional fee for its services. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by CRUZ in certain circumstances. The fee established for the Opinion has not been contingent upon the opinions presented.

3.0 Scope of Review

3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:

- Interviewed management of CRUZ to gain an understanding of the current status of the Issuer and the plans going forward.
- Interviewed management to gain an understanding of the internal discussions for the Spin-Out.
- Reviewed the draft arrangement agreement between CRUZ and Makenita .
- Reviewed the Issuer's website (www.cruzbatterymetals.com).
- Reviewed and relied extensively on the Technical Report on the Hector Property, Ontario, Canada prepared for the Issuer with an effective date of August 12, 2024 as prepared by Apex Geosciences Ltd.
- Reviewed the Issuer's unaudited Interim Financial Statements for the nine months ended April 30, 2024; and the audited consolidated financial statements for the years ended July 31, 2020, through 2023 as audited by Davidson & Company LLP of Vancouver, British Columbia.
- Reviewed the Issuer's Management Discussion & Analysis for the nine months ended April 30, 2024, and the years ended July 31, 2022, and 2023.
- Reviewed the Issuer's management prepared schedule of exploration expenditures as of the date of the Opinion.
- Reviewed the Issuer's press release related to the announcement for CRUZ's intent to spin out the Hector Property, dated August 1, 2024.

- Reviewed the Issuer's press releases for the 18 months preceding the date of the Opinion.

- Reviewed CRUZ's management prepared latest capitalization table as at the date of Opinion.

- Reviewed Makenita's capitalization table as per proposed plan of arrangement as the date of Opinion.

- Reviewed the management prepared CRUZ / Makenita timeline respecting a spin-out of the Hector Silver Cobalt Property by plan of arrangement and listing of Makenita's common shares on the CSE.

- Reviewed the material change report regarding the proposed spin-out of Hector Property into a wholly owned subsidiary, Makenita, dated August 8, 2024.

- Reviewed the Issuer's trading price and volumes on the Exchange for the period from September 1, 2023, to the date of the Opinion. As shown in the chart below, the Issuer's closing share price declined from $0.075 on September 1, 2023, to $0.025 on February 29, 2024, then remained stable around $0.03 between March 1, 2024 and May 15, 2024, thereafter, increased to reach $0.045 on June 25, 2024, then remained stable at around $0.04 between July 2, 2024 and August 30 , 2024, and closed at $0.035 on September 4, 2024. Over the 180 trading days preceding the date of the Opinion, trading volumes have been relatively stable. Evans & Evans found in its analysis that the Issuer's average daily trading volumes are in the range of 40,000 to 100,000 CRUZ common shares.

- Reviewed information on recent transactions involving the sale of cobalt and lithium exploration properties and companies.

- Reviewed information on the resource sector and the cobalt market from a variety of sources.

- Reviewed financial and trading data on the following companies with cobalt properties: Brixton Metals Corporation, Electra Battery Materials Corporation, Kuya Silver Corp., Fortune Minerals Ltd., Blackstone Minerals Ltd., Battery Mineral Resources Corp., AsiaBaseMetals Inc., High-Tech Metals Ltd., Quantum Battery Metals Corp., Fuse Battery Metals Inc., Global Energy Metals Corporation, and Koba Resources Limited.

- Reviewed financial and trading data on the following companies with lithium properties: Patriot Battery Metals Inc., American Lithium Corp., Winsome Resources Limited, Azimut Exploration Inc., Brunswick Exploration Inc., United Lithium Corp., Battery Mineral Resources Corp., Imagine Lithium Inc., Consolidated Lithium Metals Inc., Champion Electric Metals Inc., Vision Lithium Inc., Azincourt Energy Corp., FE Battery Metals Corp., Stria Lithium Inc., Beyond Lithium Inc., Scotch Creek Ventures Inc., D2 Lithium Corp., and Weekapaug Lithium Limited.

- **Limitation and Qualification**: Evans & Evans did not visit the Spinco Property. Evans & Evans did review and entirely relied upon the Hector Property Report as outlined above. Evans & Evans has, therefore, relied on such expert's technical and due diligence work as well as CRUZ's management disclosure with respect to the Spinco Property. The reader is advised that Evans & Evans can provide no independent technical and due diligence comfort or assurances as to the specific operating characteristics and functional capabilities of the Spinco Property.

4.0 Market Overview

4.01 In assessing the fairness of the Proposed Transaction as of the date of the Opinion, Evans & Evans reviewed cobalt and lithium market and the industry sentiment for cobalt and lithium.

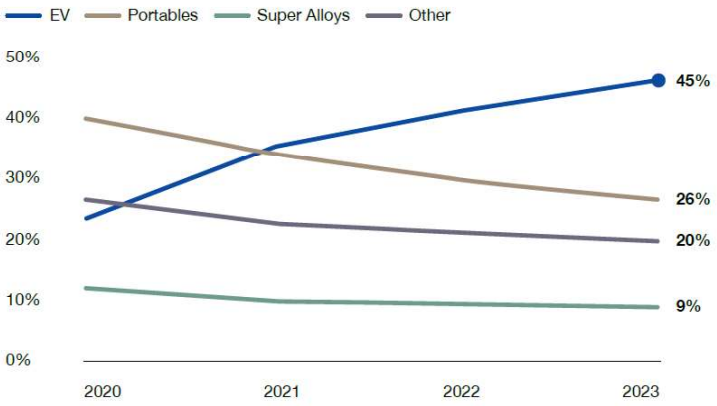
4.02 Cobalt market size was valued at US$14.64 billion in 2023 and is projected to reach US$35.27 billion by 2030, growing at a compound annual growth rate ("CAGR") of 8.5% during the forecast period 2024-2030.

Cobalt demand reached close to 200 kilo tonnes ("kt") for the first time in 2023, with the overall market size more than doubling since 2016. Demand grew 10% year on year ("y-o-y") at a similar rate to 2022 (9%). Battery demand now accounts for around three quarters or 73% of the cobalt market, up from 71% in 2022. Battery demand grew by 13% y-o-y, with non-battery applications growing by 2% y-o-y. Cobalt demand from batteries accounted for 93% of total demand growth in 2023. Electric vehicles ("EVs") alone are now supporting 45% of the market or 90 kt of cobalt demand. Demand from the sector rose 23% y/y, down marginally from 27% y-o-y growth in 2022. The second largest sector, portable electronics, primarily using lithium cobalt oxide ("LCO") cathode chemistries,

accounted for 26% of demand despite absolute demand falling 2.4% y-o-y to just below 52 kt.[1]

Almost a quarter of cobalt demand remains supported by non-battery applications with super alloys, primarily for aerospace applications, accounting for 9% of this share. The aerospace sector continued a faster-than-expected post-Covid recovery in 2023, supporting demand for cobalt's largest non-battery application. Global military spending hit a new record in 2023 which further supports cobalt use in niche defence and aerospace applications. Another notable contributor to cobalt's use in 2023, at approximately 4% of annual demand, was purchase by China's State Reserve Bureau, the first-time strategic reserves have been added to since September 2020.

Figure 1: Share of total cobalt demand by sector, %



Data: Benchmark Mineral Intelligence – Cobalt Forecast.

Cobalt prices continued to decline throughout 2023 following the weakening market conditions in the second half of 2022. Global supply rose by 17% y-o-y in 2023 whilst demand growth (+10% y-o-y) maintained similar annual growth rates to 2022. Despite robust demand growth, significant de-stocking of raw materials in the battery supply chain weighed on market sentiment. With supply outpacing demand, the market surplus widened in 2023 to 14.2 kt, equivalent to 7% of the overall market.[2]

The Democratic Republic of Congo ("DR Congo") has the largest cobalt reserves in the world, estimated at six million metric tons as of 2023. With the world's total cobalt reserves amounting to 11 million metric tons in 2023, the DR Congo accounted for more than half of the worldwide reserves of the metal. This was followed by Australia, which held 1.7 million metric tons of the global cobalt reserves in 2023.[3]

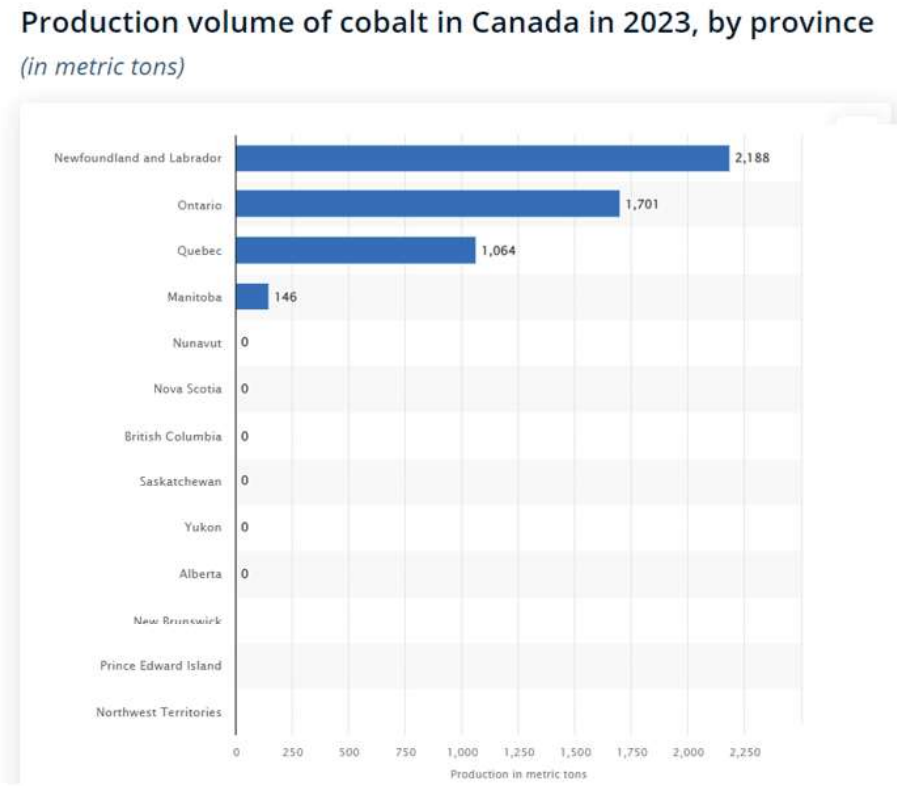
In 2023, the total mine production volume of cobalt worldwide stood at an estimated 230,000 metric tonnes. This represented the largest production figure reported during the

