



**NOTICE OF ANNUAL AND SPECIAL MEETING OF
SHAREHOLDERS OF TALON METALS CORP.**

TO BE HELD ON JUNE 27, 2024

AND

MANAGEMENT INFORMATION CIRCULAR

May 15, 2024

TALON METALS CORP.

**Craigmuir Chambers
P.O. Box 71, Road Town
Tortola, British Virgin Islands
Company No: 649782**

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting of shareholders (the “**Meeting**”) of Talon Metals Corp. (the “**Company**” or “**Talon**”) will be held at Suite 100, One Financial Place, Lower Collymore Rock, St. Michael, Barbados on June 27, 2024 at 10:00 a.m. (Barbados time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, together with the report of the auditors thereon;
2. to appoint auditors and to authorize the directors to fix their remuneration;
3. to elect directors for the ensuing year;
4. to consider, and if deemed advisable, pass a resolution to authorize the Company to effect a combination of the Common Shares (the “**Consolidation**”) on the basis of one (1) post-Consolidation common share of the Company (“**Common Share**”) for up to ten (10) pre-Consolidation Common Shares (the “**Consolidation Ratio**”), as determined by the Board, in its sole discretion; and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The attached management information circular (“**Circular**”) sets forth a description of the matters referred to above.

The Company will be using the notice-and-access model (“**Notice and Access**”) provided for under Canadian securities laws for the delivery of the Circular to its shareholders for the Meeting.

Under Notice and Access, instead of receiving paper copies of the Circular, shareholders will receive a notice with information on the Meeting date, time, location and purpose, as well as information on how they may access the Circular electronically or obtain paper copies of the Circular in advance of the Meeting. Requests for paper copies of the Circular must be received no later than June 17, 2024 in order to ensure you receive the Circular in advance of the voting deadline and Meeting date. However, shareholders will receive a paper proxy (“**Form of Proxy**”) or voting instruction form, as applicable, enabling them to vote in connection with the Meeting. If you do request to receive paper copies of the Circular, please note that another Form of Proxy or voting instruction form, as applicable, will not be sent; please retain your current one for voting purposes.

The Circular is available on the Company’s website at www.talonmetals.com/shareholder-meeting-materials as of May 22, 2024 and will remain on the website for one full year thereafter. The Circular is also available under the Company’s SEDAR+ profile at www.sedarplus.ca. Registered shareholders (those shareholders with a 15-digit control number) who wish to receive paper copies of the Circular in advance of the Meeting may request copies by calling toll-free at 1-866-962-0498. Non-registered shareholders (those shareholders with a 16-digit control number) who wish to receive paper copies of the Circular in advance of the Meeting may request copies by calling toll-free at 1-877-907-7643.

Only registered shareholders at the close of business on May 9, 2024, who either personally attend the Meeting or who have completed and delivered a Form of Proxy, in the manner and subject to the provisions described in the Circular, shall be entitled to vote or to have their Common Shares voted, as the case may be, at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the Form of Proxy in the provided return envelope. All instruments appointing proxies to be used at the Meeting or at any adjournment or postponement thereof must be deposited with Computershare Investor Services Inc., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, in the case of registered holders of Common Shares, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof or with the chairman of the Meeting prior to the commencement of the Meeting or any adjournment or postponement thereof. Please also see the information contained in the Form of Proxy relating to voting by telephone or the Internet. Beneficial shareholders of Common Shares should refer to the heading “Advice to Non-Registered Shareholders” in the Circular for information regarding their voting rights.

DATED this 15th day of May, 2024.

By Order of the Board of Directors

(Signed) “*Warren Newfield*”

Warren Newfield
Executive Chairman

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TALON METALS CORP.

**Craigmuir Chambers
P.O. Box 71, Road Town
Tortola, British Virgin Islands
Company No: 649782**

MANAGEMENT PROXY CIRCULAR

BVI Business Companies Act, 2004 of the British Virgin Islands

In respect of the annual and special meeting of shareholders (the “**Meeting**”) of Talon Metals Corp. (“**Talon**” or the “**Company**”) to be held on the 27th day of June, 2024 at Suite 100, One Financial Place, Lower Collymore Rock, St Michael, Barbados at 10:00 a.m. (Barbados time).

NOTICE REGARDING INFORMATION

The information contained in this management proxy circular (the “**Circular**”) is given as at May 15, 2024, except where otherwise noted.

Any statement with respect to the number of common shares in the capital of the Company beneficially owned or over which control or direction is exercised by any person is in each instance based upon information furnished by such person.

NOTICE AND ACCESS

The Company will be using the notice-and-access model (“**Notice and Access**”) provided for under Canadian securities laws for the delivery of the Circular to its shareholders for the Meeting.

Under Notice and Access, instead of receiving paper copies of the Circular, shareholders will receive a notice with information on the Meeting date, time, location and purpose, as well as information on how they may access the Circular electronically or obtain paper copies of the Circular in advance of the Meeting. Requests for paper copies of the Circular must be received no later than June 17, 2024 in order to ensure you receive the Circular in advance of the voting deadline and Meeting date. However, shareholders will receive a paper proxy or voting instruction form, as applicable, enabling them to vote in connection with the Meeting. If you do request to receive paper copies of the Circular, please note that another proxy or voting instruction form, as applicable, will not be sent; please retain your current one for voting purposes.

The Circular is available on the Company’s website at www.talonmetals.com/shareholder-meeting-materials as of May 22, 2024 and will remain on the website for one full year thereafter. The Circular is also available under the Company’s SEDAR+ profile at www.sedarplus.ca. Registered shareholders (those shareholders with a 15-digit control number) who wish to receive paper copies of the Circular in advance of the Meeting may request copies by calling toll-free at 1-866-962-0498. Non-registered shareholders (those shareholders with a 16-digit control number) who wish to receive paper copies of the Circular in advance of the Meeting may request copies by calling toll-free at 1-877-907-7643.

CURRENCY

Unless stated otherwise, in this Circular, \$ means Canadian dollars.

SOLICITATION ON BEHALF OF THE MANAGEMENT OF THE COMPANY

THIS MANAGEMENT PROXY CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION ON BEHALF OF THE MANAGEMENT OF THE COMPANY OF PROXIES TO BE USED AT THE MEETING (AND ANY ADJOURNMENT OR POSTPONEMENT THEREOF) TO BE HELD ON JUNE 27, 2024 AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH ABOVE

AND IN THE ACCOMPANYING NOTICE OF MEETING. Proxies will be solicited primarily by mail and may also be solicited personally or by telephone by the directors, officers and employees of the Company without special compensation. The cost of solicitation by management of the Company will be borne by the Company.

The Company may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of voting shares of the Company (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of the notice and a form of proxy or voting instruction form, as applicable, to the beneficial owners of such shares. The Company will provide, without cost to such persons, upon request to the Corporate Secretary of the Company, additional copies of the foregoing documents required for this purpose.

The contents and the filing of this Circular have been approved by the Company's board of directors ("**Board**").

No person is authorized to give any information or to make any representation other than those contained herein and, if given or made, such information or representation should not be relied upon as having been authorized by Talon. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are nominees of management of the Company. **A TALON SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON OR COMPANY, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM, HER OR IT AT THE MEETING MAY DO SO** by either filling in the name of such person in the blank space provided in the proxy or by completing another proper form of proxy. A shareholder wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must, in all cases, deposit the completed proxy with the Company's transfer agent and registrar, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, facsimile (416) 263-9524 (local) or 1-866-249-7775 (toll free), not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof at which the proxy is to be used, or deliver it to the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof prior to the commencement of the Meeting. A proxy should be executed by the shareholder or his, her or its attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

In addition to any other manner permitted by law, a proxy may be revoked before it is exercised by instrument in writing executed in the same manner as a proxy and deposited at the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the Chair of the Meeting on the day of such Meeting or any adjournment thereof and thereupon the proxy is revoked.

A registered shareholder attending the Meeting has the right to vote in person and, if he, she, or it does so, his, her or its proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

EXERCISE OF DISCRETION BY PROXIES

The shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if a shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the shares represented by the proxy will be voted accordingly. **WHERE NO CHOICE IS SPECIFIED WITH RESPECT TO MATTERS WHICH ARE ADDRESSED BY THE NOTICE OF MEETING AND THIS CIRCULAR, THE SHARES REPRESENTED BY PROXIES WILL BE VOTED IN FAVOUR OF EACH MATTER SET OUT IN THE NOTICE OF MEETING. THE PROXY ALSO CONFERS DISCRETIONARY AUTHORITY UPON THE**

PERSONS NAMED THEREIN TO VOTE WITH RESPECT TO ANY AMENDMENTS OR VARIATIONS TO THE MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING IN SUCH MANNER AS SUCH NOMINEE IN HIS JUDGMENT MAY DETERMINE. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at the date hereof: (i) the Company is authorized to issue one class and one series of shares divided into a maximum number of 100,000,000,000 common shares of no par value (each, a “**Common Share**”); and (ii) the Company has outstanding 934,718,967 Common Shares, each of which carries one vote.

The outstanding Common Shares were listed for trading on the Toronto Stock Exchange (the “**TSX**”) on April 13, 2005 and are currently listed under the symbol “**TLO**”. The record date for the determination of shareholders entitled to receive notice of the Meeting has been fixed as May 9, 2024 (the “**Record Date**”). As at the Record Date, the Company had outstanding 934,718,967 Common Shares. The Company’s registrar and transfer agent, Computershare Investor Services Inc., will prepare an alphabetical list of shareholders as of such Record Date showing the number of Common Shares held by each shareholder. A shareholder may examine the list during usual business hours at the offices of Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, and at the Meeting. Each shareholder named in the list will be entitled to one vote per Common Share shown opposite his, her or its name on the said list, even though he, she or it has since that date disposed of his, her or its Common Shares.

As at the date of this Circular, to the knowledge of the directors and executive officers of the Company, other than Resource Capital Fund VI L.P. (“**RCF**”) and Pallinghurst Nickel International Ltd. (“**Pallinghurst**”), no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying more than 10% of the voting rights attaching to any class of outstanding voting securities of the Company. As at the date of this Circular, to the knowledge of the directors and executive officers of the Company, (i) RCF beneficially owns, controls or directs, directly or indirectly, 133,610,894 Common Shares representing 14.3% of the issued and outstanding capital of the Company, and (ii) Pallinghurst beneficially owns, controls or directs, directly or indirectly, 146,986,407 Common Shares representing 15.7% of the issued and outstanding capital of the Company.

ADVICE TO NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they name as proxy holders are authorized to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a “**Non-Registered Shareholder**”) are registered either: (i) in the name of an intermediary (“**Intermediary**”) with whom the Non-Registered Shareholder deals with in respect of their Common Shares, such as a bank, a trust company, a stockbroker, or a trustee or manager of a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), registered education savings plan (“**RESP**”) or other similar self-administered plan; or (ii) in the name of a clearing agency of which the Intermediary is a member.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to deliver this Circular to shareholders by (i) distributing a notification of meeting along with the form of proxy to the clearing agencies and Intermediaries (the “**Mailed Materials**”) for distribution to Non-Registered Shareholders; and (ii) posting the Circular on the Company’s website at www.talonmetals.com/shareholder-meeting-materials. See “Notice and Access” above for additional information.

Intermediaries are required to forward the Mailed Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries typically use companies (such as Broadridge Financial Solutions (Canada) Inc.) to deliver the documents to Non-Registered Shareholders. Non-Registered Shareholders will:

- (a) usually be provided by the Intermediary with an unsigned computerized form (often named “**voting instruction form**”) which, once it has been duly completed and signed by the Non-

Registered Shareholder and returned to the Intermediary or to the company used by the Intermediary for the delivery of the documents, will constitute the voting instructions which the Intermediary must follow. The Non-Registered Shareholder generally receives an instruction page containing an adhesive label on which a bar code and other information appear. To be considered as a valid voting instruction form, the Non-Registered Shareholder must remove the label from the voting instruction page and apply it on the computerized form which must be duly signed and completed before being returned to the Intermediary or its delivery company, in accordance with the instructions provided by the Intermediary or delivery company. In certain cases, a Non-Registered Shareholder may give the Intermediary or its delivery company such voting instructions via the Internet or by calling a toll free phone number; or

- (b) as is less often the case, receive a proxy form already signed by the Intermediary (typically, the form is sent by fax with the Intermediary's signature, either handwritten or stamped), relating strictly to the number of Common Shares beneficially owned by the Non-Registered Shareholder and otherwise left in blank. In such a case, the Non-Registered Shareholder who wishes to submit a proxy form should properly complete such form before filing it with Computershare Investor Services Inc. (Attention: Proxy Department), by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or by fax to 1-866-249-7775 (toll free) or (416) 263-9524 (local).

