

GOLD79 MINES LTD.
P. O. Box 279, Manotick, Ontario K4M 1A3

NOTICE OF THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting of the shareholders (the “**Meeting**”) of Gold79 Mines Ltd. (the “**Corporation**”) will be held at 55 Metcalfe Street, Suite 1300, Ottawa, Ontario K1P 6L5 on Wednesday, June 30, 2021 commencing at 11:00 a.m. (EDT) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2020 together with the report of the auditor thereon;
2. to elect directors;
3. to appoint PricewaterhouseCoopers LLP as auditor of the Corporation and to authorize the directors to fix the auditor’s remuneration;
4. to consider and, if deemed advisable, to pass, with or without variation, a resolution to re-approve the Corporation’s Stock Option Plan 2020 (the “**2020 Option Plan**”) which is a 10% “rolling” plan, as more particularly set out in the accompanying Management Information Circular which accompanies this Notice (the “**Stock Option Plan Resolution**”); and
5. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Corporation’s shareholders, employees, consultants, other stakeholders and the community, meeting participants are strongly encouraged not to attend in person. Rather, participants are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by teleconference. **To access the Meeting by teleconference, dial toll free at 1-866-797-9099, Access Code: 3317079#. Participants can listen to the Meeting but will not be permitted to vote at the Meeting unless the participant attends the Meeting in person.**

The Corporation reserves the right to take any further precautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) changing the Meeting date and/or changing the means of holding the Meeting; and (ii) such other measures as may be recommended by public health authorities. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation’s profile on SEDAR. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Corporation will not prepare or mail an amended Circular, Notice of Meeting or related proxy.

Accompanying this notice is the Circular containing details of the matters to be dealt with at the Meeting, a form of proxy, and, if requested, the audited consolidated financial statements of the Corporation for the year ended December 31, 2020 together with management’s discussion and analysis thereon.

Shareholders who are unable to attend the Meeting in person are requested to complete and sign the accompanying form of proxy and return it by mail in the enclosed return envelope or by facsimile or by Internet. To be effective, proxies must be received by the Corporation’s transfer agent, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto Ontario M5H 4H1, Attention: Proxy Department, or by facsimile at 1-416-595-9593 or by Internet prior to 11:00 a.m. (EDT) on Monday, June 28, 2021 or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to when any adjournment thereof is to be held, or may be deposited with the Chair of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof. Non-registered shareholders (beneficial holders) must deliver their completed proxies in accordance with the instructions given by their financial institution or other intermediary that forwarded the form of proxy to them.

DATED at Ottawa, Ontario, this 26th day of May, 2021.

By Order of the Board of Directors

(Signed) “John McNeice”
Corporate Secretary

GOLD79 MINES LTD.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation by the management of Gold79 Mines Ltd. (the “**Corporation**”) of proxies for use at the Meeting to be held at 55 Metcalfe Street, Suite 1300, Ottawa, Ontario K1P 6L5 on Wednesday, June 30, 2021 commencing at 11:00 a.m. (EDT), and at any adjournment thereof, for the purposes set forth in the notice of meeting (the “**Notice**”). The solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers, employees or representatives of the Corporation. All costs of solicitation will be borne by the Corporation. The information contained herein is given as at May 25, 2021, unless otherwise indicated.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Corporation’s shareholders, employees, consultants, other stakeholders and the community, meeting participants are encouraged not to attend in person. Rather, participants are strongly encouraged to vote on the matters before the Meeting by proxy and to join the Meeting to listen by teleconference. To access the meeting and listen to the teleconference, dial toll free at 1-866-797-9099, Access Code: 3317079#. Shareholders participating in the Meeting by teleconference will be unable to vote via teleconference.

All dollar amounts in this Circular are in Canadian dollars, except where otherwise indicated. References to “\$” are to Canadian dollars and references to “US\$” are to United States dollars. On May 25, 2021, the daily closing exchange rate of Canadian currency in exchange for United States currency, as reported by the Bank of Canada, was \$1.00 = US\$0.8294.

APPOINTMENT OF PROXIES

The persons named in the enclosed form of proxy are directors or officers of the Corporation. *Each shareholder has the right to appoint a person other than the persons named in the enclosed form of proxy, who need not be a shareholder of the Corporation, to represent such shareholder at the Meeting or any adjournment thereof.* Such right may be exercised by inserting such person’s name in the blank space provided in the form of proxy and striking out the other names or by completing another proper form of proxy.