[1] Cobalt Market Report 2023- issued by the Cobalt Institute
[2] https://www.cobaltinstitute.org/wp-content/uploads/2024/05/Cobalt-Market-Report-2023_FINAL.pdf
[3] Global cobalt reserves by country 2023 | Statista

period in consideration. The DR Congo is by far the world's leading cobalt producer, with an output of 170,000 metric tons in 2023.[4]

In 2023, Canada's total cobalt production was estimated at 5,099 metric tons, with Newfoundland and Labrador leading the way by contributing 2,188 metric tons.[5] According to GlobalData, Canada ranked as the world's sixth-largest cobalt producer, with output increasing by 6% from 2022. Over the five years leading up to 2022, Canada's cobalt production grew at a CAGR of 3%, and it is projected to rise by a CAGR of 7% between 2023 and 2027.[6] The demand for cobalt is expected to increase due to its critical role in lithium-ion batteries and clean technologies, positioning Canada's cobalt industry to meet the growing market needs, supported by ongoing exploration and development projects across the country. In June 2024, Canada's cobalt exports accounted up to $17.5 million and imports accounted up to $5.03M, resulting in a positive trade balance of $12.5 million.[7]

The below chart outlines the production volume of cobalt in Canada in 2023, by province.[8]



[4] https://www.statista.com/statistics/339759/global-cobalt-mine-production/
[5] https://www.statista.com/statistics/434662/estimate-of-cobalt-production-in-canada-by-province/
[6] https://www.mining-technology.com/data-insights/cobalt-in-canada/
[7] https://oec.world/en/profile/bilateral-product/cobalt/reporter/can
[8] https://www.statista.com/statistics/434662/estimate-of-cobalt-production-in-canada-by-province/

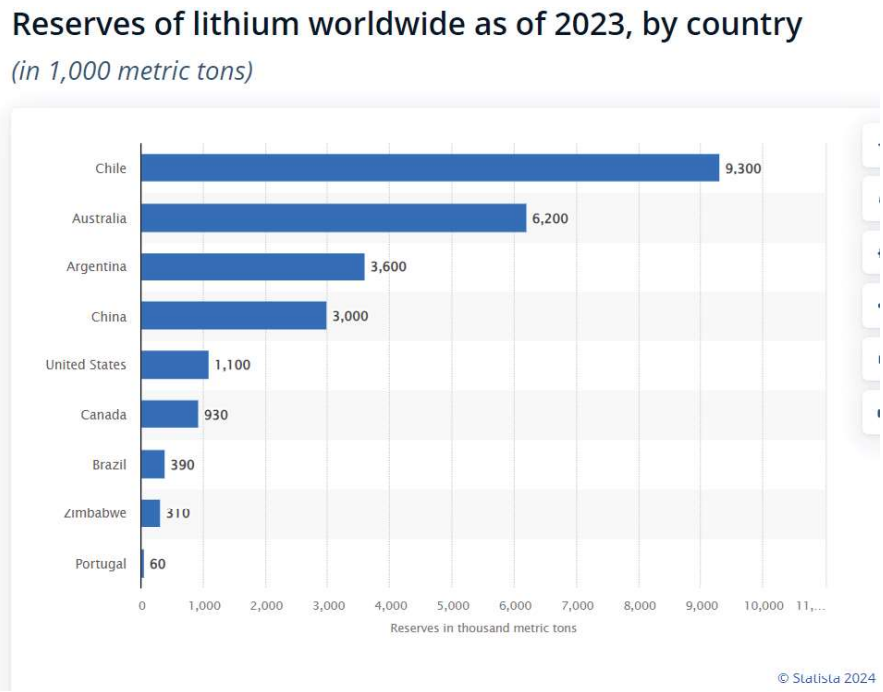
Cobalt ranks 32nd in global abundance among metals and has become an increasingly important commodity due to its use in batteries, as well as in alloys, chemicals and ceramics, cemented carbides, and more. It is forecast that in 2040, the global cobalt demand for use in batteries will amount to 20.7 million tons, up from 6.1 million metric tons in recent years. Cobalt's use in batteries applies particularly to the batteries of electric cars, which have transformed the demand for this metal and increased the price of cobalt considerably.[9]

4.03 Lithium is a silvery-white alkali metal was first isolated in 1855 by Augustus Mattiessen and Robert Bunsen. It has many uses but is most notably used in batteries, mental health treatment, and in pyrotechnics. Lithium is widely present worldwide, but due to its high reactivity it does not naturally occur in its elemental form. Chile and Australia are known to have the largest lithium reserves in the world.[10]

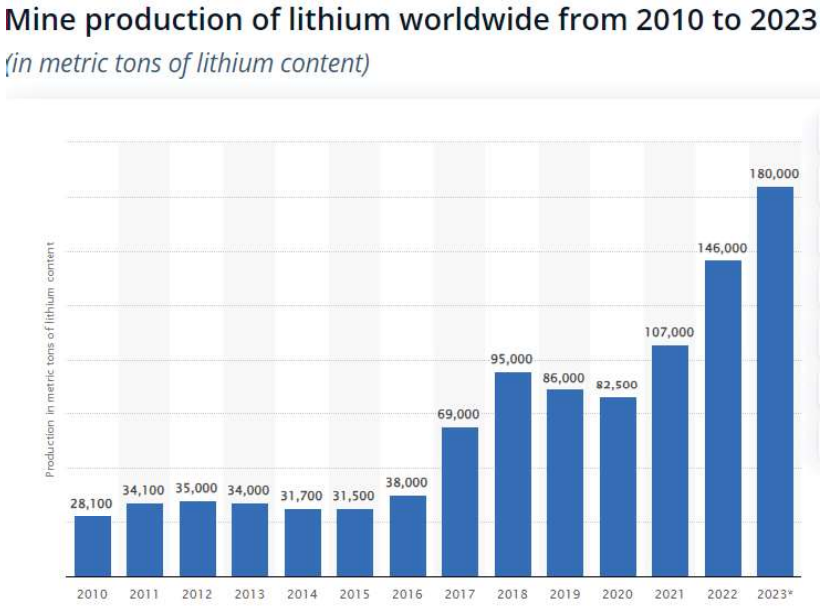
The global lithium market size surpassed US$8.8 billion in 2023 and is predicted to reach US$28.45 billion by 2033, growing at a CAGR of 12.50% from 2024 to 2033.[11] Lithium is a crucial component in rechargeable batteries, playing a vital role in various electronic devices like smartphones, laptops, and electric vehicles. Due to its ability to efficiently store and release electrical energy, lithium-ion batteries have become the preferred choice for powering modern technology. Moreover, lithium has garnered significant attention in the renewable energy sector, where it is essential for storing energy generated by solar panels and wind turbines. As the demand for electric vehicles and clean energy solutions continues to rise, the importance of lithium in powering our digital and sustainable future becomes increasingly evident.

In 2023, Chile held the largest reserves of lithium which amounted to an estimated 9.3 million metric tonne, followed by Australia which holds a total lithium reserve of some 6.2 million metric tons as seen in the image below.

[9] Global cobalt reserves by country 2023 | Statista
[10] https://www.statista.com/statistics/606684/world-production-of-lithium/
[11] https://www.precedenceresearch.com/lithium-market



Australia was the top country in lithium mine production in 2023, with an output of 86 thousand metric tonnes of lithium in that year.[12] The world's mine production of lithium reached a new high of 180,000 metric tonnes in 2023. This represented a significant increase from 2010, when global lithium production stood at about 28,100 metric tons, as can be seen in the image below.



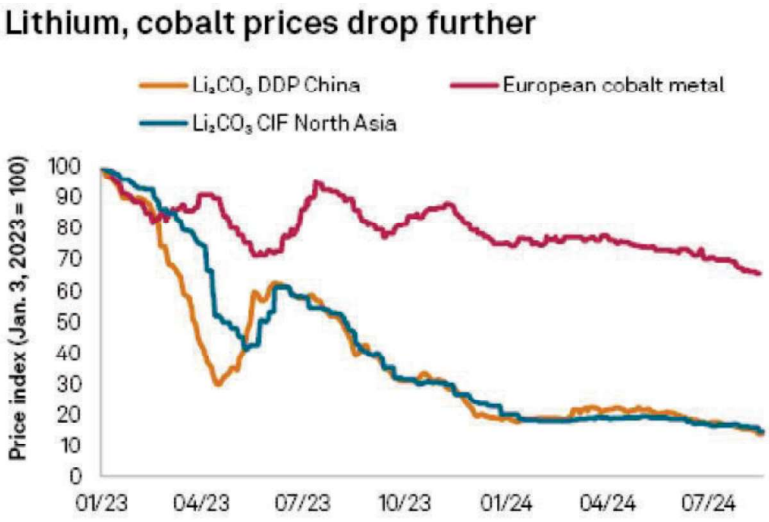
[1212] https://www.statista.com/statistics/268790/countries-with-the-largest-lithium-reserves-worldwide/

The surge in the global adoption of EVs is a key driver for the lithium market. As countries and consumers increasingly prioritize clean energy and sustainability, the demand for lithium-ion batteries in EVs continues to grow significantly. Lithium-ion batteries play a crucial role in energy storage systems, supporting the integration of renewable energy sources like solar and wind. The transition to clean and sustainable energy contributes to the growth of the lithium market. Ongoing technological advancements and improvements in battery efficiency drive the demand for lithium. As research and development efforts lead to more efficient and cost-effective lithium-ion batteries, their applications expand across various industries. Government initiatives promoting the use of electric vehicles and clean energy often stimulate the lithium market. Subsidies, incentives, and regulations favoring the adoption of lithium-ion batteries contribute to market growth globally. The ubiquitous use of lithium-ion batteries in consumer electronics, such as smartphones, laptops, and wearable devices, maintains a consistent demand for lithium. The lightweight and high energy density properties of lithium make it ideal for powering portable gadgets. The increasing pace of industrialization and urbanization worldwide fuels the demand for lithium in various applications. From powering industrial machinery to providing backup energy for smart cities, lithium's versatility makes it a critical component in diverse sectors.[11]

The global plug-in electric vehicle ("PEV") market is under pressure from macroeconomic headwinds, including growing concerns about the US economy entering recession and prolonged sluggishness in the Chinese economy. Rising tariffs have further hampered the cooling appetite for PEVs in the European Union and the US. While the tariffs are intended to allow local production to replace China battery electric vehicle ("BEV") imports in the long term, they will likely dent sales potential and create additional costs that are passed to consumers in the short term.