In each case, the purpose of these procedures is to enable Non-Registered Shareholders to give instructions in relation to the voting rights attached to Common Shares they beneficially own.

Should a Non-Registered Shareholder who receives a voting instruction form wish to vote in person at the Meeting, or to have another person attend and vote on his behalf, such Non-Registered Shareholder should print his own name or the name of such other person on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Shareholder who receives a proxy form wish to attend and vote in person at the Meeting, or to have another person attend and vote on his behalf, such Non-Registered Shareholder should strike out the names of the persons indicated in the proxy form and add his own name or the name of such other person in the space provided for that purpose on the form and return it to Computershare Investor Services Inc. at the above mentioned address.

In either case, Non-Registered Shareholders should carefully read the directions given by their Intermediaries, including as to when, where and how the voting instruction form or proxy form should be delivered.

A Non-Registered Shareholder may revoke voting instructions given to an Intermediary by following the procedures set out in the voting instruction form (or similar document) provided by the Intermediary.

BUSINESS TO BE CONSIDERED AT THE MEETING

At the Meeting, the shareholders will be asked to consider and vote upon: (i) the appointment of auditors; (ii) the election of directors; (iii) the Consolidation Resolution (defined below); and (iv) such other matters as may properly come before the Meeting.

1. Audited Consolidated Financial Statements

The Company's audited consolidated financial statements for the financial year ended December 31, 2023 and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Company's audited consolidated financial statements for the financial year ended December 31, 2023 will not constitute approval or disapproval of any matters referred to therein.

2. Appointment of Auditors

Shareholders will be asked at the Meeting, or any adjournment or postponement thereof, to re-appoint MNP LLP as the Company's auditors to hold office until the next annual meeting of shareholders, and to authorize the Board to fix their remuneration. MNP LLP was first appointed as the Company's auditors on June 29, 2012.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE RE-APPOINTMENT OF MNP LLP AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

3. Election of Directors

The Articles of Association of the Company provide that the Company is authorised to appoint a minimum of three (3) and a maximum of fifteen (15) directors. At the Company’s last annual meeting of shareholders, the Board was constituted with eight (8) directors. It is proposed that the current eight (8) directors be elected at the Meeting for the ensuing year.

The following table and the notes thereto state the names of all the persons proposed to be nominated by management for election as directors, their province or state and country of residence, all other positions and offices with the Company now held by them, their principal occupation or employment during the past five years, the period or periods of service as directors of the Company and the number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as of the date hereof.

The present term of office of each current director of the Company will expire at the close of the Meeting. Each person whose name appears hereunder is proposed to be elected as a director of the Company to serve for the period commencing immediately subsequent to the close of the Meeting and ending at the close of the next annual meeting of shareholders or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of Association of the Company and/or with the provisions of the *BVI Business Companies Act, 2004* (British Virgin Islands) (the “**BVI Act**”).

Name, Residence and Current Position(s) with Talon Metals Corp.	Principal Occupation During the Past Five Years	Director Since	Number of Voting Securities Owned, Controlled or Directed as at May 15, 2024 ⁽⁵⁾
Warren E. Newfield Nassau, Bahamas Executive Chairman and Director	Executive Chairman of Talon, October 2013 to present; Chairman and Chief Executive Officer (“CEO”) of Tau Capital Corp. (“Tau”) (mining and real estate investment and administrative and advisory services company), November 2007 to present; Ambassador-at-Large for Trade and Investment and Consul General of Grenada in Miami, May 2015 to May 2021.	April 5, 2005	20,127,900 Common Shares
Gregory S. Kinross ⁽¹⁾⁽²⁾⁽³⁾ Tel Aviv, Israel Director	Director of Chiltern Finance Investments Inc. (private credit investment holding company), January 2024 to present; Director Novocap Equity Partners Limited (private credit consulting firm); January 2024 to present; Director of Everdon Limited (investment holding company), December 2022 to present; Non-Executive Chairman of Arrowhead Properties Limited (formerly Gemgrow Properties Limited) (real estate investment trust), September 2021 to January 2022; Non-Executive Director of Arrowhead Properties Limited, December 2016 to August 2021; CEO of Innovo Capital (Pty) Ltd (private equity and investment banking), January 2014 to	April 5, 2005	365,000 Common Shares

Name, Residence and Current Position(s) with Talon Metals Corp.	Principal Occupation During the Past Five Years	Director Since	Number of Voting Securities Owned, Controlled or Directed as at May 15, 2024 ⁽⁵⁾
	present; Partner of Evolve Capital Partners (private equity and investment banking), March 2019 to March 2024; Non-Executive Director of Indluplace Properties Limited (real estate investment trust), December 2014 to September 2019.		
John D. Kaplan ⁽¹⁾⁽³⁾⁽⁴⁾ Ontario, Canada Director	President of Runnymede Investment Inc. (land development/builder), 1999 to present; Chairman of Terra Firma Capital Corp. (real estate finance), October 2013 to February 2020.	June 24, 2013	1,749,884 Common Shares
Henri van Rooyen Ontario, Canada Chief Executive Officer and Director	CEO of Talon, February 2012 to present; Chief Operating Officer of Tau (mining and real estate investment and administrative and advisory services company), November 2007 to April 2022.	June 29, 2012	3,479,249 Common Shares
David E. Singer ⁽¹⁾⁽³⁾ Efrat, Israel Director	Managing Director of David Singer Ltd. (business consulting and services), March 2011 to present; Consultant to Macro Consultants LLC (project management), October 2004 to June 2020.	June 27, 2014	372,500 Common Shares
David L. Deisley Utah, USA Director	Retired, January 2019 to present.	April 12, 2016	300,000 Common Shares
Arne H. Frandsen England, United Kingdom Director	Co-Managing Partner and Co-Chief Executive of The Pallinghurst Group (investment fund), 2006 to present.	November 5, 2021	Nil
Frank D. Wheatley British Columbia, Canada Director	CEO of Snow Lake Resources Ltd. (mining), July 2023 to present; CEO of Wheatley Advisors Inc. (governance and ESG advisory), September 2020 to present; Director of Endeavour Mining plc (mining), February 2021 to May 2021; Director of Teranga Gold Corporation (mining), October 2009 to February 2021; CEO of Karnalyte Resources Inc. (mining), February 2018 to September 2019.	November 9, 2021	Nil

Notes:

- (1) Member of the Audit Committee.
- (2) Chairman of the Audit Committee.
- (3) Member of the Corporate Governance and Compensation Committee.
- (4) Chairman of the Corporate Governance and Compensation Committee.
- (5) The information as to voting securities beneficially owned, directly or indirectly, or controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.

Corporate Cease Trade Orders or Bankruptcies

Other than as set out below, to the best of the Company's knowledge, no proposed director of the Company, is, or within the ten years prior to the date hereof, has been a director, chief executive officer or chief financial officer of any company (including Talon) that was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemptions under securities legislation for a period of more than 30 consecutive days:

- (a) that was issued while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer of the company being the subject of such order; or
- (b) that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer of the company being the subject of such order and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of the subject company.

Other than as set out below, to the best of the Company's knowledge, no proposed director of Talon is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including Talon) 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 or arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In November 2015, Mr. Gregory Kinross, a director of the Company, was appointed to the board of directors of Pefaco International plc, a Maltese public company ("**Pefaco**") listed on the Malta Stock Exchange. Mr. Kinross was appointed as a director nominee for a group of investors (collectively, the "**Consortium**"), the Consortium being minority shareholders of Pefaco, through their nominee, Calamatta Cuschieri Investment Services Limited C-13729 ("**Calamatta**").

Shortly following Mr. Kinross' appointment to the board of Pefaco, Mr. Kinross and the other non-executive directors on the board identified a number of serious shortcomings in the operations of Pefaco which they felt were prejudicial to the shareholders and Pefaco. These concerns included (i) not providing the non-executive directors with adequate corporate information, (ii) not providing the auditors with important information, (iii) non-payment to certain creditors, and (iv) obstruction in holding proper directors' meetings.

In observing their duties as directors, Mr. Kinross and the other non-executive directors flagged these issues directly (as a whistle-blower) with Calamatta as nominee shareholder and other key shareholders who in turn launched an action against Pefaco under the Companies Act in Malta. In the action against Pefaco, Mr. Kinross was a key witness against Pefaco which was instrumental in the judgment against Pefaco.

The ultimate effect of the adverse judgment against Pefaco was that Pefaco was delisted from the Malta Stock Exchange and thereafter was subject to a liquidation proceeding.

Penalties or Sanctions

To the best of the Company's knowledge, no proposed director of Talon nor any personal holding company of any such person, 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 securityholder in deciding whether to vote for a proposed director.

Personal Bankruptcies

To the best of the Company's knowledge, no proposed director of Talon nor any personal holding company of any such person, has, during the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or its assets.

Majority Voting Policy

The Board has adopted a policy providing that a nominee for election as a director who receives a greater number of votes "withheld" than votes "for", with respect to the election of directors by shareholders, will be expected to tender his resignation to the Chairman of the Board (subject to acceptance by the Board) following the meeting of shareholders at which the director is elected. The Company's corporate governance and compensation committee (the "**CGC Committee**") will consider such resignation offer and make a recommendation to the Board whether to accept it or not. The Board will make its decision and announce it in a press release within 90 days following the meeting of shareholders. The director who offered to tender his resignation shall not take part in any CGC Committee or Board deliberations pertaining to the resignation offer. This policy only applies in circumstances involving an uncontested election of directors, namely those where the number of director nominees is the same as the number of directors to be elected to the Board and that no proxy material is circulated in support of one or more nominees other than those presented by the Board.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT HAS NO REASON TO BELIEVE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF ANY NOMINEE(S) ARE FOR ANY REASON UNAVAILABLE TO SERVE AS DIRECTORS, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES AND MAY BE VOTED FOR ANY SUBSTITUTE NOMINEE(S) PROPOSED BY MANAGEMENT.

4. Approval of Consolidation

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to approve the Consolidation Resolution in the form set out below, to authorize the Company to effect a combination of the Common Shares (the "**Consolidation**") on the basis of one (1) post-Consolidation Common Share for up to ten (10) pre-Consolidation Common Shares (the "**Consolidation Ratio**"), as determined by the Board, in its sole discretion. The Consolidation will be effected in accordance with s.40A of the BVI Act.

At the annual and special meetings of shareholders of the Company held on June 25, 2020, June 23, 2021 and June 22, 2023, shareholders approved a Consolidation on materially the same terms as stated herein. Over the course of the year following those meetings, the Board considered the timing for implementing the Consolidation, however, as a result of market conditions, determined that it was in the Company's best interest not to implement the Consolidation. Accordingly, shareholders are being asked to approve the Consolidation again at the Meeting.

Required Approvals and Effective Date

To be effective, the Consolidation must be approved by: (i) a majority of the votes cast by the holders of Common Shares who vote in person or by proxy at the Meeting on the Consolidation Resolution; and (ii) the TSX.

Assuming the requisite approval of the Consolidation is obtained from the shareholders and the TSX, if implemented following the Meeting, the Consolidation will take effect on a date to be coordinated with the TSX and will be announced by press release on such effective date by the Company.

Notwithstanding the foregoing, even if the Consolidation Resolution is approved by shareholders at the Meeting, the Board may elect not to proceed with the Consolidation, in its sole discretion (subject to the fiduciary and statutory duties of the Board). The Board will continue to assess market conditions and the interests of the Company and shareholders before proceeding to effect the Consolidation, if at all.