VOTING INSTRUCTIONS

Registered Shareholders

There are two methods by which registered shareholders (“**Registered Shareholders**”), whose names are shown on the books or records of the Corporation as owning common shares (“**Common Shares**”), can vote their Common Shares at the Meeting: in person at the Meeting, or by proxy. Should a Registered Shareholder wish to vote in person at the Meeting, the form of proxy included with the Circular should not be completed or returned; rather, the Registered Shareholder should attend the Meeting where his or her vote will be taken and counted. Should the Registered Shareholder not wish to attend the Meeting or not wish to vote in person, his or her vote may be voted by proxy through one of the methods described below and the Common Shares represented by the proxy will be voted or withheld from voting, in accordance with the instructions as indicated in the form of proxy, on any ballot that may be called for, and if a choice was specified with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

A Registered Shareholder may vote by proxy by using one of the following methods: (i) the paper form of proxy to be returned by mail or delivery; (ii) facsimile, or (iii) the Internet. The methods of using each of these procedures as follows:

Voting by Mail. A Registered Shareholder may vote by mail or delivery by completing, dating and signing the enclosed form of proxy and depositing it with TSX Trust Company (the “**Transfer Agent**”) using the envelope provided or by mailing it to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto Ontario M5H 4H1, Attention: Proxy Department, or to the Corporate Secretary of the Corporation, by no later than 11:00 a.m. (EDT) on

Monday, June 28, 2021, or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned meeting.

Voting by Facsimile. A Registered Shareholder may vote by facsimile by completing, dating and signing the enclosed form of proxy and returning it by facsimile to the Transfer Agent at 1-416-595-9593. The form of proxy must be received by no later than 11:00 a.m. (EDT) on Monday, June 28, 2021, or if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned meeting.

Voting by Internet. Registered Shareholders may vote by internet by accessing the following website: www.voteproxyonline.com. When you logon to the site you will be required to input a control number as instructed on the logon page. Please see the additional information enclosed with the Circular. Registered Shareholders may vote by internet up to 11:00 a.m. (EDT) on Monday, June 28, 2021 or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned meeting.

Voting by mail or the Internet are the only methods by which a Registered Shareholder may choose an appointee other than the management appointees named on the proxy and must be completed by the Registered Shareholder or by an attorney authorized in writing or, if the Registered Shareholder is a corporation or other legal entity, by an authorized officer or attorney.

Non-Registered Shareholders

In the Circular and the enclosed form of proxy and Notice, all references to shareholders are to Registered Shareholders of Common Shares. Only Registered Shareholders of Common Shares, or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a “**Non-Registered Shareholder**” or “**Beneficial Owner**”) are registered either:

- (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Beneficial Owners, those who object to their name being made known to the Corporation, referred to as objecting beneficial owners (“**OBOs**”) and those who do not object to being known by the Corporation, referred to as non-objecting beneficial owners (“**NOBOs**”). In accordance with the requirements of *National Instrument 54-101—Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has opted this year to distribute copies of the Notice, Circular, the enclosed form of proxy and the Corporation management’s discussion and analysis of financial condition and results of operations and consolidated financial statements for the fiscal year ended December 31, 2020 (collectively, the “**Meeting Materials**”) to NOBOs directly. Whereas, the Meeting Materials will continue to be distributed to OBOs through clearing houses and Intermediaries, who often use a service company (such as Broadridge Financial Solutions, Inc. (“**Broadridge**”)) to forward Meeting Materials to Non-Registered Shareholders.

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

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

Objecting Beneficial Owners

Intermediaries are required to forward Meeting Materials to OBOs unless an OBO has waived the right to receive them. Generally, OBOs who have not waived the right to receive Meeting Materials will usually receive a voting instruction form (“**VIF**”) from Broadridge in lieu of the form of proxy from the Corporation. The VIF will name the same person as the proxy to represent the shareholder at the Meeting. A shareholder has the right to appoint a person

(who need not be a shareholder of the Corporation) other than persons designated in the VIF, to represent the shareholder at the Meeting. To exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the VIF. You are asked to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, you can call Broadridge's toll free telephone number or access Broadridge's Internet website to vote your Common Shares. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it cannot be used as a proxy to vote Common Shares directly at the Meeting as the VIF must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted or to appoint an alternative representative to attend at the Meeting in person to vote such Common Shares.**

Non-Objecting Beneficial Owners

NOBOs can expect to receive the Meeting Materials with a VIF from the Transfer Agent. These VIFs are to be completed and returned to the Transfer Agent in the envelope provided or by following the instructions contained on the VIF for facsimile, telephone or Internet voting. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive. **If you receive a VIF from the Transfer Agent, it cannot be used as a proxy to vote Common Shares directly at the Meeting as the VIF must be returned to Transfer Agent well in advance of the Meeting in order to have the Common Shares voted or to appoint an alternative representative to attend at the Meeting in person to vote such Common Shares.**

The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the shares they beneficially own. Should a Non-Registered Shareholder who receives either a proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form.