At the same time the lithium market is experiencing a renewed wave of supply curtailments spurred by record-low prices and producers' weak June-quarter 2024 earnings. The Platts-assessed spodumene concentrate free on board ("FOB") Australia price fell by 15.6% August 1- 19, 2024 to US$760/t, the lowest since June 2021. The price undercuts 24% of modeled production on an all-in sustaining cost basis for 2024 and 20% on a total cash cost basis. Meanwhile, the lithium carbonate cost, insurance, and freight ("CIF") Asia price declined 9.8% since the beginning of August to reach US$11,000/t on August 19, 2024, the lowest level since April 2021. Considering spodumene costs, at these price levels, merchant lithium carbonate refineries are likely to reduce their production due to it being loss-making in August, compared to a small positive margin in July.

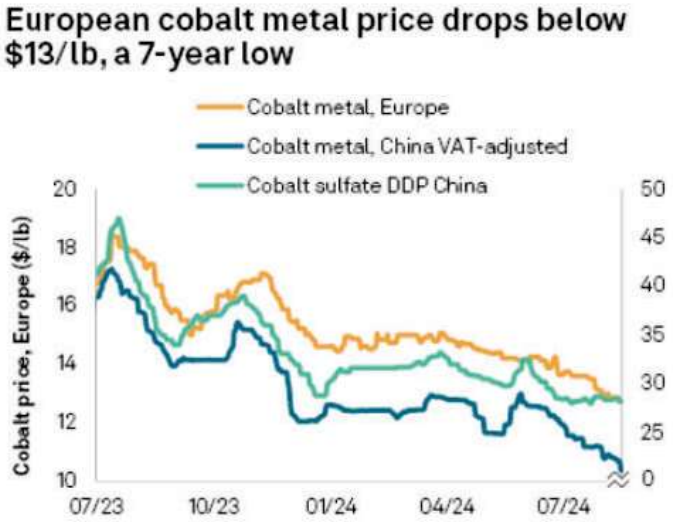
4.04 The below chart outlines the downward trend in cobalt and lithium prices since January 2023.



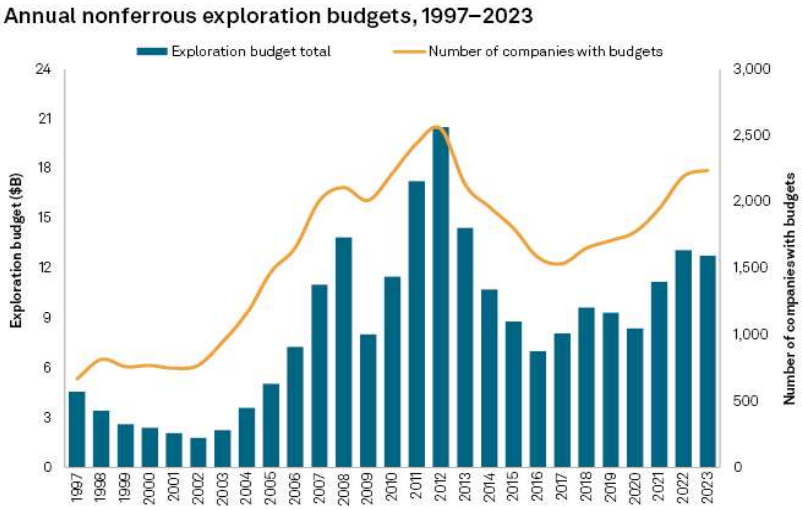
As of Aug. 19, 2024.
Li_2CO_3 = lithium carbonate; DDP = delivered duty-paid.
Source: S&P Commodity Insights.

The ongoing decline in lithium prices is driven by a combination of factors, including a persistent market surplus this year, relatively modest cuts to supply in the March quarter, and ongoing project ramp-ups, especially by emerging suppliers in countries such as Zimbabwe, Argentina, and Brazil. This increased supply is outpacing the current demand growth, leading to downward pressure on prices.

The decline in cobalt's price is due to a combination of factors, including oversupply and weakening demand. Weak demand for cobalt sulfate used in traction batteries has transmitted to the metal price, as cobalt sulfate producers are increasingly turning to metal production for better profitability. A rising supply of China-made cobalt metal flowing into Europe subsequently dragged down prices, as exports of unwrought cobalt from China in the first half of the year rose 295.8% y-o-y. This surge in exports has led to an oversupply, putting downward pressure on prices. Additionally, the global economic slowdown and reduced demand from the electric vehicle sector have contributed to the price decline. As shown in the below chart, the Platts-assessed European cobalt metal price decreased to a seven-year low of US$12.75/lb on Aug. 19, 2024, a level last seen in October 2016, when PEVs were just starting to impact cobalt demand meaningfully.

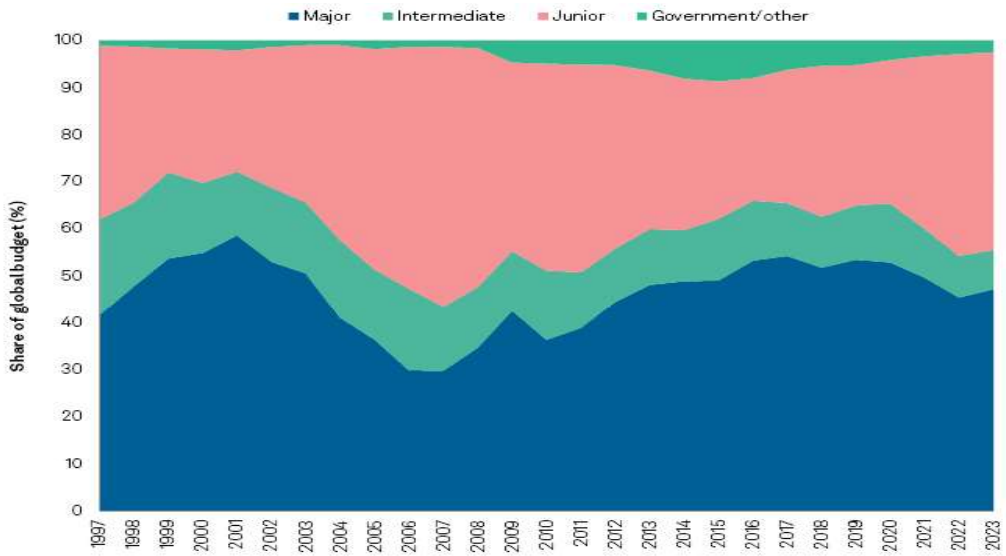


4.05 Most junior exploration companies are generally reliant on equity financings to advance their properties (as they lack producing assets) and accordingly, their ability to advance mineral resource properties is dependent on market conditions and investor interest. According to S&P Global Market Intelligence in 2023, monetary tightening by central banks restrained the flow of new capital, directly impacting junior explorers, which rely heavily on capital raisings to finance their exploration programs. As shown in the below graph, the global nonferrous exploration budget fell by 3% y-o-y to US$12.8 billion in 2023 from US$13.0 billion in 2022.[13]



[13] https://www.spglobal.com/marketintelligence/en/news-insights/research/ces-2023-monetary-tightening-weighs-down-exploration-activity

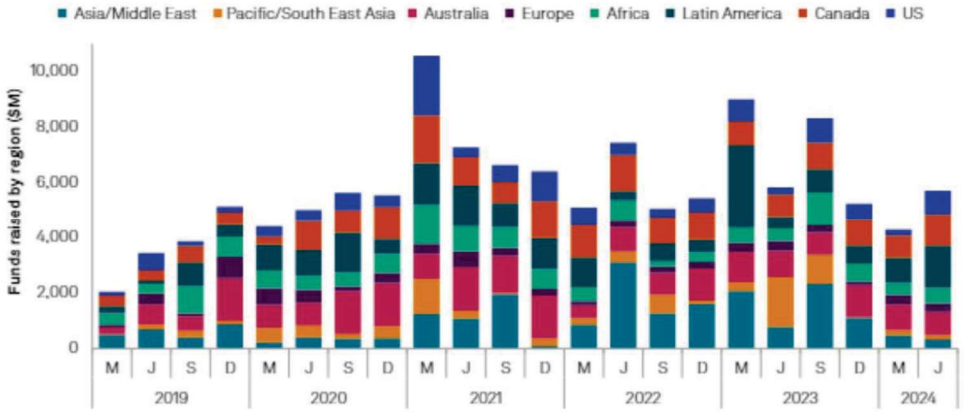
In 2023, major companies exhibited resilience by sustaining a collective budget increase of 1.2% to reach US$6.02 billion. The erosion of major companies' global budget share since 2020, attributed to the robust post-pandemic growth of junior explorers, was arrested in 2023. Conversely, junior explorers faced a 4.5% y-o-y decline in budgets to US$5.36 billion, reflecting a loss of momentum amid weakening financing conditions.[14]



Funds raised by mining companies globally more than doubled in the first quarter of 2024, increasing by 123% to US$13.45 billion, the highest amount since 2019. The increase was primarily driven by the surge in debt transactions of several major companies.[15] The momentum declined as the funds raised by major companies were slashed by more than half in the second quarter of 2024. Funds raised by junior mining companies nearly doubled to US$3.8 billion and intermediate companies were up by $350 million in the second quarter of 2024.[16]

[14] https://www.spglobal.com/marketintelligence/en/news-insights/research/ces-2023-monetary-tightening-weighs-down-exploration-activity
[15] State of the Market- March 2024- SP Global Market Intelligence
[16] State of the Market- June 2024- SP Global Market Intelligence

Regional financing data, 2019–24



As of July 22, 2024.
Source: S&P Global Market Intelligence.
© 2024 S&P Global.