Principal Reasons for Effecting the Consolidation

As at May 14, 2024, the last trading day prior to the date of this Circular, the closing price of the Common Shares on the TSX was \$0.165.

The Board's primary objective in seeking authority to effect the Consolidation is to provide the Company with a mechanism to increase: (i) the per-share trading price of the Common Shares; (ii) the trading liquidity of the Common Shares; and (iii) the ability of the Company to raise additional capital through equity and debt financings. The Board believes that the low market price and trading volumes of the Common Shares generally impairs the Company's marketability and acceptance by institutional investors and other members of the investing public. Theoretically, decreasing the number of Common Shares in issue should not, by itself, affect the marketability of the Common Shares, the type of investor who would be interested in acquiring them, or the Company's reputation in the financial community. In practice, however, many investors and market-makers consider low-priced shares as unduly speculative in nature and, as a matter of policy, avoid investment and trading in such shares. The presence of these negative perceptions may adversely affect not only the pricing of the Common Shares but also the trading liquidity. These perceptions may also affect the Company's commercial business and, in addition to certain policies of the TSX, the Company's ability to raise additional capital through equity and debt financings.

In determining whether to seek approval to effect the Consolidation, the Board also considered a number of other market and business factors deemed relevant by the Board, including, but not limited to potential business and strategic alternatives that may have been available to the Company as well as general stock market and economic conditions.

Principal Effects of the Consolidation

As at the date hereof, the Company has 934,718,967 Common Shares issued and outstanding. Upon completion of the Consolidation, and assuming the maximum allowable Consolidation Ratio on the basis of one (1) post-Consolidation Common Share for ten (10) pre-Consolidation Common Shares, the number of post-Consolidation Common Shares issued and outstanding will be approximately 93,471,896 Common Shares (on a non-diluted basis).

The implementation of the Consolidation would not materially affect the total shareholders' equity of the Company or any components of shareholders' equity as reflected on the Company's financial statements except: (i) to change the number of issued and outstanding Common Shares; and (ii) to change the number of outstanding stock options, common share purchase warrants, and any other outstanding securities convertible into Common Shares, as well as their relative exercise prices, to reflect the Consolidation.

The Consolidation will not materially change any shareholder's proportion of votes to total votes; however, if the Consolidation is effected by the Board, the total number of votes that a shareholder may cast at any future shareholder meeting of the Company will be reduced.

Any fractional Common Share resulting from the Consolidation will be rounded down to the nearest whole number and any such fractional interest will be cancelled without consideration.

The Company's name will not be changed in connection with the Consolidation.

Risk Factors

The effect of the Consolidation upon the market price of the Common Shares cannot be predicted with any certainty, and the history of share consolidations for companies similar to the Company is varied. There can be no assurance that the total market capitalization of the Common Shares immediately following the Consolidation will be equal to

or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Common Shares following the Consolidation will remain higher than the per-share trading price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the trading price of the Common Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation.

Furthermore, while the Consolidation is expected to generally reduce transaction costs for investors, it may lead to an increase in the number of current shareholders who will hold “odd lots” of Common Shares; that is, a number of Common Shares not evenly divisible into “board lots” (a board lot is either 100, 500 or 1,000 shares, depending on the price of the shares). As a general rule, the cost to shareholders transferring an odd lot of Common Shares is somewhat higher than the cost of transferring a board lot. As a result, transaction costs associated with transferring Common Shares may be increased for certain shareholders that hold an odd lot of Common Shares following the Consolidation.

There are numerous additional risks and uncertainties related directly to the Company that could affect the value of the Common Shares if the Consolidation is effected, including but not limited to the status of the Company’s exploration and development programs, the Company’s cash position and results of operations in future periods, the Company’s ability to attract and retain key executive management and professional personnel, as well as general market conditions and other risk factors discussed in the annual information form of the Company dated April 2, 2024 filed on SEDAR+ at www.sedarplus.ca.

Effect on Common Share Certificates

If the Board elects to effect the Consolidation, at its sole discretion, the Company shall issue a press release announcing the terms, the definitive Consolidation Ratio and the effective date of the Consolidation before the Company files an amendment to the Memorandum and Articles of Association of the Company, as applicable, with the authorities that administer the BVI Registry of Corporate Affairs. At such time, shareholders will be provided with a letter of transmittal (the “**Letter of Transmittal**”).

Following an announcement of an effective date of the Consolidation (if any), in order to obtain a certificate or certificates representing the post-Consolidation Common Shares after giving effect to the Consolidation, each registered shareholder shall complete and execute the Letter of Transmittal and deliver same to Computershare Investor Services Inc., together with their Common Share certificates representing their pre-Consolidation Common Shares in accordance with the instructions set out in the Letter of Transmittal. The certificates that are surrendered shall be exchanged for new certificates representing the number of post-Consolidation Common Shares to which such registered shareholder is entitled as a result of the Consolidation. No delivery of a new certificate to a registered shareholder will be made until the registered shareholder has surrendered his, her or its existing certificates representing the pre-Consolidation Common Shares. Until surrendered, each Common Share certificate representing pre-Consolidation Common Shares shall be deemed for all purposes to represent the number of post-Consolidation Common Shares (being 1/10th the number represented on the pre-Consolidation Common Share certificate, subject to applicable adjustments as described herein and also assuming the maximum Consolidation Ratio) to which the holder is entitled as a result of the Consolidation. In addition, after the exchange of pre-Consolidation Common Share certificates for post-Consolidation Common Share certificates, shareholders will have no further interest with respect to any fractional post-Consolidated Common Shares.

Only registered shareholders or the persons they appoint as their proxies are required to complete, sign and submit the appropriate Letter of Transmittal as described above. Non-registered shareholders are not required to submit a Letter of Transmittal. The intermediary or clearing agency, through whom the non-registered shareholder holds the pre-Consolidation Common Shares will take the appropriate steps to ensure the holder’s accounts are adjusted to reflect the Consolidation Ratio, as applicable. If you hold your Common Shares with an intermediary and you have questions in this regard, you are encouraged to contact your intermediary.

No Dissent Rights

Under the BVI Act, shareholders do not have any dissent and appraisal rights with respect to the proposed Consolidation. If the Company implements the Consolidation, the Company will not independently make such rights available to shareholders.

Shareholder Approval Authorizing the Consolidation

At the Meeting, shareholders will be asked to approve the following resolution (the “**Consolidation Resolution**”) approving the Consolidation:

“BE IT RESOLVED THAT:

1. In accordance with s.40A of the BVI Act, the issued and outstanding Common Shares of the Company be combined and consolidated on the basis of one (1) post-Consolidation Common Share for up to ten (10) pre-Consolidation Common Shares, with such final Consolidation Ratio to determined by the Board in its sole discretion, provided such Consolidation Ratio is not greater than one (1) post-Consolidation Common Share for ten (10) pre-Consolidation Common Shares;
2. any fractional Common Share arising post-Consolidation of the Common Shares of the Company be deemed to have been tendered by its registered owner to the Company for cancellation without consideration;
3. any officer of the Company is authorized to take such actions as such officer may determine to be necessary or advisable to implement this resolution, such determination to be conclusively evidenced by the taking of any such actions; and
4. notwithstanding that this resolution has been duly passed by the shareholders, the Board is hereby authorized and empowered, if it decides not to proceed with this resolution, to revoke this resolution, in its sole discretion, in whole or in part at any time prior to it being given effect without further notice to, or approval of, the shareholders.”

The Board recommends that shareholders vote for the Consolidation Resolution. **PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE CONSOLIDATION RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST THE CONSOLIDATION RESOLUTION.**

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis (“**CD&A**”) is to provide information about the Company’s executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Company’s named executive officers (the “**NEOs**”) in 2023. Throughout this Executive Compensation section of the Circular, the term “Company” or “Talon” includes the Company’s subsidiaries, as applicable. The NEOs who are the focus of the CD&A and who appear in the compensation tables of the Circular are:

1. Henri van Rooyen, Chief Executive Officer of the Company,
2. Vincent Conte, Chief Financial Officer of the Company,
3. Sean Werger, President of the Company,
4. Todd Malan, Chief External Affairs Officer & Head of Climate Strategy of the Company,
5. Brian Goldner, Chief Exploration and Operating Officer of the Company, and
6. Kyle Mehalek, the former Chief Technical Officer of the Company.

The Company notes that it is in an exploration and pre-development phase with respect to its project, the Tamarack Nickel-Copper-Cobalt Project (the “**Tamarack Project**”). In order to meet its objectives, the Company needs to control costs. However, the Company understands the competitive nature of the mining industry for experienced executives, which has only escalated in recent years. This includes other companies trying to attract current executives of the Company through higher compensation offers. As such, the Company’s goal is to balance controlling costs with providing sufficient incentives to attract and retain qualified individuals to help ensure the success of the Company.

Corporate Governance and Compensation Committee

In order to assist the Board in fulfilling its oversight responsibilities with respect to human resources and corporate governance related matters, the Board has established the corporate governance and compensation committee (the “**CGC Committee**”). During the most recently completed fiscal year, the CGC Committee was comprised of three directors, all of whom are independent within the meaning of National Instrument 58-101 — *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), namely Messrs. John Kaplan (Chair), Gregory Kinross and David Singer.

Pursuant to its written charter and pursuant to the additional authority delegated to it by the Board, the CGC Committee’s purpose with respect to compensation matters is to: (i) oversee and recommend compensation paid to the members of the Board; (ii) oversee and approve the compensation and benefits paid to the senior officers; (iii) recommend to the Board for approval executive and other compensation and benefits plans and arrangements; and (iv) oversee and administer the Company’s compensation plans, including the Company’s stock option plan (the “**Stock Option Plan**”). In performing its duties, the CGC Committee has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

Compensation Process

The CGC Committee primarily relies on the knowledge and experience of the members of the CGC Committee to set appropriate levels of compensation for senior officers, including NEOs. However, the CGC Committee understands the need to offer competitive compensation that attracts and retains qualified NEOs. The CGC Committee believes that one of the most effective ways to ensure this is through the evaluation of the compensation paid by industry peers. In addition, it has become more prevalent for NEOs to be approached for employment by

other companies offering higher compensation. These are the main factors, coupled with the CGC Committee members' knowledge and experience, which have formed the basis for the compensation offered to NEOs.

The CGC Committee's members come from diverse business backgrounds, each providing different insight into executive compensation through their work experience and, in certain cases, the other public company boards on which they currently sit on or have previously sat on. In particular:

- Mr. John Kaplan (Chair of the CGC Committee): Mr. Kaplan has extensive experience leading both public and private companies. In this role, he has made recommendations and decisions on executive and other compensation related matters.
- Mr. Gregory Kinross: Mr. Kinross mainly draws his experience relating to executive compensation from his time as President of CIC Energy, which was listed on the TSX up to October 2012 when it was acquired and taken private. His past role at CIC Energy routinely required him to make recommendations to the corporate governance and compensation committee of CIC Energy on executive compensation matters.
- Mr. David Singer: Mr. Singer has broad business experience, coupled with a foundation of legal knowledge from his many years as an attorney. This diverse background and experience gives him insight into issues surrounding executive and other compensation related matters.

The experience of the CGC Committee's members enables the CGC Committee to make decisions on the suitability of the Company's compensation policies and practices.

Neither the Company nor the CGC Committee currently has any contractual arrangement with any executive compensation consultant who has a role in determining or recommending the amount or form of senior officer or director compensation.

When determining changes to NEO compensation, the CGC Committee evaluates the NEO's performance, including reviewing the Company's performance as against its business plans and the NEO's achievements during the relevant period (which achievement criteria tend to be subjective). In addition, offers of employment by other companies to NEOs at higher levels of compensation play a part in changes to NEO compensation.

The CGC Committee uses all data available to it to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain personnel it considers essential to the success of the Company. In reviewing comparative data, the CGC Committee does not engage in ongoing benchmarking for the purpose of maintaining compensation levels relative to any predetermined level and does not, on an ongoing basis, compare its compensation to a specific peer group of companies. External data is considered, along with an assessment of individual performance and experience, the Company's business strategy, best practices/trends in human resources, and general economic considerations.