In any event, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and Broadridge or other service company or the Transfer Agent, as the case may be.

REVOCAION OF PROXIES

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy and may do so by delivering another properly executed proxy bearing a later date and depositing it as aforesaid, including within the prescribed time limits noted above; or by depositing an instrument in writing revoking the proxy executed by the shareholder or by the shareholder's attorney authorized in writing, by one of the following methods: (i) at the registered office of the Corporation (P. O. Box 279, Manotick, Ontario K4M 1A3) 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, (ii) with the Chair of the Meeting, prior to its commencement, on the day of the Meeting or at any adjournment thereof; (iii) by attending the Meeting in person and so requesting; or (iv) in any other manner permitted by law.

A Non-Registered Shareholder may revoke a VIF or a waiver of the right to receive Meeting Materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a VIF or of a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

VOTING AND DISCRETION OF PROXIES

On any ballot that may be called for, the Common Shares represented by proxies in favour of the persons named by management of the Corporation will be voted for or against, or voted for or withheld from voting on, the matters identified in the proxy, in each case in accordance with the instructions of the shareholder. **In the absence of any instructions on the proxy, it is the intention of the persons named by management in the accompanying form of proxy to vote FOR the election of management's nominees as directors; FOR the re-appointment of PricewaterhouseCoopers LLP as auditor and the authorization of the directors to fix the remuneration of the auditor; FOR the Stock Option Plan Resolution; and, in accordance with management's recommendations with respect to amendments or variations of the matters set out in the Notice or any other matters which may properly come before the Meeting.**

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations of the matters identified in the Notice or any other matters that may properly come before the Meeting. As at the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters that may properly come before the Meeting other than the matters referred to in the Notice.

NOTE OF CAUTION REGARDING COVID-19 OUTBREAK

As of the date of the Circular, it is the intention of the Corporation to hold the Meeting as described in greater detail in the Notice of Meeting. The Corporation is continuously monitoring developments related to the COVID-19 outbreak. The Corporation reserves the right to take any further precautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) changing the Meeting date and/or changing the means of holding the Meeting; and (ii) such other measures as may be recommended by public health authorities. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Corporation will not prepare or mail an amended Circular, Notice of Meeting or related proxy.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

As at May 25, 2021, the authorized capital of the Corporation consisted of an unlimited number of Common Shares, of which 121,438,455 Common Shares were issued and outstanding.

A holder of record of Common Shares as at the close of business on May 21, 2021 (the "**Record Date**") is entitled to one vote for each Common Share held by him or her. In accordance with the *Business Corporations Act* (British Columbia), the Corporation will prepare a list of holders of Common Shares on the Record Date. Each holder of Common Shares named in the list at the close of business on the Record Date will be entitled to vote the Common Shares shown opposite his or her name on the list at the Meeting.

As of May 25, 2021, to the knowledge of the directors and senior officers of the Corporation, no person beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The articles of the Corporation provide that the board of directors of the Corporation (the "**Board of Directors**") shall consist of a minimum of three and a maximum of eleven directors, the number of which may be fixed from time to time by a resolution of the Board of Directors. The Corporation currently has four directors. Immediately prior to the Meeting, the number of directors will be increased from four to five. Derek Macpherson, the Corporation's President and Chief Executive Officer is nominated for election at the Meeting. Accordingly, the Board determined that five directors be nominated at the Meeting.

The following table lists certain information concerning the nominees for election as directors of the Corporation. The information as to principal occupations and the number of Common Shares beneficially owned or over which control or direction is exercised by each nominee has been furnished by the respective nominees individually.

Name and Municipality of Residence	Position with Corporation and Principal Occupation Within the Past Five Years	Period(s) of Service as a Director	Common Shares Beneficially Owned or Subject to Control or Direction as of May 25, 2021
Gary Thompson ⁽¹⁾ Vancouver, British Columbia	Executive Chairman and Director (former President and Chief Executive Officer) Chairman, President and Chief Executive Officer of Brixton Metals Inc.	July 2020 – present	7,342,000
W. William Boberg ^{(2) (3)} Morrison, Colorado	Director From 2006 to 2011, President and Chief Executive Officer of Ur-Energy Inc.	June 2008 – present	308,000
Paul Carrêlo ^{(2) (3)} Golden, Colorado	Director From 2008 to 2020, Senior Investment Professional, Resource Capital Funds	February 2021 - present	620,900
James Franklin ^{(2) (3)} Ottawa, Ontario	Director Consulting Geologist / Adjunct Professor of Geology Queen’s University, Laurentian University and University of Ottawa	October 2003 – present	269,500
Derek Macpherson ⁽⁴⁾ Toronto, Ontario	President & Chief Executive Officer and Director Nominee Investment Banking and Mining Equity Research, Red Cloud Securities Inc.	Director Nominee	3,675,000