4.06 In the US, the federal government is investing in increased extraction for lithium, which is a critical component in some renewable energy technology, especially electric vehicle batteries and large grid-scale storage batteries. The *Inflation Reduction Act* injected the Department of Energy ("DOE") Loan Programs Office with approximately US$11.7 billion to support new loans for energy projects, including mines for needed metals like lithium.[17] In March 2024, Lithium Americas Corp. received a conditional commitment from the United States DOE for a $2.3 billion loan to help fund a lithium project the company is building near Thacker Pass in Humboldt County, Nevada. The DOE says the mine will reduce the United States battery industry's reliance on imported raw materials.[18]

The Canadian and the US governments are investing in critical mineral producers for the first time as they work to boost regional supplies. In May 2024, Fortune Minerals Limited secured $7.5 million from Natural Resources Canada and $6.38 million by the United States DOE to expand the capacity and production of cobalt for the battery and high-strength alloy supply chain.[19] In August 2024, Electra Battery Materials Corp. received a US$20 million award from the United States government to build a cobalt plant close to Ontario. The funding is the latest in a series of investments the United States DOE has put toward North American mining companies as part of a push to secure metals needed for manufacturing of EVs and the transition away from fossil fuels. [20]

4.08 According to Fraser Institute Annual Survey of Mining Companies (2023), Idaho ranked 20/86 (2022 – 28/62) on the Investment Attractiveness Index and 25 out of 86 (2022 – 11/62) on the Policy Perception Index. Nevada ranked 2/86 (2022 – 1/62) on the Investment

[17] https://energynews.us/2024/07/18/billions-in-us-funding-boosts-lithium-mining-stressing-water-supplies/
[18] https://cen.acs.org/energy/energy-storage-/Lithium-Americas-expects-23-billion/102/web/2024/03
[19] https://www.cbc.ca/news/canada/north/canada-and-u-s-make-co-investment-in-critical-minerals-including-fortune-minerals-in-n-w-t-1.7206529
[20] https://www.bnnbloomberg.ca/investing/commodities/2024/08/19/us-gives-tiny-canadian-firm-electra-20-million-to-build-cobalt-plant/

Attractiveness Index and 51 out of 62 (2021 – 59/84) on the Policy Perception Index. In Canada, Ontario ranked 10/86 (2022 – 12/62) only behind Newfoundland & Labrador, Saskatchewan, and Quebec in Canada for Investment Attractiveness and 13 out of 86 (2022 – 18/62) on the Policy Perception Index.[21]

5.0 Prior Valuations

5.01 Management has represented to Evans & Evans that, to the best of their knowledge, there have been no formal valuations or appraisals relating to the Hector Property made in the preceding two years which are in the possession or control of CRUZ.

6.0 Conditions and Restrictions

6.01 The draft Opinion will be prepared for internal purposes of the Board and may be shared with management of CRUZ at the discretion of the Board. The final Opinion is intended for placement on CRUZ's file and may be included in any materials provided to the CRUZ Securityholders. The final Opinion may be submitted to the Exchange if required. The final Opinion may be shared with the court reviewing the Proposed Transaction (if necessary). The Opinion is not intended for use in any legal proceedings unrelated to the approval of the Proposed Transaction.

6.02 The Opinion may not be relied upon by any party beyond CRUZ. The Opinion may be referenced and/or included in CRUZ's information circular and may be submitted to the CRUZ Securityholders.

6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any Canadian or international tax authority. Such use is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Proposed Transaction).

6.04 Any use beyond that defined above in 6.01 to 6.03 is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

6.05 The Opinion is not a formal valuation or appraisal of the Issuer, Makenita and their securities or assets and our Opinion should not be construed as such. Evans & Evans has, however, conducted such analyses as we considered necessary in the circumstances.

6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Issuer. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results

[21] Fraser Institute Annual Survey of Mining Companies, 2023- https://www.fraserinstitute.org/sites/default/files/2023-annual-survey-of-mining-companies.pdf

presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.

The Opinion is based on: (i) our interpretation of the information which CRUZ, as well as its representatives and advisers, have supplied to-date; (ii) our understanding of the terms of the Proposed Transaction; and (iii) the assumption that the Proposed Transaction will be consummated in accordance with the expected terms.

6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.

6.08 Evans & Evans denies any responsibility, financial, legal or other, for any use and/or improper use of the Opinion however occasioned.

6.09 Evans & Evans is expressing no opinion as to the price at which any securities of CRUZ or Makenita will trade on any stock exchange at any time.

6.10 No opinion is expressed by Evans & Evans whether any alternative transaction might have been more beneficial to the CRUZ Securityholders.

6.11 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.

6.12 In preparing the Opinion, Evans & Evans has relied upon a letter from management of CRUZ confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.

6.13 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view to the CRUZ Securityholders, of the Proposed Transaction were based on its review of the Proposed Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Proposed Transaction or the Proposed Transaction outside the

context of the matters described under "Scope of Review". The Opinion should be read in its entirety.

6.14 Evans & Evans expresses no opinion or recommendation as to how any securityholder of the Issuer should vote or act in connection with the Proposed Transaction, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by the Issuer from the appropriate professional sources. Furthermore, we have relied, with the Issuer's consent, on the assessments by the Issuer and its advisors, as to all legal, regulatory, accounting and tax matters with respect to the Issuer and the Proposed Transaction, and accordingly we are not expressing any opinion as to the value of the Issuer's tax attributes or the effect of the Proposed Transaction thereon.

6.15 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, securityholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

7.0 Assumptions

7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.

7.02 With the approval of CRUZ and as provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by CRUZ or its affiliates or any of its respective officers, directors, consultants, advisors or representatives (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

7.03 Senior officers of CRUZ have represented to Evans & Evans that, among other things: (i) the Information provided orally by, an officer or employee of CRUZ or in writing by CRUZ (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to CRUZ, its affiliates or the Proposed Transaction, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of CRUZ, Makenita, their respective affiliates or the Proposed Transaction and did not and does not

omit to state a material fact in respect of Makenita, its affiliates or the Proposed Transaction that is necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial forecasts, projections, estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of CRUZ as to the matters covered thereby and such financial forecasts, projections, estimates and budgets reasonably represent the views of management of the financial prospects and forecasted performance of CRUZ or Makenita; and (iii) since the dates on which the Information was provided to Evans & Evans, except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of CRUZ, Makenita or any of their affiliates and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.

7.04 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the copies provided to us, all of the conditions required to implement the Proposed Transaction will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Proposed Transaction are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any information circular provided to securityholders with respect to CRUZ and the Proposed Transaction will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Proposed Transaction. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.

7.05 The Issuer and all of its related parties and principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management in its financial statements that would affect the evaluation or comment.

7.06 As of the date of the Opinion, all assets and liabilities of CRUZ have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.

7.07 There were no material changes in the financial position of CRUZ between the date of the financial statements and September 5, 2024 (i.e., the date of the Opinion) unless noted in the Opinion.

7.08 Makenita is successful in completing the Concurrent Financing that will provide it with sufficient capital to finance its exploration activities on the Hector Property and to fund its working capital requirements. Evans & Evans understands such financing will be undertaken after the effective date of the Proposed Transaction.

7.09 Makenita seeks a listing on the Exchange and its asset (i.e., the Spinco Property) meet minimum listing requirements.

8.0 Review of CRUZ and Makenita

8.01 As at the date of the Opinion, CRUZ incurred approximately $0.91 million of acquisition cost and exploration costs related to the Hector Property.

8.02 Evans & Evans did conduct a review of recent mergers & acquisitions ("M&A") involving the sale of cobalt and lithium assets and companies. Evans & Evans found that on a consolidated basis, the enterprise value ("EV") to hectares multiples for early-stage exploration projects are similar, however, there were significantly more lithium-focused M&A transactions, which implies significant investor interest in the space. The table below provides a summary of the reviews of M&A on a consolidated basis.

	Cobalt M&A	Lithium M&A
Average	$494.96	$618.56
Median	$359.81	$196.05
Minimum	$207.08	$49.32
Maximum	$1,177.4	$6,497.37

8.03 Evans & Evans did conduct separate reviews of guideline public companies ("GPC") with cobalt and lithium projects. Evans & Evans found that the GPCs with cobalt projects generally traded at a higher EV to hectares value than companies with lithium projects at a similar stage of development. Accordingly, there does appear potential for the combined market capitalizations of CRUZ and Makenita to be higher than the current market capitalization of CRUZ. The Proposed Transaction enables the Issuer to focus on development of its Solar Lithium Property and Clayton Valley Lithium Property in Nevada, and Idaho Cobalt Belt Property in Idaho, potentially resulting in share appreciation. The table below provides a summary of the reviews of GPCs on a consolidated basis.

	Cobalt GPCs	Lithium GPCs
Average	$3,875.66	$1692.46
Median	$456.42	$143.49
Minimum	$95.83	$18.96
Maximum	$27,188.68	$25,090.37

8.04 Evans & Evans did conduct separate reviews of EV to book value of property for GPCs with cobalt and lithium projects. Evans & Evans found that the GPCs with cobalt and lithium projects generally traded at a similar EV to book value multiples. The table below provides a summary of the reviews of GPCs on a consolidated basis.