The CGC Committee reviews the various elements of the NEOs' compensation in the context of the total compensation package (including, salary and prior awards under the Stock Option Plan) and recommends the NEOs' compensation packages.

The Board has delegated to the CGC Committee the authority to issue stock options of the Company (the "**Stock Options**") under the Stock Option Plan. From time to time, the CGC Committee grants Stock Options as part of an NEO's compensation or in recognition of the achievement of a particular business goal or extraordinary service. Generally, the CGC Committee determines the particulars with respect to all Stock Options granted, though in certain instances the decision is made by the Board. The exercise price of each Stock Option awarded under the Stock Option Plan is generally set by the CGC Committee (and ratified by the Board), but in any event, is no less than the closing price of the Common Shares on the TSX on the day preceding the grant.

Compensation Program

Principles/Objectives of the Compensation Program

The primary goal of the Company's executive compensation program is to ensure that the compensation provided to the Company's NEOs is determined with regard to the Company's business strategy and objectives, such that the financial interests of the NEOs are matched with the financial interests of the shareholders. The program is designed to attract, motivate and retain top quality individuals at the executive level.

Compensation Program Design and Analysis of Compensation Decisions

Standard compensation arrangements for the Company's NEOs are composed of the following elements, which are linked to the Company's compensation and corporate objectives as follows:

COMPENSATION ELEMENT	LINK TO COMPENSATION OBJECTIVES	LINK TO CORPORATE OBJECTIVES
<ul style="list-style-type: none">Base Salary	<ul style="list-style-type: none">Attract and Retain, Reward	<ul style="list-style-type: none">Competitive pay ensures access to skilled employees necessary to achieve corporate objectives.
<ul style="list-style-type: none">Stock Options	<ul style="list-style-type: none">Motivate and RewardAlign interests with shareholders	<ul style="list-style-type: none">Long-term incentives motivate and reward senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives.

The Company's NEOs generally do not get paid annual bonuses. The Company maintains (i) a 401(k) defined contribution pension plan for US based NEOs where the Company will match US based NEOs 401(k) contributions up to 6% of their base salary, and (ii) a RRSP matching program for Canadian based NEOs where the Company will match Canadian based NEOs contributions up to 6% of their base salary to a maximum of 50% of the annual allowable RRSP contribution as set by the Canada Revenue Agency.

The Company is an exploratory and pre-development stage mining company and will not be generating revenues from operations in the short-term. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the CGC Committee to be appropriate in the evaluation of corporate or NEO performance. The compensation of NEOs is based, in substantial part, on the financial resources of the Company, trends in the mining industry, as well as achievement of the Company's business plans. The CGC Committee did not establish any quantifiable criteria in 2023 with respect to base salaries payable or the amount of equity compensation granted to NEOs. The CGC Committee also recognizes that Canada and the US are in a period of high inflation where living costs have increased dramatically. As such, effective January 1, 2023, the CGC Committee approved a 3% inflationary increase in the annual salaries of NEOs ("**Inflationary Increase**"). This increase is much lower than the actual rate of inflation.

NEO Contracts

Henri van Rooyen – CEO

Effective January 1, 2021, as a result of the closing by the Company of a short form prospectus offering (in March 2021) for aggregate proceeds of \$34,500,000, in an effort to thank Mr. van Rooyen for his continued service to the Company and his agreement to, on numerous occasions, reduce and/or defer his salary, Talon Metals Services Inc. ("**TMSI**"), a wholly-owned Canadian subsidiary of Talon, entered into an amended and restated employment agreement with Mr. van Rooyen, pursuant to which Mr. van Rooyen was paid an annual salary of \$400,000. In addition, a total amount of \$150,000 of salary that had been deferred by Mr. van Rooyen from January 1, 2016 to

December 31, 2018 was immediately paid to Mr. van Rooyen (the “**HVR Deferred Salary**”). As a result of the amended and restated employment agreement, no deferred amounts remain payable to Mr. van Rooyen. Effective January 1, 2023, Mr. van Rooyen’s annual salary was increased to \$412,000 as a result of the Inflationary Increase.

TMSI may terminate Mr. van Rooyen’s employment at any time without “cause” by providing him with twenty-four months’ notice, or pay in lieu of notice, or a combination thereof.

In the event of a Change of Control, in certain circumstances, Mr. van Rooyen is immediately entitled to a lump sum payment equal to twenty-four months’ salary. In certain other circumstances, in the event Mr. van Rooyen is terminated for any reason (other than for cause, incapacity or death) within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to twenty-four months’ salary. In certain circumstances, in the event Mr. van Rooyen resigns within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to eighteen months’ salary.

In either case of termination (i.e. without cause or pursuant to a Change of Control) Mr. van Rooyen’s benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) twenty-four months.

In the case of resignation by Mr. van Rooyen within 12 months of a Change of Control, Mr. van Rooyen’s benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) eighteen months.

In the event Mr. van Rooyen’s employment with TMSI is terminated for any reason (i.e., with or without cause or pursuant to a Change of Control), in certain circumstances, a portion of Mr. van Rooyen’s unvested Stock Options will immediately vest and the expiry thereof will be the later of (i) three years following the termination date, and (ii) the expiry date of the Stock Options. With respect to the remaining Stock Options, such will expire in accordance with the Stock Option Plan.

Vincent Conte – CFO

Effective January 1, 2021, as a result of the closing by the Company of a short form prospectus offering (in March 2021) for aggregate proceeds of \$34,500,000, in an effort to thank Mr. Conte for his continued service to the Company and his agreement to, on numerous occasions, reduce and/or defer his salary, TMSI entered into an amended and restated employment agreement with Mr. Conte, pursuant to which Mr. Conte was paid an annual salary of \$250,000. Effective July 1, 2022, Mr. Conte’s annual salary was increased to \$290,000. Effective January 1, 2023, Mr. Conte’s annual salary was increased to \$298,700 as a result of the Inflationary Increase.

TMSI may terminate Mr. Conte’s employment at any time without “cause” by providing him with twenty-four months’ notice, or pay in lieu of notice, or a combination thereof.

In the event of a Change of Control, in certain circumstances, Mr. Conte is immediately entitled to a lump sum payment equal to twenty-four months’ salary. In certain other circumstances, in the event Mr. Conte is terminated for any reason (other than for cause, incapacity or death) within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to twenty-four months’ salary. In certain circumstances, in the event Mr. Conte resigns within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to eighteen months’ salary.

In either case of termination (i.e. without cause or pursuant to a Change of Control) Mr. Conte’s benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) twenty-four months.

In the case of resignation by Mr. Conte within 12 months of a Change of Control, Mr. Conte’s benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) eighteen months.

In the event Mr. Conte's employment with TMSI is terminated for any reason (i.e., with or without cause or pursuant to a Change of Control), in certain circumstances, a portion of Mr. Conte's unvested Stock Options will immediately vest and the expiry thereof will be the later of (i) three years following the termination date, and (ii) the expiry date of the Stock Options. With respect to the remaining Stock Options, such will expire in accordance with the Stock Option Plan.

Sean Werger - President

Effective January 1, 2021, as a result of the closing by the Company of a short form prospectus offering (in March 2021) for aggregate proceeds of \$34,500,000, in an effort to thank Mr. Werger for his continued service to the Company and his agreement to, on numerous occasions, reduce and/or defer his salary, TMSI entered into an amended and restated employment agreement with Mr. Werger pursuant to which Mr. Werger was paid an annual salary of \$290,000. In addition, a total amount of \$150,000 of salary that had been deferred by Mr. Werger from January 1, 2016 to December 31, 2018 was immediately paid to Mr. Werger (the "**SW Deferred Salary**"). As a result of the amended and restated employment agreement, no deferred amounts remain payable to Mr. Werger. Effective January 1, 2023, Mr. Werger's annual salary was increased to \$298,700 as a result of the Inflationary Increase.

The Company may terminate Mr. Werger's employment at any time without "cause" by providing him with twenty-four months' notice, or pay in lieu of notice, or a combination thereof.

In the event of a Change of Control, in certain circumstances, Mr. Werger is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain other circumstances, in the event Mr. Werger is terminated for any reason (other than for cause, incapacity or death) within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain circumstances, in the event Mr. Werger resigns within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to eighteen months' salary.

In either case of termination (i.e. without cause or pursuant to a Change of Control) Mr. Werger's benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) twenty-four months.

In the case of resignation by Mr. Werger within 12 months of a Change of Control, Mr. Werger's benefits will continue until the earlier of (i) him obtaining new employment and eligibility for comparable benefits thereunder, and (ii) eighteen months.

In the event Mr. Werger's employment with the Company is terminated for any reason (i.e., with or without cause or pursuant to a Change of Control), in certain circumstances, a portion of Mr. Werger's unvested Stock Options will immediately vest and the expiry thereof will be the earlier of (i) three years following the termination date, and (ii) the expiry date of the Stock Options. With respect to the remaining Stock Options, such will expire in accordance with the Stock Option Plan.

Todd Malan - Chief External Affairs Officer & Head of Climate Strategy

Effective September 1, 2021, Talon Nickel (USA) LLC ("**Talon Nickel**"), a wholly-owned American subsidiary of Talon, entered into an employment agreement with Mr. Malan pursuant to which he was appointed to the role of Chief External Affairs Officer & Head of Climate Strategy. Under the terms of his employment agreement, Mr. Malan was paid an annual salary of US\$337,000. Effective January 1, 2023, Mr. Malan's employment agreement was amended pursuant to which his annual salary was increased to US\$347,110 as a result of the Inflationary Increase. In addition, the termination without "cause" and Change of Control provisions were amended to bring them in line with those of the CEO, President and CFO.

Talon Nickel may terminate Mr. Malan's employment at any time without "cause" by providing him with twenty-four months' notice, or pay in lieu of notice, or a combination thereof.

In the event of a Change of Control, in certain circumstances, Mr. Malan is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain other circumstances, in the event Mr. Malan is terminated for any reason (other than for cause, incapacity or death) within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain circumstances, in the event Mr. Malan resigns within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to eighteen months' salary.

Upon a termination of Mr. Malan's employment, the expiry and vesting of his Stock Options will be determined in accordance with the Stock Option Plan.

Brian Goldner - Chief Exploration and Operating Officer

Effective March 18, 2021, Talon Nickel entered into an employment agreement with Mr. Goldner pursuant to which he was appointed to the role of Vice President, Exploration. Under the terms of his initial employment agreement, Mr. Goldner was paid an annual salary of US\$220,000 and received a sign-on bonus of US\$165,000 (the "**Goldner Sign-on Bonus**"). Effective August 1, 2021, Mr. Goldner's salary was increased to US\$250,000. Effective January 1, 2022, Mr. Goldner's salary was increased to US\$320,000 and his role/title was changed to Chief Exploration and Operating Officer. Effective January 1, 2023, Mr. Goldner's employment agreement was amended pursuant to which his annual salary was increased to US\$329,600 as a result of the Inflationary Increase. In addition, the termination without "cause" and Change of Control provisions were amended to bring them in line with those of the CEO, President and CFO.

Talon Nickel may terminate Mr. Goldner's employment at any time without "cause" by providing him with twenty-four months' notice, or pay in lieu of notice, or a combination thereof.

In the event of a Change of Control, in certain circumstances, Mr. Goldner is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain other circumstances, in the event Mr. Goldner is terminated for any reason (other than for cause, incapacity or death) within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to twenty-four months' salary. In certain circumstances, in the event Mr. Goldner resigns within twelve months of a Change of Control, he is immediately entitled to a lump sum payment equal to eighteen months' salary.

Upon a termination of Mr. Goldner's employment, the expiry and vesting of his Stock Options will be determined in accordance with the Stock Option Plan.