	Cobalt GPCs	Lithium GPCs
Average	1.4	1.40
Median	1.0	0.72
Minimum	0.13	0.15
Maximum	5.20	6.18

The book value of the Spinco Property is in the range of $925,260 as of the date of the Opinion. Given the size of land package and the aforementioned GPCs multiple for cobalt properties, Evans & Evans found there is support for Makenita to trade above the book value of its property if successful in securing the Listing.

9.0 Conclusions as to Fairness

9.01 Based on the above information, observations, and analyses by Evans & Evans as well as other relevant factors applying to CRUZ, Makenita and the Proposed Transaction, Evans & Evans is of the opinion that the Proposed Transaction is fair, from a financial point of view to the CRUZ Securityholders.

9.02 In considering fairness, from a financial point of view, Evans & Evans considered the Proposed Transaction from the perspective of the CRUZ Securityholders as a whole and did not consider the specific circumstances of any particular securityholders, including with regard to income tax considerations.

9.03 In arriving at the above-noted conclusions as to the fairness of the Proposed Transaction, Evans & Evans considered the following:

a. The Proposed Transaction does not change the ownership position of current securityholders of CRUZ. Each securityholder of CRUZ will hold the same number of shares in CRUZ post-Proposed Transaction as pre-Proposed Transaction. No new shares of CRUZ are being issued in concert with the Proposed Transaction.

b. In connection with the Proposed Transaction, Makenita will require financing to fund, among other things, for exploration activities on the Spinco Property and the general working capital requirements. If such work proves positive in nature, there is the potential for share appreciation in Makenita Shares. The terms of the Concurrent Financing are subject to market conditions at the time of the closing, but in the view of Evans & Evans should reflect a pre-money valuation for Makenita in excess of $0.84 million.

c. In connection with the Proposed Transaction, post the successful completion of the Concurrent Financing and the listing of the Makenita Shares on the Exchange, there is

potential for the combined market capitalizations of CRUZ and Makenita to be higher than the current CRUZ market capitalization.

d. The disparity between the lithium and cobalt markets, where cobalt companies generally trade at a higher multiple of EV to hectare value than lithium companies as at the date of the Opinion, highlights their differing financial dynamics and levels of investor interest. Evans & Evans' analysis indicates that the Issuer's US Properties, and the Spinco Property, may each be capable of securing independent financing. Financing for Makenita would enable the company to undertake exploration on the Spinco Property and potentially increase its prospectivity.

e. The Proposed Transaction may also benefit CRUZ securityholders as the Issuer, with the US Properties, may be able to attract new investors that were not interested in the Spinco Property and hence would not invest, given the potential of CRUZ to spend money advancing those properties.

f. In reviewing the Issuer's recent public disclosure documents and financial statements, the majority of press releases are related to the advancement of Solar Lithium Property in Nevada. Since the acquisition of Solar Lithium Property, the majority of the exploration efforts have been focused on advancing that property. Given the bulk of recent exploration efforts and the focus on disclosure on Solar Lithium Property, it is unlikely, in the view of Evans & Evans, the market is attributing material value to the Spinco Property.

g. The Issuer announced the Proposed Transaction on August 1, 2024. The day before the announcement, CRUZ traded at $0.04. On August 1, 2024, the CRUZ's trading price closed at $0.04, and the volume weighted average price ("VWAP") of CRUZ for the 20-days preceding the date of the Opinion was $0.04. The lack of change in the trading price of CRUZ's common shares implies the market is not fully valuing all of the Issuer's mineral properties. As such, the Proposed Transaction may unlock the value of certain properties.

h.

i. The Hector Property is intended to be the primary property of Makenita. CRUZ has conducted limited exploration since July 31, 2021 which has resulted in the identification of several targets. Transferring ownership to Makenita will create the opportunity for Makenita to explore areas of the Spinco Property which have shown to have the possibility of mineralization.

j. Splitting CRUZ and Makenita into separate companies may improve access to financing for each going forward as the investor profile for the US Properties with a focus on lithium projects can differ from those who are interested in early-stage cobalt project in Canada.

k. Makenita, following completion of the Concurrent Financing, will have a reasonable capital structure (less than 30.0 million common shares outstanding). The number of shares outstanding establishes a corporate structure which allows room for future financings to continue to advance the Spinco Property.

l. If Makenita is unsuccessful in its attempts to secure a listing on the Exchange, CRUZ's securityholders may have reduced share liquidity than had CRUZ retained the Spinco Property.

m. The Proposed Transaction is expected to provide greater market awareness of CRUZ, Makenita and their respective assets, and offer both the Issuer and Makenita increased flexibility to utilize and exploit their respective assets, without unnecessary dilution to the other.

n. The Proposed Transaction provides CRUZ with the flexibility to secure financing and / or partners in the US Properties without unnecessarily diluting securityholders in any of the Spinco Property. In other words, if the short-term plan for the US Properties yields positive results, additional funding could be sought for future programs, without diluting the ownership in the Spinco Property and vice versa.

10.0 Qualifications & Certification

10.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For over 35 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of several thousand technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the CBV Institute and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Managing Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and

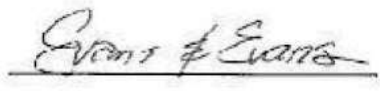
Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing several thousand valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CBV Institute and the ASA.

10.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the CBV Institute.

10.03 The authors of the Opinion have no present or prospective interest in the Companies, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,



EVANS & EVANS, INC.

SCHEDULE "L"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

MAKENITA – STATEMENT OF CORPORATE GOVERNANCE PRACTICES

(see attached)

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board currently consists of four directors: James Nelson, George Franklin Bain, Negar Adam and Seth Kay. NI 58-101 distinguishes between independent and non-independent directors. For the purposes of NI 58-101, directors who have a direct or indirect material relationship with the Company, including directors who are or have been within the last three years, an employee or executive officer, are deemed to be no independent of the Company. James Nelson, the current CEO of the Company, is not independent. George Franklin Bain and Negar Adam have no direct or indirect material relationship with the Company, and are therefore considered independent.

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board approves all significant decisions that affect the Company before they are implemented. The Board generally meets on a quarterly basis, and special meetings are held upon the request of a Board member.

Directorships

Name of Director of the Company	Names of Other Reporting Issuers
James Nelson	Spearmint Resources Inc. Jinhua Capital Corporation (resigned on November 8, 2023)
George Franklin Bain	Spearmint Resources Inc.
Negar Adam	Spearmint Resources Inc. Sienna Resources Inc. Jinhua Capital Corporation (resigned on August 25, 2023)
Seth Kay	Edge Total Intelligence Inc.

Orientation and Continuing Education

The Board of the Company briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board adopted a Code of Business Conduct and Ethics on September 9, 2008, a copy of which was filed on SEDAR+ on October 15, 2008. In addition, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions

of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of Shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

If a candidate looks promising, the Board will conduct due diligence on the candidate and if the results are satisfactory, the candidate is interviewed and may be invited to join the Board.

Compensation

The Board conducts reviews with regard to the compensation of the directors and CEO once a year. The compensation of directors and the CEO is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Increases in salary or fees are to be evaluated on an individual basis and are performance and market-based. The amount and award of cash bonuses to key executives and senior management is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant. At this time, the Board has not established any benchmarks or any performance goals that the directors and CEO must achieve in order to maintain their respective positions with the Company, although they are expected to carry out their duties in an effective and efficient manner and advance the exploration and development goals of the Company.

Other Board Committees

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

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

SCHEDULE "M"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

CRUZ AUDIT COMMITTEE CHARTER

(see attached)

Audit Committee Charter

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of **BROOKEMONT CAPITAL INC.** (the "Company"):

Mandate

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

   (a) review and update this Audit Committee Charter annually; and

   (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

2. External Auditors

   (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;

   (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;

   (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;

   (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;

   (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;

   (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;

(g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;

(h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;

(i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and

(j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,

(ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and

(iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

3. Financial Reporting Processes

(a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;

(b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

(c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;

(d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;

(e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

(f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;

(g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;

(h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;

(i) review certification process;

(j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

(k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

4. Other

(a) review any related-party transactions;

(b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and

(c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.

SCHEDULE "N"

TO THE MANAGEMENT INFORMATION CIRCULAR OF CRUZ BATTERY METALS CORP.

MAKENITA – EQUITY INCENTIVE PLAN

(see attached)

MAKENITA RESOURCES INC.

OMNIBUS EQUITY INCENTIVE PLAN

December 11, 2024

TABLE OF CONTENTS

Makenita Resources Inc.

Omnibus Equity Incentive Plan

ARTICLE 1
PURPOSE

1.1 Purpose

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants of the Corporation and its subsidiaries, to reward such of those Directors, Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long-term goals and success of the Corporation and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long-term investments and proprietary interests in the Corporation.