Kyle Mehalek – Former Chief Technical Officer

Effective April 19, 2021, Talon Nickel entered into an employment agreement with Mr. Mehalek pursuant to which he was appointed to the role of Chief Mining Engineer. Under the terms of his initial employment agreement, Mr. Mehalek was paid an annual salary of US\$154,000. Effective January 1, 2022, Mr. Mehalek's salary was increased to US\$190,000. Effective July 1, 2022, Talon Nickel entered into an amended and restated employment agreement with Mr. Mehalek pursuant to which he was appointed to the role of Chief Technical Officer and his annual salary was increased to US\$290,000. Effective January 1, 2023, Mr. Mehalek's amended and restated employment agreement was amended pursuant to which his annual salary was increased to US\$298,700 as a result of the Inflationary Increase. In addition, the termination without "cause" and Change of Control provisions were amended to bring them in line with those of the CEO, President and CFO.

Effective December 18, 2023, Mr. Mehalek resigned from his role as Chief Technical Officer with Talon Nickel. Pursuant to the terms of the Stock Option Plan, (i) the expiration date of Mr. Mehalek's vested Stock Options was amended to 90 days after his resignation (March 15, 2024), and (ii) Mr. Mehalek's unvested Stock Options were cancelled on the date of resignation.

Termination and Change of Control Benefits

Other than as disclosed above, the Company and its subsidiaries do not currently have any contract, agreement, plan or arrangement pursuant to which NEOs are entitled to receive additional benefits or payments following or in

connection with any (i) termination, (ii) resignation or retirement, (iii) change of control of the Company, or (iv) change in responsibilities.

Base Salaries

The Company provides NEOs with base salaries which represent their minimum compensation for services rendered during the fiscal year. NEOs' base salaries depend on the scope of their experience, responsibilities, leadership skills, performance, length of service, general industry trends and practices, competitiveness, and the Company's financial resources. Base salaries are reviewed periodically by the CGC Committee.

Stock Options

The grant of Stock Options to purchase Common Shares pursuant to the Stock Option Plan is an integral component of the compensation packages of NEOs of the Company. The CGC Committee believes that the grant of Stock Options to NEOs and Common Share ownership by such NEOs serves to motivate achievement of the Company's long-term strategic objectives and the result will benefit all shareholders. Stock Options are awarded to NEOs by the CGC Committee, or by the Board (which may be on the recommendation of the CGC Committee), which bases its decisions upon the level of responsibility and contribution of the individuals toward the Company's goals and objectives. The CGC Committee considers the overall number of Stock Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Stock Options and the size of such grants. Since the Company does not grant Stock Options at a discount to the prevailing market price of Common Shares, the Stock Options granted to NEOs have value only if, and to the extent that, the market price of Common Shares increases, thereby linking equity-based executive compensation to shareholder returns. In addition, beginning in 2020, Stock Options issued to NEOs have all been subject to vesting over a minimum period of one (1) year. The CGC Committee believes that vesting assists with incentivising NEOs over a longer period of time and also aids with retention of NEOs.

Compensation-Related Risk

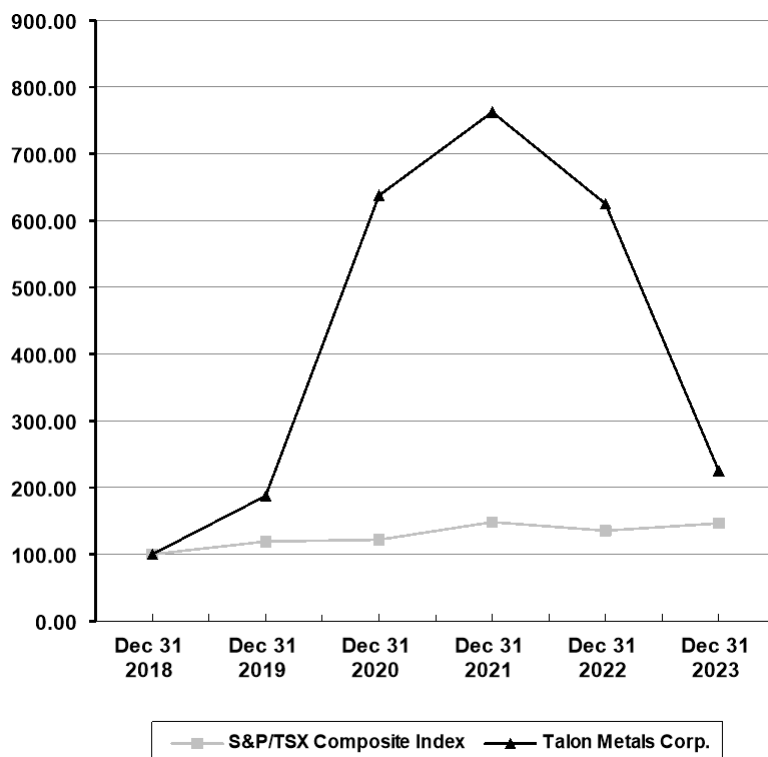
The CGC Committee considers and assesses, as necessary, risks relating to compensation prior to entering into or amending employment contracts with NEOs and when setting the compensation of directors. The CGC Committee believes that the Company's compensation policies and practices are appropriate for its industry and stage of business and that such policies and practices do not have associated with them any risks that are reasonably likely to have a material adverse effect on the Company or which would encourage a NEO to take any inappropriate or excessive risks. The CGC Committee will continue to review the Company's compensation policies, including its compensation-related risk profile, as necessary, to ensure its compensation policies and practices are not reasonably likely to have a material adverse effect on the Company or encourage a NEO to take any inappropriate or excessive risks.

Financial Instruments

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

Share Performance Graph

The following graph illustrates the Company's cumulative shareholder return (assuming the re-investment of dividends of which there have been none) from December 31, 2018 to December 31, 2023 on an annual basis, based upon a \$100 investment made on December 31, 2018 in Common Shares, and compares the Company's cumulative shareholder return to the cumulative total shareholder return from a similar investment in the Total Return Index Value of the S&P/TSX Composite Index.



As described above, the CGC Committee considers various factors in determining the compensation of NEOs. The performance of Common Shares is one performance measure that is reviewed but there is no direct correlation between Common Share performance and NEO compensation.

The Company operates in a commodity business and the Common Share price is impacted by the market price of nickel/copper and other minerals, which may fluctuate widely and are affected by numerous factors that are difficult to predict and beyond the Company's control. The Common Share price is also affected by other factors beyond the Company's control, including general and industry-specific economic and market conditions. The CGC Committee evaluates performance by reference to its business plan rather than by short-term changes in Common Share price based on its view that its long-term operating performance will be reflected by stock price performance over the long-term. The trend shown by the performance graph reflects an increasing cumulative total shareholder return from December 31, 2018 until approximately December 31, 2019 and then a large increase in cumulative total shareholder return from December 31, 2019 until December 31, 2021. Thereafter, cumulative total shareholder return has decreased. Over the same period, the total compensation received by the NEOs increased in 2019 and then remained for the most part stable in 2020. In 2021, the total compensation received by the NEOs increased and then in 2022 and again in 2023 total compensation received by NEOs decreased.

Executive Compensation: Tables and Narrative

Summary Compensation Table

The following table provides a summary of the compensation earned by the NEOs for services rendered in all capacities during the fiscal years ended December 31, 2023, December 31, 2022 and December 31, 2021.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	All other Compensation (\$)	Total Compensation (\$)
Henri van Rooyen ⁽²⁾ CEO	2023	412,000	N/A	-	15,390 ⁽⁹⁾	427,390
	2022	400,000	N/A	118,907 ⁽⁶⁾	7,303 ⁽⁹⁾	526,210
	2021	400,000	N/A	169,949 ⁽⁷⁾	N/A	569,949
Vincent Conte CFO	2023	298,700	N/A	-	15,390 ⁽⁹⁾	314,090
	2022	270,000	N/A	118,907 ⁽⁶⁾	7,303 ⁽⁹⁾	396,210
	2021	250,000	N/A	84,974 ⁽⁷⁾	N/A	334,974
Sean Werger ⁽¹¹⁾ President	2023	298,700	N/A	-	15,390 ⁽⁹⁾	314,090
	2022	290,000	N/A	118,907 ⁽⁶⁾	7,303 ⁽⁹⁾	416,210
	2021	286,250	N/A	169,949 ⁽⁷⁾	N/A	456,199
Todd Malan ⁽³⁾ Chief External Affairs Officer & Head of Climate Strategy	2023	468,156	N/A	-	N/A	468,156
	2022	438,684	N/A	237,813 ⁽⁶⁾	N/A	676,497
	2021	140,830	N/A	2,099,726 ⁽⁷⁾	N/A	2,240,556
Brian Goldner ⁽⁴⁾ Chief Exploration and Operating Officer	2023	444,540	N/A	-	26,672 ⁽⁹⁾	471,212
	2022	416,555	N/A	237,813 ⁽⁶⁾	23,822 ⁽⁹⁾	678,189
	2021	267,054	N/A	N/A	276,789 ⁽¹⁰⁾	543,843
Kyle Mehalek ⁽⁵⁾ Former Chief Technical Officer	2023	386,078	N/A	-	35,936 ⁽⁸⁾	422,014
	2022	312,416	N/A	237,813 ⁽⁶⁾	18,745 ⁽⁹⁾	568,974
	2021	135,412	N/A	703,394 ⁽⁷⁾	8,125 ⁽⁹⁾	846,931

Notes:

- (1) The grant date fair values of Stock Options awarded were calculated using the Black-Scholes model as the Company determined this to be the most accurate measure of value of the Stock Options.
 - (2) Represents compensation paid to Mr. van Rooyen in his role as CEO of the Company. The HVR Deferred Salary was paid to Mr. van Rooyen in 2021, however the deferred amounts were recognized in "All Other Compensation" in the years earned (2016, 2017 and 2018) despite not being paid until 2021.
 - (3) Mr. Malan began his employment with Talon Nickel on September 1, 2021.
 - (4) Mr. Goldner began his employment with Talon Nickel on March 18, 2021. Prior to such time and commencing on March 13, 2019, he was seconded to Talon Nickel from Kennecott Exploration Company ("KEX"). Compensation amounts prior to March 18, 2021 are based on amounts paid directly to KEX for his compensation.
 - (5) Mr. Mehalek began his employment with Talon Nickel on April 19, 2021. Effective December 18, 2023, Mr. Mehalek resigned from his role as Chief Technical Officer with Talon Nickel but has continued as a part time consultant to Talon Nickel.
 - (6) Amount represents the grant date fair value of Stock Options awarded in 2022. Grant date fair value was calculated in accordance with the Black-Scholes model using the Common Share price on the date of grant. All 2022 Stock Options were valued based on the following assumptions: expected volatility of 60%, risk-free interest rate of 1.52% to 3.76%, no dividend yield and expected life of five years.
 - (7) Amount represents the grant date fair value of Stock Options awarded in 2021. Grant date fair value was calculated in accordance with the Black-Scholes model using the Common Share price on the date of grant. All 2021 Stock Options were valued based on the following assumptions: expected volatility of 70%, risk-free interest rate of 0.92% to 1.38%, no dividend yield and expected life of five years.
 - (8) Amount includes paid time off, 401(k) retirement plan matching contributions and consulting fees paid to Mr. Mehalek's consulting company for work done as a part time consultant.
 - (9) Represents retirement plan employer matching contributions to 401(k) retirement plan for U.S. based NEOs and to RRSP for Canadian based NEOs.
 - (10) Amount includes the Goldner Sign-on Bonus, 401(k) retirement plan matching contributions and other KEX compensation.
 - (11) The SW Deferred Salary was paid to Mr. Werger in 2021, however the deferred amounts were recognized in "All Other Compensation" in the years earned (2016, 2017 and 2018) despite not being paid until 2021.
- * Amounts in the table originally in U.S. dollars were converted to Canadian dollars at the following average monthly exchange rates from the Bank of Canada: 2023 – 1.3487, 2022 – 1.3017, 2021 - 1.2537

Incentive Plan Awards

The following table provides details regarding outstanding NEO option-based awards as at December 31, 2023. The Company did not have any share-based awards outstanding as at December 31, 2023.

Note that the exercise prices and expiration dates of the below outstanding NEO option-based awards as at December 31, 2023 have been updated to reflect the changes to certain of those terms approved by shareholders of the Company on February 22, 2024.

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Aggregate value of unexercised in-the-money options (\$) ⁽¹⁾
Henri van Rooyen⁽²⁾	8,876,557	0.095	March 22, 2029	754,507
	1,998,417	0.18	June 6, 2029	-
	2,521,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
	500,000	0.25	December 20, 2027	-
Vincent Conte	3,481,599	0.095	March 22, 2029	295,936
	1,132,436	0.18	June 6, 2029	-
	1,330,000	0.25	December 28, 2030	-
	250,000	0.25	May 28, 2026	-
	500,000	0.25	December 20, 2027	-
Sean Werger	7,401,628	0.095	March 22, 2029	629,138
	1,831,882	0.18	June 6, 2029	-
	1,984,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
	500,000	0.25	December 20, 2027	-
Todd Malan	7,000,000	0.20	June 25, 2026	-
	1,000,000	0.20	December 20, 2027	-
Brian Goldner	5,000,000	0.165	October 28, 2029	75,000
	2,000,000	0.20	December 28, 2030	-
	1,000,000	0.20	December 20, 2027	-
Kyle Mehalek⁽³⁾	1,000,000	0.70	March 15, 2024	-
	1,000,000	0.52	March 15, 2024	-
	1,000,000	0.66	March 15, 2024	-
	1,000,000	0.51	March 15, 2024	-
	750,000	0.445	March 15, 2024	-

Notes:

- (1) Based on the TSX closing price for Common Shares on December 31, 2023 of \$0.18.
- (2) Mr. van Rooyen acts as both a director and officer of the Company. The Stock Option grants identified represent all Stock Options granted to such Mr. van Rooyen in both capacities.
- (3) Effective December 18, 2023, Mr. Mehalek resigned from his role as Chief Technical Officer with Talon Nickel. Pursuant to the terms of the Stock Option Plan, (i) the expiration date of Mr. Mehalek's vested Stock Options was amended to 90 days after his resignation, and (ii) Mr. Mehalek's unvested Stock Options were cancelled on the date of resignation.

Please see "Securities Authorized for Issuance under Equity Compensation Plans" (below) for details regarding the Stock Option Plan.

The following table provides details regarding outstanding NEO option-based awards, share-based awards and non-equity incentive plan compensation, which vested and/or were earned during the year ended December 31, 2023.

<i>Incentive plan awards - value vested or earned during the year</i>			
Name	Option-based awards - Value vested during the year (\$)⁽¹⁾	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Henri van Rooyen	Nil ⁽²⁾	N/A	N/A
Vincent Conte	Nil ⁽²⁾	N/A	N/A
Sean Werger	Nil ⁽²⁾	N/A	N/A
Todd Malan	Nil ⁽²⁾	N/A	N/A
Brian Goldner	Nil ⁽²⁾	N/A	N/A
Kyle Mehalek	Nil ⁽²⁾	N/A	N/A

Notes:

- (1) Calculated based on the amount that would have been realized if the Stock Options had been exercised on the vesting date.
(2) Options that vested in 2023 were not “in-the-money”.

Director Compensation

Non-executive directors receive the following fees for their work as directors of the Company: basic annual remuneration - \$10,000, member of the Audit Committee - \$5,000 and member of the CGC Committee - \$2,500.

Directors may also receive Stock Option grants as recommended by the CGC Committee and determined by the Board. The exercise price of such Stock Options are determined by the CGC Committee and ratified by the Board, but in any event the exercise price is not less than the market price of the Common Shares at market close the trading day immediately before the grant of the Stock Options. Please see “Securities Authorized for Issuance under Equity Compensation Plans” (below) for a detailed description of the Stock Option Plan.

Directors are also reimbursed for all reasonable out-of-pocket expenses incurred in attending Board, committee or shareholder meetings and otherwise incurred in carrying out their duties as directors of the Company. There were no director reimbursements during the year-ended December 31, 2023.

Director Summary Compensation Table

The following compensation table sets out the compensation paid to each of the Company’s directors during the year ended December 31, 2023. During 2023, Mr. van Rooyen and Mr. Newfield were both directors and officers of the Company. Amounts received by Mr. van Rooyen for services provided as a director, if any, are reported in the Summary Compensation Table under “Executive Compensation: Tables and Narrative” (above).

Name	Fees earned (\$)	Option-based awards⁽¹⁾ (\$)	All other compensation (\$)	Total (\$)
Warren E. Newfield	N/A	N/A	100,000 ⁽²⁾	100,000
David L. Deisley	10,000	N/A	N/A	10,000
Arne H. Frandsen	10,000	N/A	N/A	10,000
John D. Kaplan	17,500	N/A	N/A	17,500
Gregory S. Kinross	17,500	N/A	N/A	17,500

Name	Fees earned (\$)	Option-based awards ⁽¹⁾ (\$)	All other compensation (\$)	Total (\$)
David E. Singer	17,500	N/A	N/A	17,500
Frank D. Wheatley	10,000	N/A	N/A	10,000

Notes:

- (1) No Stock Options were granted in 2023.
- (2) Represents compensation paid to Mr. Newfield in his role as Executive Chairman of the Company. He receives no additional compensation in his role as a director of the Company.

Incentive Plan Awards

The following table provides details regarding the outstanding option-based awards held by directors as at December 31, 2023. The Company did not have any share-based awards outstanding to directors as at December 31, 2023. At December 31, 2023, Mr. van Rooyen and Mr. Newfield were each a director and officer of the Company. Option-based awards received by Mr. van Rooyen for services provided as a director, if any, are reported in the Incentive Plan Awards Tables under “Executive Compensation: Tables and Narrative” (above).

Note that the exercise prices and expiration dates of the below outstanding option-based awards as at December 31, 2023 have been updated to reflect the changes to certain of those terms approved by shareholders of the Company on February 22, 2024.

Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Aggregate value of unexercised in-the-money options (\$) ⁽¹⁾
Warren E. Newfield ⁽²⁾	815,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
David L. Deisley	646,132	0.095	March 22, 2029	54,921
	300,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
Arne H. Frandsen	800,000	0.25	January 13, 2027	-
John D. Kaplan	300,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
Gregory S. Kinross	786,127	0.095	March 22, 2029	66,821
	365,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
David E. Singer	646,132	0.095	March 22, 2029	54,921
	300,000	0.25	December 28, 2030	-
	500,000	0.25	May 28, 2026	-
Frank D. Wheatley	800,000	0.25	January 13, 2027	-

Notes:

- (1) Based on the TSX closing price for Common Shares on December 31, 2023 of \$0.18.
- (2) Mr. Newfield acts as both a director and officer of the Company. The Stock Option grants identified represent all Stock Options granted to Mr. Newfield in both capacities.

The following table provides details regarding outstanding director option-based awards, share-based awards and non-equity incentive plan compensation, which vested and/or were earned during the year ended December 31, 2023. Details regarding the outstanding option and share based awards vested and exercisable and non-equity incentive plan compensation earned, if any, by Mr. van Rooyen are reported in the Incentive Plan Awards Tables under “Executive Compensation: Tables and Narrative” (above).

<i>Incentive plan awards - value vested or earned during the year</i>			
Name	Option-based awards - Value vested during the year (\$) ⁽¹⁾	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Warren E. Newfield	N/A	N/A	N/A
David L. Deisley	N/A	N/A	N/A
Arne H. Frandsen	Nil ⁽²⁾	N/A	N/A
John D. Kaplan	N/A	N/A	N/A
Gregory S. Kinross	N/A	N/A	N/A
David E. Singer	N/A	N/A	N/A
Frank D. Wheatley	Nil ⁽²⁾	N/A	N/A

Notes:

- (1) Calculated based on the amount that would have been realized if the Stock Options had been exercised on the vesting date.
(2) Stock Options that vested in 2023 were not “in-the-money”.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2023 with respect to Common Shares that may be issued under the Stock Option Plan and those that may be issued outside of the Stock Option Plan.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	124,267,682	\$0.37	15,841,550
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	124,267,682	\$0.37	15,841,550

STOCK OPTION PLAN

The following is a summary of the material terms of the Stock Option Plan.

The purpose of the Stock Option Plan is to develop and increase the interest of certain Eligible Persons in the growth and development of the Company by providing them with the opportunity to acquire a proprietary interest in the Company through the grant of Stock Options to purchase Common Shares.

Under the Stock Option Plan, stock options may be granted to Eligible Persons. The term “**Eligible Person**” includes, subject to all applicable laws, directors, senior officers, employees and consultants of the Company, an Affiliated Entity (as defined below), or a company providing management or administrative consulting services to the Company, and certain “**Permitted Assigns**” of the foregoing persons, including: (i) a trustee, custodian, or administrator acting on behalf of, or for the benefit of, such person; (ii) a personal holding corporation of such a person; (iii) an RRSP or a RRIF established by or for such a person under which such a person is the beneficiary; (iv) a spouse of such a person; (v) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the spouse of such a person; (vi) a personal holding corporation of the spouse of such a person; or (vii) an RRSP or an RRIF established by or for the spouse of such a person under which the spouse of such person is the beneficiary. An “**Affiliated Entity**” means a person or company that is controlled by the Company.

The Stock Option Plan must be administered by the Board or, in the Board’s discretion, a committee appointed by the Board for that purpose. Currently, for the most part, the Stock Option Plan is administered by the CGC Committee.

The aggregate number of Common Shares which may be issued under the Stock Option Plan may not exceed 15% of the aggregate number of Common Shares issued and outstanding (calculated on a non-diluted basis) from time to time. Any Stock Option granted under the Stock Option Plan which has been exercised shall again be available for subsequent grant under the Stock Option Plan, effectively resulting in a re-loading of the number of Common Shares available for grant under the Stock Option Plan. Any Common Shares subject to an option granted under the Stock Option Plan, which for any reason is surrendered, cancelled or terminated or expires without having been exercised, shall again be available for subsequent grant under the Stock Option Plan. The plan does not limit insider participation. The plan does not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the plan and any other share compensation arrangement (expressed as a percentage or otherwise).

The purchase price (the “**Price**”) per Common Share subject to each Stock Option is determined by the Board (or committee appointed by the Board). The Price shall not be lower than the closing market price on the TSX, or another stock exchange where the majority of the trading volume and value of Common Shares occurs, on the trading day immediately preceding the date of the grant, or if not so traded, the average between the closing bid and asked prices thereof as reported for the trading day immediately preceding the date of the grant; provided that if the Common Shares have not traded on the TSX or another stock exchange for an extended period of time, the “market price” will be the fair market value of the shares at the time of grant, as determined by the Board (or committee appointed by the Board). The Board (or committee appointed by the Board) may determine that the Price may escalate at a specified rate dependent upon the date on which a Stock Option may be exercised by the Eligible Person.

Stock Options shall not be granted for a term exceeding ten years (the “**Option Period**”). Stock Options may be exercised by an Eligible Person in whole at any time, or in part from time to time, during the Option Period, subject to the provisions of the Stock Option Plan. Generally, Stock Options granted under the Stock Option Plan may not be assigned or otherwise transferred by an Eligible Person other than to certain other Eligible Persons and Permitted Assigns or pursuant to a will or by the laws of descent and distribution. However, pursuant to the amendment provision of the Stock Option Plan, the Board has the authority to amend the assignability and transferability provisions of the Stock Option Plan generally or any Stock Options granted to any Eligible Person.

Stock Options granted under the Stock Option Plan may vest at the discretion of the Board (or committee appointed by the Board). Stock Options granted under the Stock Option Plan to employees and consultants of the Company may vest on a periodic basis, including, in certain instances, subject to the achievement of specified corporate or project milestones established by the Board (or committee appointed by the Board) on the date of grant.

If the termination date of a Stock Option falls during or within three business days of a blackout period, during which the policies of the Company prevent persons in a “special relationship” with the Company from trading in the securities of the Company, the expiry date for the Stock Option will be extended for an additional period expiring on the tenth business day following the end of the blackout period.