ARTICLE 2
INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

(a) "**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 – *Prospectus Exemptions of the Canadian Securities Administrators*, as amended from time to time;

(b) "**Award**" means any Option, Restricted Share Unit, Performance Share Unit or Deferred Share Unit granted under this Plan which may be denominated or settled in Shares, cash or in such other form as provided herein;

(c) "**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Award has been granted under this Plan and which need not be identical to any other such agreements;

(d) "**Board**" means the board of directors of the Corporation as it may be constituted from time to time;

(e) "**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

(f) "**Canadian Taxpayer**" means a Participant that is resident of Canada for purposes of the Tax Act;

(g) "**Cash Fees**" has the meaning set forth in Subsection 7.1(a);

(h) "**Cashless Exercise**" has the meaning set forth in Subsection 4.5(b);

(i) "**Cause**" means, with respect to a particular Participant:

(i) "cause" (or any similar term) as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee;

(ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation or "cause" (or any similar term) is not defined in such agreement, "cause" as such term is defined in the Award Agreement; or

(iii) in the event neither (a) nor (b) apply, then "cause" as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where (i) an employer may terminate an individual's employment without notice or pay in lieu thereof or other damages, or (ii) the Corporation or any subsidiary thereof may terminate the Participant's contract without notice or without pay in lieu thereof or other termination fee or damages;

(j) "**Change in Control**" means the occurrence of any one or more of the following events:

(i) any transaction at any time and by whatever means pursuant to which any Person or any group of two (2) or more Persons acting jointly or in concert hereafter acquires the direct or indirect "beneficial ownership" (as defined in the *Securities Act* (British Columbia)) of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;

(ii) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a subsidiary of the Corporation;

(iii) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one (1) or more Persons which were Affiliates of the Corporation prior to such event;

(iv) the occurrence of a transaction requiring approval of the Corporation's shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a subsidiary of the Corporation);

(v) individuals who comprise the Board as of the date hereof (the "**Incumbent Board**") for any reason cease to constitute at least a majority of the members of

the Board, unless the election, or nomination for election by the Corporation's shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board; or

(vi) any other event which the Board determines to constitute a change in control of the Corporation;

provided that, notwithstanding clause (i), (ii), (iii) and (iv) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clause (i), (ii), (iii) or (iv) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (ii) above) (the "**Surviving Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees ("**voting power**") of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the "**Parent Entity**") that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a "**Non-Qualifying Transaction**" and, following the Non-Qualifying Transaction, references in this definition of "Change in Control" to the "Corporation" shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the "Board" shall mean and refer to the board of directors or trustees, as applicable, of such entity).

Notwithstanding the foregoing, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A of the Code), the payment of which is triggered by or would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as "a change in control event" within the meaning of Section 409A of the Code.

(k) "**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder;

(l) "**Committee**" has the meaning set forth in Section 3.2;

(m) "**Consultant**" means any individual or entity engaged by the Corporation or any subsidiary of the Corporation to render consulting or advisory services (including as a director or officer of any subsidiary of the Corporation), other than as an Employee or Director, and

whether or not compensated for such services provided, however, that any Consultant who is in the United States or is a U.S. Person at the time such Consultant receives any offer of Award or executes any Award Agreement must be a natural person, and must agree to provide bona fide services to that Corporation that are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Corporation's securities;

(n) "**Control**" means the relationship whereby a Person is considered to be "controlled" by a Person if:

(i) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;

(ii) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and

(iii) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and

the words "**Controlled by**", "**Controlling**" and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

(o) "**Corporation**" means Makenita Resources Inc., or any successor entity thereof;

(p) "**Date of Grant**" means, for any Award, the date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

(q) "**Deferred Share Unit**" or "**DSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 7;

(r) "**Director**" means a director of the Corporation who is not an Employee;

(s) "**Director Fees**" means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

(t) "**Disabled**" or "**Disability**" means, with respect to a particular Participant:

(i) "disabled" or "disability" (or any similar terms) as such terms are defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant;

(ii) in the event there is no written or other applicable employment or other agreement between the Corporation or a subsidiary of the Corporation, or "disabled" or "disability" (or any similar terms) are not defined in such agreement, "disabled" or "disability" as such term are defined in the Award Agreement; or

(iii) in the event neither (i) or (ii) apply, then the incapacity or inability of the Participant, by reason of mental or physical incapacity, disability, illness or disease (as determined by a legally qualified medical practitioner or by a court) that prevents the Participant from carrying out his or her normal and essential duties as an Employee, Director or Consultant for a continuous period of six months or for any cumulative period of 180 days in any consecutive twelve month period, the foregoing subject to and as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

(u) "**Effective Date**" means the effective date of this Plan, being December 11, 2024;

(v) "**Elected Amount**" has the meaning set forth in Subsection 7.1(a);

(w) "**Electing Person**" means a Participant who is, on the applicable Election Date, a Director;

(x) "**Election Date**" means the date on which the Electing Person files an Election Notice in accordance with Subsection 7.1(b);

(y) "**Election Notice**" has the meaning set forth in Subsection 7.1(b);

(z) "**Employee**" means an individual who:

(i) is considered an employee of the Corporation or a subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or

(ii) works full-time or part-time on a regular weekly basis for the Corporation or a subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such subsidiary;

(aa) "**Exchange**" means the primary exchange on which the Shares are then listed, if applicable;

(bb) "**Exercise Notice**" means a notice in writing, signed by a Participant and stating the Participant's intention to exercise a particular Option;

(cc) "**Exercise Price**" means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

(dd) "**Expiry Date**" means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

(ee) "**In the Money Amount**" has the meaning given to it in Subsection 4.5(b);

(ff) "**Insider**" means an "insider" as defined in the rules of the Exchange from time to time;

(gg) "**Market Price**" at any date in respect of the Shares shall be the greater of the closing market price of the Shares on (i) the trading day prior to the date of grant and (ii) the date of grant, and as otherwise required pursuant to the policies of the Exchange, if applicable. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be (i) the issuance price per Share of the most recent financing completed by the Corporation within the last three (3) months; or (ii) otherwise, the fair market value of such Shares as determined by the Plan Administrator in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the Code;

(hh) "**Option**" means a right to purchase Shares under Article 4 of this Plan that is non-assignable and non-transferable, unless otherwise approved by the Plan Administrator;

(ii) "**Option Shares**" means Shares issuable by the Corporation upon the exercise of outstanding Options;

(jj) "**Participant**" means a Director, Employee or Consultant to whom an Award has been granted under this Plan;

(kk) "**Performance Goals**" means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

(ll) "**Performance Share Unit**" or "**PSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

(mm) "**Person**" means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

(nn) "**Plan**" means this Omnibus Equity Incentive Plan, as may be amended from time to time;

(oo) "**Plan Administrator**" means the Board, or if the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

(pp) "**PSU Service Year**" has the meaning given to it in Section 6.1;

(qq) "**Restricted Share Unit**" or "**RSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 5;

(rr) "**Retirement**" means, unless otherwise defined in the Participant's written or other applicable employment agreement or in the Award Agreement, the termination of the Participant's working career at the age of 67 or such other retirement age, with consent of the Plan Administrator, if applicable, other than on account of the Participant's termination of service by the Corporation or its subsidiary for Cause;

(ss) "**RSU Service Year**" has the meaning given to it in Section 5.1.

(tt) "**Section 409A of the Code**" or "**Section 409A**" means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

(uu) "**Securities Laws**" means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;

(vv) "**Security Based Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, officers, Employees and/or service providers of the Corporation or any subsidiary of the Corporation, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;

(ww) "**Share**" means one (1) common share in the capital of the Corporation as constituted on the Effective Date or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 10, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

(xx) "**subsidiary**" means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary;

(yy) "**Tax Act**" has the meaning set forth in Section 4.5(d);

(zz) "**Termination Date**" means, subject to applicable law which cannot be waived:

(i) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation as the "Termination Date" (or similar term) in a written employment or other agreement between the

Employee and Corporation or a subsidiary of the Corporation, or (ii) if no such written employment or other agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Employee ceases to be an employee of the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given; and in any event, the "Termination Date" shall be determined without including any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, severance pay or other damages paid or payable to the Participant;

(ii) in the case of a Consultant whose agreement or arrangement with the Corporation or a subsidiary of the Corporation terminates, (i) the date designated by the Corporation or the subsidiary of the Corporation, as the "Termination Date" (or similar term) or expiry date in a written agreement between the Consultant and Corporation or a subsidiary of the Corporation, or (ii) if no such written agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which the Consultant ceases to be a Consultant or a service provider to the Corporation or the subsidiary of the Corporation, as the case may be, or on which the Participant's agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant's consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given; in any event, the "Termination Date" shall be determined without including any period of notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, termination fees or other damages paid or payable to the Participant; and

(iii) in the case of a Director, the date such individual ceases to be a Director,

in each case, unless the individual continues to be a Participant in another capacity.

Notwithstanding the foregoing, in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" with the Corporation or a subsidiary of the Corporation within the meaning of Section 409A of the Code.

(aaa) "**U.S.**" or "**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

(bbb) "**U.S. Person**" shall mean a "**U.S. person**" as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act (the definition of which includes, but is not limited to, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any partnership or corporation organized outside of the United States by a U.S. Person

principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized, or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts, and (iv) any estate or trust of which any executor or administrator or trustee is a U.S. Person);

(ccc) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended; and

(ddd) "**U.S. Taxpayer**" shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws.

2.2 Interpretation

(a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.

(b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.

(c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.

(d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.

(e) Unless otherwise specified, all references to money amounts are to Canadian currency.

(f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3
ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

(a) determine the individuals to whom grants under the Plan may be made;

(b) make grants of Awards under the Plan relating to the issuance of Shares (including any combination of Options, Restricted Share Units, Performance Share Units or Deferred Share Units) in such amounts, to such Persons and, subject to the provisions of this 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 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;

(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 this Plan;

(e) construe and interpret this Plan and all Award Agreements;

(f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub- plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and

(g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

3.2 Delegation to Committee

(a) The initial Plan Administrator shall be the Board.

(b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the "**Committee**") all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the

terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on the Corporation and all subsidiaries of the Corporation, all Participants and all other Persons.

3.3 Determinations Binding

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation, the affected Participant(s), their legal and personal representatives and all other Persons.

3.4 Eligibility

All Directors, Employees and Consultants are eligible to participate in the Plan, subject to Section 9.1(f). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the sole and absolute discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Plan Administrator shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange, if applicable, and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Without limiting the generality of the foregoing, all Awards shall be issued pursuant to the registration requirements of the U.S. Securities Act, or pursuant an exemption or exclusion from such registration requirements. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Total Shares Subject to Awards

(a) Subject to adjustment as provided for in Article 10 and any subsequent amendment to this Plan, the aggregate number of Shares reserved for issuance pursuant to Awards granted under this Plan shall not exceed 20% of the Corporation's total issued and outstanding Shares from time to time. This Plan is considered an "evergreen" plan, since the shares covered by Awards which have been settled, exercised or terminated shall be available for subsequent grants under the Plan and the number of Awards available to grant increases as the number of issued and outstanding Shares increases.