By its terms, the Stock Option Plan may be amended by the Board without further approval of the Talon shareholders, to the extent that such amendments relate to: (a) complying with the requirements of any applicable regulatory authority; (b) complying with the rules, policies and notices of the TSX or of any stock exchange on which the Company's securities are listed; (c) altering, extending or accelerating the terms and conditions of vesting of any Stock Options; (d) extending the term of Stock Options held by a person other than a person who, at the time of the extension, is an insider of the Company, provided that Stock Options shall not be granted for a term exceeding ten years; (e) determining, subject to all applicable regulatory requirements, that the provisions of the Stock Option Plan concerning the effect of termination of a participant's status as an Eligible Person shall not apply to a participant for any reason acceptable to the Board; (f) accelerating the expiry date of any Stock Options; (g) amending the definitions contained within the Stock Option Plan; (h) amending the categories of persons who are Eligible Persons and entitled to be granted Stock Options pursuant to the Stock Option Plan; (i) allowing the grant of short-term financial assistance to participants for the purpose of exercising Stock Options granted hereunder, subject to compliance with all applicable regulatory requirements; (j) authorizing the addition or modification of a cashless exercise feature, payable in cash or Common Shares, which provides for a full deduction of the number of underlying securities from the Stock Option Plan reserve; (k) the assignability or transferability of Stock Options, with respect to Eligible Persons generally and/or with respect to any participant; (l) amending or modifying the mechanics of exercise of Stock Options; and (m) amendments of a "housekeeping" nature, including, without limitation, amending the wording of any provisions of the Stock Option Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Stock Option Plan that is inconsistent with any other provision of the Stock Option Plan.

Notwithstanding the above, shareholder approval is required with respect to amendments that relate to any of the following: (a) a reduction in the price or extension of the term of Stock Options granted to an insider of the Company; (b) an increase in the fixed percentage of the issued and outstanding Common Shares issuable under the Stock Option Plan; and (c) changes to the amendment provisions of the Stock Option Plan.

The Board may terminate the Stock Option Plan at any time.

In the event of the death of an Eligible Person prior to a Stock Option's expiry date, the Stock Option may be exercised by the legal representatives of such participant at any time up to and including the date which is the first anniversary of the date of death of such participant or the expiry date of such Stock Option, whichever is the earlier, after which the Stock Option shall in all respects cease and terminate. In the event an Eligible Person resigns as an employee or senior officer of the Company or an Affiliated Entity or resigns, is removed or otherwise ceases to be a member of the Board or of the board of directors of an Affiliated Entity (other than upon the death of such Eligible Person), all Stock Options granted to such Eligible Person which are then outstanding (whether vested or unvested) shall cease and terminate 90 days after such resignation, removal or other cessation of the term of office of the Eligible Person. In the event an Eligible Person (a) is an employee or senior officer of the Company or an Affiliated Entity and is discharged by reason of a wilful and substantial breach of such person's employment duties, or (b) is a consultant to the Company and the agreement or engagement between the Company and such consultant is terminated by either party, all Stock Options granted to such Eligible Person under the Stock Option Plan which are then outstanding (whether vested or unvested) shall cease and terminate in accordance with the provisions of the Stock Option Plan, unless, under the terms of the Stock Option Plan, the Board (or committee appointed by the Board) waives such provisions. In the event of a termination of employment or engagement of an Eligible Person (including the expiry of an agreement or engagement between the Company and a consultant) other than in the event of death or in the circumstances set out above, such Eligible Person may exercise each Stock Option then held by such participant under the Stock Option Plan at any time up to and including the 90th day (or such later date as the Board, or committee appointed by the Board, in its sole discretion may determine) following the effective date upon which the participant ceases to be an Eligible Person or the expiry date of such Stock Option, whichever is earlier, after which time the Stock Option shall in all respects cease and terminate.

The Stock Option Plan contains provisions for adjustment of the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of Common Shares, a merger, or other relevant changes in the Company's capitalization. Currently, the Stock Option Plan does not contain any provision for financial assistance by the Company in respect of Stock Options granted under the Stock Option Plan.

The below table sets out information as of December 31, 2023 on the number of Stock Options issuable, granted and available for grant pursuant to the Stock Option Plan. It also provides the information expressed as a percentage of the total Common Shares issued and outstanding as of December 31, 2023.

	Number	Percentage
Maximum Stock Options Issuable	140,109,232	15.00%
Total Stock Options Granted	124,267,682	13.30%
Remaining Stock Options Available for Grant	15,841,550	1.70%

The below table sets out information as of the date hereof on the number of Stock Options issuable, granted and available for grant pursuant to the Stock Option Plan. It also provides the information expressed as a percentage of the total Common Shares issued and outstanding as of the date hereof.

	Number	Percentage
Maximum Stock Options Issuable	140,207,845	15.00%
Total Stock Options Granted	119,736,032	12.81%
Remaining Stock Options Available for Grant	20,471,813	2.19%

Annual Burn Rate

The following table sets out the annual burn rate for the Stock Option Plan as of December 31st for each of the last three years. The annual burn rate represents the total number of stock options granted during the year, divided by the weighted average number of shares outstanding during the year.

	2021	2022	2023
Annual Burn Rate	3.74%	3.22%	1.35%

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the Company's most recently completed financial year, there is no, and there has not been any, outstanding indebtedness owing to the Company or any subsidiary of the Company in connection with the issuance of securities or otherwise by: (i) any director, executive officer or employee of the Company or any of its subsidiaries; (ii) any former director, executive officer or employee of the Company or any of its subsidiaries; (iii) any proposed nominee for election as a director of Company; (iv) any associate of any individual who is, or at any time during the Company's most recently completed financial year was, a director or executive officer of the Company; or (v) any associate of any proposed nominee for election as a director of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, no director, executive officer, any person or company beneficially owning, controlling or directing, directly or indirectly (or a combination thereof), Common Shares carrying more than ten percent of the voting rights of Common Shares, any directors or executive officers of such shareholders, or any associate or affiliate of any of the foregoing persons, have had a material interest, direct or indirect, in any transaction since the commencement of Talon's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect Talon or any of its subsidiaries.

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

Except as otherwise disclosed herein, no person who has been a director or executive officer of Talon at any time since January 1, 2023, and no associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting.

CORPORATE GOVERNANCE PRACTICES

The Board and management of the Company recognize that effective corporate governance practices are fundamental to the long-term success of the Company. Sound corporate governance contributes to shareholder value through increased confidence. The Board and management are therefore committed to maintaining a high standard of corporate governance and compliance with National Policy 58-201 - *Corporate Governance Guidelines* (the “**Guidelines**”), which establishes the basis for effective corporate governance. NI 58-101 requires that corporations disclose their approach to corporate governance with reference to the Guidelines. The Company’s approach is outlined below.

Board of Directors

Pursuant to NI 58-101, a director is independent if the director has no direct or indirect material relationship with the company which could, in the view of the company’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgment. Certain directors are deemed to have a material relationship with the company by virtue of their position or relationship with the company.

Currently, the Board is comprised of eight members, five of whom, a majority, Messrs. Deisley, Kaplan, Kinross, Singer and Wheatley are considered independent.

All of the current members of the Board are standing for re-election at the Meeting. Assuming management’s proposed slate of directors is elected at the Meeting, the Board will be comprised of eight members, five of whom (Messrs. Deisley, Kaplan, Kinross, Singer and Wheatley), a majority, will be independent within the meaning of NI 58-101.

The following directors are not considered independent within the meaning of NI 58-101:

- Mr. Newfield as he is the Executive Chairman of the Company;
- Mr. van Rooyen as he is the Chief Executive Officer of the Company; and
- Mr. Frandsen is a director of Pallinghurst and holds a beneficial interest in Pallinghurst.

The following table sets out details of directorships held by Talon directors in other public issuers:

<i>Name of Director</i>	<i>Name of Issuer</i>
Arne H. Frandsen	Nouveau Monde Graphite Inc. (NYSE and TSX-V)
Frank D. Wheatley	Trailbreaker Resources Ltd. (TSX-V)

The business and affairs of the Company are managed by the Board. The Board holds regular meetings to review the business and affairs of the Company and to make any decisions relating thereto. The principal roles and responsibilities of the Chair are to provide leadership to the Board and to ensure that the Board maintains the appropriate degree of independence from management. The Board believes that it functions independently of management. When conflicts do arise, interested parties are precluded from voting on matters in which they may have an interest. As may be deemed necessary by the Chair and the independent directors, the independent directors of the Board convene meetings of the independent directors, at which non-independent directors and members of management are not in attendance.

From January 1, 2023 until May 14, 2024, the Board, Audit Committee and CGC Committee met fourteen (14), five (5) and one (1) times, respectively. No Board meetings consisting of solely independent directors were held during the 2023 financial year.

The following is the record of attendance for each director at Board, Audit Committee and CGC Committee meetings from January 1, 2023 until May 14, 2024:

Director	Board Meetings (14)	Audit Committee Meetings (5)⁽¹⁾	CGC Committee Meetings (1)
Warren E. Newfield	14	N/A	N/A
David L. Deisley	12	N/A	N/A
Arne H. Frandsen ⁽²⁾	6	N/A	N/A
John D. Kaplan	13	4	1
Gregory S. Kinross	13	4	1
David E. Singer	12	5	0
Henri van Rooyen	13	N/A	N/A
Frank D. Wheatley	14	N/A	N/A

Notes:

(1) Parts of two Audit Committee meetings were held in camera.

Board Mandate

The Board is responsible for overseeing the strategic direction of the Company and the general supervision of the activities of management of the Company. The Board has delineated its roles and responsibilities in a written mandate, which is attached hereto as Appendix A.

Position Descriptions

The Company has developed written position descriptions for the Chair of the Board and the Chairs of each of its Audit Committee and its CGC Committee. Members of the Board's committees are approved by the Board and, unless elected by the Board, the Chairs of the committees are approved by the individual committees.

The Board has not developed a position description for the CEO of the Company. However, the Chair of the Board sets out the duties, roles and responsibilities of the CEO when he first meets with a new CEO. Such duties, roles and responsibilities include the following: (i) developing, implementing and assessing the effectiveness of corporate objectives and business plans; (ii) providing executive leadership to the Company and achieving the results targeted in the corporate objectives and business plans; (iii) representing the Company in communications with shareholders and others; (iv) overseeing the recruitment, retention, assessment and development of the executive team, key employees and their successors; and (v) establishing and maintaining corporate policies and setting a high standard of integrity in all aspects of the business.

The CEO reports to the Board, and the Board responds to and, if it considers appropriate, approves, with such revisions as it may require, corporate objectives and recommended courses of action, which have been brought forward by the CEO and management. The Board and the CEO review, on a regular basis, the scope and limits of management's responsibilities and powers.

Orientation and Continuing Education

The CGC Committee is responsible for assessing the need for and, if deemed necessary, establishing procedures and approving appropriate orientation and education programs for new directors. Presently, the Company does not have a formal process of orientation for new directors. However, the Board conducts a discussion of the business of the Company at its Board meetings to ensure new directors are provided with an overview of the Company's operations. From time to time, corporate officers and legal, financial and other experts are invited to attend Board meetings to describe matters within their areas of expertise.

Given the size of the Company and the in-depth experience of the current directors, there has been no formal continuing education program. Board members are entitled to attend seminars that they determine necessary to keep themselves up-to-date with current issues relevant to their services as directors of the Company. As well, the Board has considered developing or otherwise making available an appropriate program to ensure that its directors maintain the skill and knowledge necessary to meet their obligations as directors. To date, no such formal program has been developed or made available.

Ethical Business Conduct

The Board adopted a Code of Business Conduct and Ethics on December 7, 2006, as amended and restated on April 16, 2008 (the "Code"). A copy of the Code is available on SEDAR+ at www.sedarplus.ca.

The Code provides that the Company's employees, officers and directors are required to act with honesty and integrity and to avoid any relationships or activities that might create, or appear to create, a conflict between personal interests and the interests of the Company. The Company is committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. The Code affirms the Company's commitment to foster a work environment in which all individuals are treated with respect and dignity.

The Board does not formally monitor compliance with the Code. Management is expected to report any breaches of the Code to the Board. Additionally, the Code also provides a process by which actual or potential violations of its provisions are to be reported to the Chair of the Audit Committee and confirms that there will not be any reprisals against an individual who does so in good faith.

In circumstances where a director or executive officer has a material interest in a transaction or agreement which the Company is considering entering into, the individual is required to fully disclose his or her interest therein and an *ad hoc* committee of disinterested directors is appointed for review purposes to confirm, among other things, that such transaction or agreement, as applicable, is being entered into on arm's length commercially reasonable terms. Such committee has the right to obtain advice from the Company's counsel and other professional advisors and/or appoint independent counsel and/or advisors.

All of the Company's employees, officers and directors are expected to comply with the Code and any waiver from any part of the Code requires the approval of (i) the CEO for waivers requested by employees of the Company, and (ii) the Board (or a committee appointed by the Board) for waivers requested by executive officers and/or directors of the Company. There have been no material change reports filed since January 1, 2023 pertaining to conduct of a director or executive officer that constitutes a departure from the Code.

Nomination of Directors

Generally, the Board and the CGC Committee have found that current directors and management of the Company have frequently recommended, through their respective networks of contacts or major shareholders, individuals who may be good candidates to act as directors of the Company. Based on these recommendations, generally, in the first instance, management will meet with individuals who appear to be a good fit with the Company and will report back their findings to the Chair of the Board and/or the CGC Committee. When the Company has a vacancy on the Board or if the Chair of the Board and the CGC Committee believe it to be in the best interests of the Company to expand the size of the Board, they will review recommendations of management and the CGC Committee will discuss the potential nominee(s) and make a formal recommendation to the entire Board for approval.

Diversity

The Company does not have a written policy on the identification and nomination of female directors or executive officers, or a target for the number of women in these roles. Currently, the Company has no female directors or executive officers. The Board, and in particular the CGC Committee, do not believe that quotas or targets for female representation on the Board or in executive officer positions necessarily result in the identification or selection of the best candidates for such positions. The Board and the CGC Committee are mindful of the benefits of diversity in the workplace and on the Board. Accordingly, the Board and CGC Committee consider both the level of female representation and diversity as essential considerations in the selection process for new directors and executive officers, in addition to the expertise and experience required.

Term Limits

The CGC Committee understands that the composition of the Board should reflect a balance between the experience and understanding that comes with longevity of service on the Board and the need for renewal and fresh ideas and perspectives. However, the Company does not impose term limits on directors, nor are there any other mechanisms in place that operate to compel director turnover. While term limits can help ensure the Board gains a fresh perspective, term limits also serve as an arbitrary mechanism for removing directors which can result in valuable and experienced directors being forced to leave the Board solely because of length of service. The CGC Committee believes that directors should be assessed based on their ability to continue to make a meaningful contribution to the Board. The CGC Committee is responsible for reviewing the composition of the Board and recommends changes as appropriate. The CGC Committee believes that this is a more meaningful way to evaluate the performance of directors and to make determinations about changes to the composition of the Board.

Compensation

See “Executive Compensation” (above) for a discussion of senior officer and director compensation and details regarding the CGC Committee’s oversight of compensation matters and role in compensation determinations.

Committees

The Board currently has two standing committees: (1) the Audit Committee; and (2) the CGC Committee.

For information regarding the Company’s Audit Committee, in compliance with the disclosure requirements of National Instrument 52-110 - *Audit Committees*, refer to the section entitled “Audit Committee Information” in the Company’s annual information form for the year ended December 31, 2023, which is available on SEDAR+ at www.sedarplus.ca.

In addition to its responsibilities in respect of compensation and nominations, as described above, the CGC Committee performs the following functions in respect of corporate governance: (i) performing an oversight role for corporate governance issues; (ii) ensuring that there is an appropriate number of independent directors; (iii) developing, recommending and bringing forward to the Board any corporate governance issues or principles for review or action by the Board; (iv) ensuring management is apprised of any corporate governance issues identified by the CGC Committee; and (v) assessing the performance of the corporate governance system and recommending any proposed changes to the Board for its review and approval to ensure that the Company is following best practices for corporate governance.

Assessments

The CGC Committee is responsible for assessing, at least annually, the composition and effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors, including making recommendations, where appropriate, that sitting directors be removed or not re-appointed. In connection with the re-election of directors and the identification of any new nominees, the CGC Committee annually reviews the performance and qualifications of existing directors.

MANAGEMENT CONTRACTS

There are no management functions of Talon or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers of Talon or its subsidiaries.

OTHER BUSINESS

Except as otherwise indicated, information contained herein is given as of May 15, 2024. Management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **HOWEVER, IF OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, COMMON SHARES REPRESENTED BY THE ACCOMPANYING FORM OF PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.**

ADDITIONAL INFORMATION

Additional information relating to Talon may be found on SEDAR+ at www.sedarplus.ca. Financial information relating to Talon is provided in Talon's comparative financial statements and related management's discussion and analysis for the financial year ended December 31, 2023. To request copies of Talon's financial statements and related management's discussion and analysis, please contact Mike Kicis, Chief Legal Officer and Corporate Secretary, at:

Talon Metals Corp.
Craigmuir Chambers
P.O. Box 71
Road Town, Tortola
British Virgin Islands

Tel: (416) 361.9636
Fax: (416) 361.0330

Email: mkicis@talonmetals.com

APPROVAL

The undersigned hereby certifies that the contents of this Circular and the sending thereof to the shareholders of Talon have been approved by the Board.

DATED May 15, 2024

By Order of the Talon Board of Directors

(Signed) "Warren Newfield"

Warren Newfield
Executive Chairman

APPENDIX A

CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The board of directors (the “**Board of Directors**” or the “**Board**”) of Talon Metals Corp. (the “**Corporation**”) is responsible for the general supervision of the activities and management of the affairs of the Corporation and for acting in the best interests of the shareholders of the Corporation (the “**Shareholders**”). The Board of Directors will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee and the Corporate Governance and Compensation Committee.

The Board of Directors will primarily fulfill their responsibilities by carrying out the activities enumerated in Section III of this Charter.

II. COMPOSITION

The Board of Directors shall consist of a minimum of three and a maximum of fifteen directors, a majority of whom shall be Independent Directors (as defined below) and a majority of whom shall be non-residents of Canada. Pursuant to *National Instrument 58-101 – Disclosure of Corporate Governance Practices* (as implemented by the Canadian Securities Administrators and as amended from time to time), a director is considered to be an “**Independent Director**” if he or she has no direct or indirect “material relationship” with the Corporation which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director’s independent judgment. Notwithstanding the foregoing, a director shall be considered to have a “material relationship” with the Corporation (and therefore shall be considered a “**Non-Independent Director**”) if he or she falls in one of the categories listed in Schedule “A” attached hereto.

III. MEETINGS

The time at which and place where the meetings of the Board shall be held and the calling of the meetings and procedure in all things at such meetings shall be determined by the Board in accordance with the Corporation’s Memorandum and Articles of Association and applicable laws.

The agenda for each Board meeting shall be established by the Chief Executive Officer and the Board Chair, taking into account suggestions from other members of the Board. Circular and information shall be distributed in advance of each meeting so as to provide adequate time for review. The Board has a policy of holding one meeting each year at one of the Corporation’s operating facilities. Site visits by the Board and meetings with senior management of the facility are incorporated into the itinerary.

Directors are expected to attend, in person or via tele- or video-conference, all meetings of the Board and the Committees upon which they serve, to come to such meetings fully prepared, and to remain in attendance for the duration of the meeting. Where a Director’s absence from a meeting is unavoidable, the Director should, as soon as practicable after the meeting, contact the Board Chair, the Chief Executive Officer, or the Corporate Secretary for a briefing on the substantive elements of the meeting.

Independent Directors shall meet without Non-Independent Directors and management participation, as appropriate.

The Board Chair shall have the duties and responsibilities set forth in “Roles and Responsibilities of the Chairperson of the Board”.

IV. RESPONSIBILITIES AND DUTIES

The mandate of the Board of Directors is the stewardship of the Corporation. To fulfill its responsibilities and duties, the Board of Directors shall:

- (1) Review, assess and update this Charter at least annually, as conditions dictate.
- (2) Establish committees and approve their respective mandates and the limits of authority delegated to each committee.
- (3) Review and re-assess the adequacy of the mandate of the committees of the Board annually.
- (4) Assign to the various committees of the Board of Directors the general responsibility for developing the Corporation's approach to: (i) the nomination of the directors; (ii) the enhancement of governance; (iii) matters relating to compensation of the members of the Board of Directors; and (iv) matters relating to financial reporting and internal controls.
- (5) Satisfy themselves, to the extent feasible:
 - (a) as to the integrity of the officers of the Corporation and of the Chief Executive Officer of the Corporation; and
 - (b) that the officers of the Corporation and the Chief Executive Officer of the Corporation create a culture of integrity throughout the organization.
- (6) Approve a Code for Business Ethics for directors, officers and employees and monitor compliance with the practice and approve any waivers of the Code for Business Ethics for officers and directors.
- (7) With the assistance of the Corporate Governance and Compensation Committee:
 - (a) assess, at least annually, the effectiveness of the Board of Directors, the committees of the Board of Directors and the contribution of individual directors, including, consideration of the appropriate number of the directors;
 - (b) ensure that an appropriate review and selection process for new nominees as directors is in place;
 - (c) ensure that an appropriate orientation and education program for new directors is in place;
 - (d) adopt disclosure and securities compliance policies, including, without limiting the foregoing, communications policies of the Corporation to ensure that a system for corporate communications to all stakeholders exists, including processes for consistent, transparent, regular and timely public disclosure and to facilitate feedback from stakeholders;
 - (e) approve the nomination of directors;
 - (f) establish an appropriate system of corporate governance including practices to ensure that Board of Directors functions independently of management;
 - (g) review the adequacy and form of the directors' compensation to ensure it realistically reflects the responsibilities and risks involved in being a director; and
 - (h) review the composition of the Board and engage in the process of determining Board of Directors member qualifications, including ensuring that a majority of directors qualify as Independent Directors and that the appropriate number of Independent Directors are on each committee of the Board of Directors as required under applicable securities rules and requirements.

- (8) Develop written position descriptions for the Chair of the Corporation and the Chair of each committee of the Board of Directors.
- (9) With the assistance of the Audit Committee:
 - (a) ensure the integrity of the Corporation's internal controls and management information systems;
 - (b) ensure the Corporation's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Corporation's own governing documents; and
 - (c) identify the principal risks of the Corporation's business and ensure that appropriate systems are in place to manage these risks.
- (10) Appoint the Chief Executive Officer and senior officers, approve their compensation, evaluate the Chief Executive Officer's performance against the goals and objectives developed and approved by the Board.
- (11) Ensure that a process is established as required that adequately provides for succession planning, including the appointing, training and monitoring of senior management.
- (12) Establish limits of authority delegated to management.
- (13) Adopt a strategic planning process and approve, on at least an annual basis, a strategic plan which takes into account, among other things, the business opportunities and business risks and monitor the performance of the Corporation against the strategic plan.
- (14) Approve the annual operating and capital budget, including a business plan, of the Corporation.
- (15) Review with the management of the Corporation, and approve, all material transactions and agreements to be entered into by the Corporation outside of the ordinary course of the business of the Corporation and all fundamental changes to the business of the Corporation.
- (16) Perform such other functions as prescribed by law or assigned to the Board of Directors in the Memorandum and Articles of Association of the Corporation.
- (17) Develop and approve the goals and objectives that the Chief Executive Officer is responsible for meeting.

The foregoing list is not exhaustive. The Board of Directors may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities and duties.

To assist the Board of Directors in discharging its responsibilities, the Board of Directors may, in addition to the Corporation's external counsel, at the expense of the Corporation, retain one or more persons having special expertise.

The Board of Directors expects that, in discharging their responsibilities to the stakeholders, the external counsel shall be accountable to the Board of Directors. The external counsel shall report all material issues or potentially material issues to the Board of Directors.

In discharging its duties under this mandate and charter, each member of the Board of Directors shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this mandate and charter is intended, or may be construed, to impose on any member of the Board of Directors a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board of Directors members are subject.

The Board of Directors shall have full access to books, records, facilities, and personnel of the Corporation and shall have the authority to retain independent counsel and other advisors, as it deems necessary and at the expense of the Corporation, to carry out its duties.