(b) To the extent any Awards (or portion(s) thereof) under this Plan terminate or are cancelled for any reason prior to exercise in full, or are surrendered or settled by the

Participant, any Shares subject to such Awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Awards granted under this Plan.

(c) Any Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall not reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan:

(a) the aggregate number of Shares:

(i) issuable to Insiders at any time, under all of the Corporation's Security- Based Compensation Arrangements, shall not exceed ten percent (10%) of the Corporation's issued and outstanding Shares; and

(ii) issued to Insiders within any one (1) year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the Corporation's issued and outstanding Shares,

provided that the acquisition of Shares by the Corporation for cancellation shall be disregarded for the purposes of determining non-compliance with this Section 3.7 for any Awards outstanding prior to such purchase of Shares for cancellation; and

(b) if the Corporation ceases to be a "venture issuer" as defined in National Instrument 52-110, the Plan Administrator shall not make grants of Awards to Directors if, after giving effect to such grants of Awards, the aggregate number of Shares issuable to Directors, at the time of such grant, under all of the Corporation's Security Based Compensation Arrangements would exceed 1% of the issued and outstanding Shares on a non-diluted basis.

3.8 Award Agreements

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, an Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non-transferability of Awards

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further

force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

ARTICLE 4
OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date.

4.4 Vesting and Exercisability

(a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options.

(b) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable.

(c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.

(d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

(a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by

certified cheque, wire transfer, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include (i) through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation) whereby payment of the Exercise Price is accomplished with the proceeds of the sale of Shares deliverable upon the exercise of the Option, (ii) through the cashless exercise process set out in Section 4.5(b), or (iii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Securities Laws, or any combination of the foregoing methods of payment.

(b) Unless otherwise specified by the Plan Administrator and set forth in the particular Award Agreement, if permitted by the Plan Administrator, and subject to compliance with the policies of the Exchange, if applicable, a Participant may, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the Corporation (a "**Cashless Exercise**") in consideration for an amount from the Corporation equal to (i) the Market Price of the Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate Exercise Price of the Option (or portion thereof) surrendered relating to such Shares (the "**In-the-Money Amount**"), by written notice to the Corporation indicating the number of Options such Participant wishes to exercise using the Cashless Exercise, and such other information that the Corporation may require. Subject to Section 8.3, the Corporation shall satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Shares (rounded down to the nearest whole number) having a fair market value equal to the In-the-Money Amount.

(c) No Shares will be issued or transferred until full payment therefor has been received by the Corporation, or arrangements for such payment have been made to the satisfaction of the Plan Administrator.

(d) If a Participant surrenders Options through a Cashless Exercise pursuant to Section 4.5(b), to the extent that such Participant would be entitled to a deduction under paragraph 110(1)(d) of the *Income Tax Act* (Canada) (the "**Tax Act**") in respect of such surrender if the election described in subsection 110(1.1) of the Tax Act were made and filed (and the other procedures described therein were undertaken) on a timely basis after such surrender, the Corporation will cause such election to be so made and filed (and such other procedures to be so undertaken).

ARTICLE 5
RESTRICTED SHARE UNITS

5.1 Granting of RSUs

(a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "**RSU Service Year**"). The terms and conditions of each RSU grant may be evidenced by an Award Agreement. Each RSU will

consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 5.4(a)), upon the settlement of such RSU.

(b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any bonus or similar payment that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the greater of (A) the Market Price of a Share on the Date of Grant; and (B) such amount as determined by the Plan Administrator in its sole discretion.

5.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

5.3 Vesting of RSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that the terms comply with Section 409A, with respect to a U.S. Taxpayer.

5.4 Settlement of RSUs

(a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of RSUs, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the Participant shall redeem each vested RSU for the following at the election of the Participant but subject to the approval of the Plan Administrator:

(i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct,

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above.

(b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

(d) Notwithstanding any other terms of this Plan but subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 5.4 any later than the final Business Day of the third calendar year following the applicable RSU Service Year.

ARTICLE 6
PERFORMANCE SHARE UNITS

6.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "**PSU Service Year**"). The terms and conditions of each PSU grant shall be evidenced by an Award Agreement, provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 6.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

6.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a Participant's service and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

6.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. Following the Date of Grant, the Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

6.4 PSU Account

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

6.5 Vesting of PSUs

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs.

6.6 Settlement of PSUs

(a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs provided that with respect to a U.S. Taxpayer the terms comply with Section 409A to the extent it is applicable. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, the Participant shall redeem each vested PSU for the following at the election of the Participant but subject to the approval of the Plan Administrator:

(i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct,

(ii) a cash payment, or

(iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above.

(b) Any cash payments made under this Section 6.6 by the Corporation to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

(d) Notwithstanding any other terms of this Plan but subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 6.6 any later than the final Business Day of the third calendar year following the applicable PSU Service Year.

ARTICLE 7
DEFERRED SHARE UNITS

7.1 Granting of DSUs

(a) The Board may fix from time to time a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person is given, subject to the conditions stated herein, the right to elect in accordance with Section 7.1(b) to participate in the grant of additional DSUs pursuant to this Article 7. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 7 shall receive their Elected Amount (as that term is defined below) in the form of DSUs. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that would otherwise be paid in cash (the "**Cash Fees**").

(b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs will be required to file a notice of election in the form of Schedule A hereto (the "**Election Notice**") with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year to which such election is

to apply (other than for Director Fees payable for the 2022 financial year, in which case any Electing Person who is not a U.S. Taxpayer as of the date of this Plan shall file the Election Notice by the date that is 30 days from the Effective Date with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of the first year in which an Electing Person who is a U.S. Taxpayer first becomes an Electing Person under the Plan (or any plan required to be aggregated with the Plan under Section 409A), an initial Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the end of the 30-day election period. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

(c) Subject to Subsection 7.1(d), the election of an Electing Person under Subsection 7.1(b) shall be deemed to apply to all Cash Fees paid subsequent to the filing of the Election Notice. In the case of an Electing Person who is a U.S. Taxpayer, his or her election under Section 7.1(b) shall be deemed to apply to all Cash Fees that are earned after the Election Date. An Electing Person is not required to file another Election Notice for subsequent calendar years.

(d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs by filing with the Chief Financial Officer of the Corporation a termination notice in the form of Schedule B. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a “black-out” on trading. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 7.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 7, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs for any calendar year (or portion thereof) is irrevocable for that calendar year after the expiration of the election period for that year and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.

(e) Any DSUs granted pursuant to this Article 7 prior to the delivery of a termination notice pursuant to Section 7.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.

(f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 7 will be calculated by dividing (i) the amount of Director Fees that are to be paid as DSUs, as determined by the Plan Administrator or Director Fees that are to be paid in DSUs (including any Elected Amount), by (ii) the Market Price of a Share on the Date of Grant.

(g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

7.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

7.3 Vesting of DSUs

Except as otherwise determined by the Plan Administrator or as set forth in the particular Award Agreement, DSUs shall vest immediately upon grant.

7.4 Settlement of DSUs

(a) DSUs shall be settled on the date established in the Award Agreement; provided, however that if there is no Award Agreement or the Award Agreement does not establish a date for the settlement of the DSUs, then, for a Participant who is not a U.S. Taxpayer the settlement date shall be the date determined by the Participant (which date shall not be earlier than the Termination Date), and for a Participant who is a U.S. taxpayer, the settlement date shall be the date determined by the Participant in accordance with the Election Notice (which date shall not be earlier than the "separation from service" (within the meaning of Section 409A)). On the settlement date for any DSU, the Participant shall redeem each vested DSU for:

(i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct; or

(ii) at the election of the Participant and subject to the approval of the Plan Administrator, a cash payment.

(b) Any cash payments made under this Section 7.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.

(c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll or in such other manner as determined by the Corporation.

7.5 No Additional Amount or Benefit

For greater certainty, neither a Participant to whom DSUs are granted nor any person with whom such Participant does not deal at arm's length (for purposes of the Tax Act) shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the Market Price of the Shares to which the DSUs relate.

ARTICLE 8
ADDITIONAL AWARD TERMS

8.1 Dividend Equivalents

(a) Unless otherwise determined by the Plan Administrator or as set forth in the particular Award Agreement, an Award of RSUs, PSUs and DSUs shall include the right for such RSUs, PSUs and DSUs be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs, PSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first Business Day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's account shall vest in proportion to the RSUs, PSUs and DSUs to which they relate, and shall be settled in accordance with Subsections 5.4, 6.6, and 7.4 respectively.

(b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

8.2 Restricted Period

In the event that an Award expires, at a time when a scheduled restricted period is in place or an undisclosed material change or material fact in the affairs of the Corporation exists, the expiry of such Award will be the date that is 10 Business Days after which such scheduled restricted period terminates or there is no longer such undisclosed material change or material fact.

8.3 Withholding Taxes

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a subsidiary of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or a subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation or any Affiliate may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (b) require the sale, on behalf of the applicable Participant, of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

8.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange, if applicable. The Plan Administrator may at any time waive the application of this Section 8.4 to any Participant or category of Participants.

ARTICLE 9
TERMINATION OF EMPLOYMENT OR SERVICES

9.1 Termination of Employee, Consultant or Director

Subject to Section 9.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, Award Agreement or other written agreement:

(a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised, surrendered or settled as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;

(b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then a portion of any unvested Options or other Awards shall immediately vest, such portion to be equal to the number of unvested Options or other Awards held by the Participant as of the Termination Date multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date any unvested Options or other Awards were originally scheduled to vest. Any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the date that is 90 days after the Termination Date. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled within 90 days after the Termination Date;

(c) where a Participant's employment, consulting agreement or arrangement terminates on account of his or her becoming Disabled, then any Award held by the Participant that has not vested as of the date of the Participant's Termination Date shall vest on such date. Any vested Option may be exercised by the Participant at any time until the Expiry Date of such Option. Any vested Award other than an Option will be settled within 90 days after the Termination Date;

(d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Award that is held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date. Any vested Option may be exercised by the Participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the first anniversary of the date of the death of such Participant. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option, such Award will be settled with the Participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death;

(e) where a Participant's employment, consulting agreement or arrangement is terminated due to the Participant's Retirement, then (i) any outstanding Award that vests or becomes exercisable based solely on the Participant remaining in the service of the Corporation or its subsidiary will become 100% vested, and (ii) any outstanding Award that vests based on the achievement of Performance Goals and that has not previously become vested shall continue to be eligible to vest based upon the actual achievement of such Performance Goals. Any vested Option may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option; and (B) the third anniversary of the Participant's date of Retirement. If an Option remains unexercised upon the earlier of (A) or (B), the Option shall be immediately forfeited and cancelled for no consideration upon the termination of such period. In the case of a vested Award other than an Option that is described in (i), such Award will be settled within 90 days after the Participant's Retirement. In the case of a vested Award other than an Option that is described in (ii), such Award will be settled at the same time the Award would otherwise have been settled had the Participant remained in active service with the Corporation or its subsidiary. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the "**Commencement Date**") employment, consulting or acting as a director of the Corporation or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, any Option or other Award held by the Participant that has not been exercised or settled as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;

(f) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:

(i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or

(ii) the date of the death, Disability or Retirement of the Participant;

(g) notwithstanding Subsection 9.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, but with due regard for Section

409A, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation; and

(h) notwithstanding any other provision of this Section 9.1, in the case of an Award (other than an Option) granted to a U.S. Taxpayer that is vested or that immediately vests (in whole or in part) as a result of a Participant's termination of service, then such Award will, subject to Section 11.6(d), be settled as soon as administratively practicable following the Participant's termination of service, but in no event later than 90 days following the Participant's termination of service. In the case of an Award (other than an Option) granted to a U.S. Taxpayer that remains eligible to vest (in whole or in part) following a Participant's termination of service based upon the achievement of one or more Performance Goals, such Award will be settled at the originally scheduled settlement date for such Award.

9.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 9.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator.

ARTICLE 10
EVENTS AFFECTING THE CORPORATION

10.1 General

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 10 would have an adverse effect on this Plan or on any Award granted hereunder.

10.2 Change in Control

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant:

(a) Subject to this Section 10.2, but notwithstanding anything else in this Plan or any Award Agreement, the Plan Administrator may, without the consent of any Participant, 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 merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or 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 (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, 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 of Directors in its sole discretion where such replacement would not adversely affect the holder; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 10.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 10.2(a)) any property in connection with a Change in Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted.

(b) Notwithstanding Section 9.1, and except as otherwise provided in a written employment or other agreement between the Corporation or a subsidiary of the Corporation and a Participant, if within 12 months following the completion of a transaction resulting in a Change in Control, a Participant's employment, consultancy or directorship is terminated by the Corporation or a subsidiary of the Corporation without Cause:

(i) any unvested Awards held by the Participant at the Termination Date shall immediately vest; and

(ii) any vested Awards of Participants may, subject to Sections 5.4(d) and 6.6(d) (where applicable), be exercised, surrendered or settled by such Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is 90 days after the Termination Date, provided that any vested Awards (other than Options) granted to U.S. Taxpayers will be settled within 90 days of the Participant's "separation from service". Any Award that has not been exercised, surrendered or settled at the end of such period will be immediately forfeited and cancelled.

(c) Notwithstanding Subsection 10.2(a) and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards, other than an Option held by a Canadian Taxpayer for the purposes of the Tax Act, granted under this Plan at the time of and subject to the completion of the Change in Control transaction by paying

to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, provided that any vested Awards granted to U.S. Taxpayers will be settled within 90 days of the Change in Control.

(d) It is intended that any actions taken under this Section 10.2 will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers.

10.3 Reorganization of Corporation's Capital

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, if applicable, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

10.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number and/or type of Shares that may be acquired, or by reference to which such Awards may be settled, on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange, if applicable, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

10.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 10.3 and 10.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 10.3 and 10.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Awards.

10.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 10, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards.

10.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, if, as a result of any adjustment under this Article 10 or a dividend equivalent, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 11
U.S. TAXPAYERS

11.1 Provisions for U.S. Taxpayers

Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code ("**ISOs**"). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option. If an Award Agreement fails to designate an Option as either an ISO or non-qualified stock option, the Option will be a non-qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO. Non- qualified stock options will be granted to a U.S. Taxpayer only if (i) such U.S. Taxpayer performs services for the Corporation or any corporation or other entity in which the Corporation has a direct or indirect controlling interest or otherwise has a significant ownership interest, as determined under Section 409A, such that the Option will constitute an option to acquire "service recipient stock" within the meaning of Section 409A, or (ii) such option otherwise is exempt from Section 409A.

11.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 10,000,000 Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may only be granted to an individual who is an employee of the Corporation, or of a "parent corporation" or "subsidiary corporation" of the Corporation, as such terms are defined in Sections 424(e) and (f) of the Code.

11.3 ISO Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, if an ISO is granted to a person who owns shares representing more than 10% of the voting power of all classes of shares of the Corporation or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the Option shall not exceed five years from the time of grant of such Option and the Exercise Price shall be at least 110% of the Market Price of the Shares subject to the Option.

11.4 $100,000 Per Year Limitation for ISOs

To the extent the aggregate Market Price as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation

and any "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code) exceeds US$100,000, such excess ISOs shall be treated as non-qualified stock options.

11.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

11.6 Section 409A of the Code

(a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. Any reference in this Plan to Section 409A of the Code shall also include any regulation promulgated thereunder or any other formal guidance issued by the Internal Revenue Service with respect to Section 409A of the Code. Each Award shall be construed and administered such that the Award either (A) qualifies for an exemption from the requirements of Section 409A of the Code or (B) satisfies the requirements of Section 409A of the Code. If an Award is subject to Section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a "separation from service" under Section 409A of the Code, (Ill) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

(b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.

(c) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.

(d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions of non-qualified deferred compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such six-month anniversary of such separation from service.

11.7 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

11.8 Application of Article 11 to U.S. Taxpayers

For greater certainty, the provisions of this Article 11 shall only apply to U.S. Taxpayers.

ARTICLE 12
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

12.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, that:

(a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements; and

(b) any amendment that would cause an Award held by a U.S. Taxpayer to be subject to income inclusion under Section 409A of the Code shall be null and void ab initio with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

12.2 Shareholder Approval

Notwithstanding Section 12.1 and subject to any rules of the Exchange, if applicable, approval of the holders of Shares shall be required for any amendment, modification or change that:

(a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions under Article 10 which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(b) increases or removes the 10% limits on Shares issuable or issued to Insiders as set forth in Subsection 3.7(a);

(c) reduces the exercise price of an Option Award (for this purpose, a cancellation or termination of an Option Award of a Participant prior to its Expiry Date for the purpose of reissuing an Option Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option Award) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;

(d) extends the term of an Option Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant or within 10 Business Days following the expiry of such a blackout period);

(e) permits an Option Award to be exercisable beyond 10 years from its Date of Grant (except where an Expiry Date would have fallen within a blackout period of the Corporation);

(f) increases or removes the limits on the participation of Directors;

(g) permits Awards to be transferred to a Person;

(h) changes the eligible participants of the Plan; or

(i) deletes or reduces the range of amendments which require approval of shareholders under this Section 12.2.

12.3 Permitted Amendments

Without limiting the generality of Section 12.1, but subject to Section 12.2, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

(a) making any amendments to the general vesting provisions of each Award;

(b) making any amendments to the provisions set out in Article 9;

(c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;

(d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of

the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or

(e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 13
MISCELLANEOUS

13.1 Legal Requirement

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed, if applicable.

13.2 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

13.3 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Consultant or Director. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

13.4 Corporate Action

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

13.5 Conflict

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Award Agreement shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

13.6 Anti-Hedging Policy

By accepting an Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as 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 Awards.

13.7 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

13.8 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

13.9 International Participants

With respect to Participants who reside or work outside Canada and the United States, the Plan Administrator may, in its sole discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

13.10 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its subsidiaries.

13.11 General Restrictions or Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

13.12 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

13.13 Notices

(a) All written notices to be given by a Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as noted on the Corporation's SEDAR+ profile: Attention: Chief Financial Officer

(b) All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth Business Day following the date of mailing. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

13.14 Effective Date

This Plan becomes effective on a date to be determined by the Plan Administrator, subject to the approval of the shareholders of the Corporation.

13.15 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without any reference to conflicts of law rules.

13.16 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

SCHEDULE A

MAKENITA RESOURCES INC.
EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 7 of the Plan and to receive % of my Cash Fees in the form of DSUs.

If I am a U.S. Taxpayer, I hereby further elect for any DSUs subject to this Election Notice to be settled on the later of (i) my "separation from service" (within the meaning of Section 409A) or (ii) _____.

I confirm that:

(a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.

(b) I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.

(c) The value of DSUs is based on the value of the Shares of the Corporation and therefore is not guaranteed.

(d) To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date: _____

_____
(Signature of Participant)

_____
(Name of Participant)

SCHEDULE B

MAKENITA RESOURCES INC.
OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 7 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____

_____
(Signature of Participant)

_____
(Name of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

SCHEDULE C

MAKENITA RESOURCES INC.
OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN")

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs
(U.S. TAXPAYERS)

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____ _____

(Signature of Participant)

_____

(Name of Participant)

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.