(1) Mr. Thompson was appointed as Executive Chairman and as a Director on July 24, 2020. Mr. Thompson served as President and Chief Executive Officer of the Corporation from August 28, 2020 to April 30, 2021.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

(4) Mr. Macpherson was appointed President and Chief Executive Officer of the Corporation effective May 1, 2021. Mr. Macpherson previously served as a Director of the Corporation from September 2020 to February 2021.

Gary Thompson, B.Sc., P.Geo.

Executive Chairman and Director

Mr. Thompson has over 27 years’ experience in resource exploration including precious and base metals, geothermal power and unconventional oil and gas, and is a “qualified person” as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr. Thompson was the president and CEO of Sierra Geothermal Power Corp., from 2006 until 2010 when it was acquired by Ram Power Corporation. Prior to 2006, Mr. Thompson held positions with EnCana Corporation, Newmont Alaska Ltd., NovaGold Resources Inc. and CBM Solutions Ltd. Mr. Thompson

was credited with the 1988 discovery of the TAG gold silver prospect located in NWBC which he sold to Taku Gold Corp. (now held by Engineer Gold Mines Ltd.) and in 2014 he sold the Kahuna claims to Kodiak Copper (TSXV: KDK) and Solstice Gold (TSXV: SGC) located near Agnico's Meliadine Mine in Nunavut. Mr. Thompson is a professional geologist and an active member in good standing of both the Engineers and Geoscientists British Columbia and The Association of Professional Geoscientists of Ontario. Mr. Thompson is currently President, Chief Executive Officer, Chairman and Director of Brixton Metals Corporation. Mr. Thompson holds a B.Sc. (Honours) in Geology from the University of British Columbia.

W. William Boberg, M.Sc, P. Geo

Director

Mr. Boberg has over 50 years' experience as a geologist, investigating, assessing and developing a wide variety of mineral resources in a broad variety of geologic environments in Western North America, South America and Africa. He has worked for Hecla Mining Company, The Anaconda Company, Continental Oil Corporation, Wold Nuclear, Kennecott Exploration Inc., Western Mining Corporation, Canyon Resources Corporation, Patrician Gold and Ur-Energy Inc. He has his Masters degree in Geology from the University of Colorado. Mr. Boberg has over 20 years experience exploring for uranium in the continental United States. In addition to uranium he has explored for gold, silver, copper, diamonds, oil & gas and many other mineral resources. He is registered as a Professional Geologist in Wyoming and a Certified Professional Geologist through the American Institute of Professional Geologists. Mr. Boberg was President and Chief Executive Officer of Ur-Energy Inc. from 2006 to 2011 and continues as a director of Ur-Energy Inc.

Paul Carrêlo, M.Sc, BA

Director and Chair of the Audit Committee

Mr. Carrêlo has extensive resource investment, mining and investment banking experience. Mr. Carrêlo was a senior investment professional with Resource Capital Funds ("RCF") based in both Denver and Santiago over the period from 2008 to 2020. Mr. Carrêlo was instrumental in establishing RCF's Santiago office in 2014 to focus on building a greater presence in the Latin American region. In 2017, he returned to Denver with RCF as a senior member of a deal team focused on active portfolio management, investment strategy and leading transactions. Mr. Carrêlo is an Executive MBA candidate at Saïd Business School, University of Oxford; has a M.Sc. Metals and Energy Finance from Imperial College London; and, a B.A. Hons. in Economics from Durham University.

James Franklin, Ph. D., FRSC, P. Geo

Director and Chair of the Compensation Committee

Dr. Franklin has over 50 years' experience as a geologist. He is a Fellow of the Royal Society of Canada. Since January 1998, he has been an Adjunct Professor at Queen's University, since 2001, at Laurentian University and since 2006 at the University of Ottawa. He is a past President of the Geological Association of Canada and of the Society of Economic Geologists. He retired in 1998 as Chief Geoscientist of the Geological Survey of Canada, Earth Sciences Sector. Since that time, he has been a consulting geologist and is currently a director of Nuinsco Resources Ltd. and Ur-Energy Inc. Dr. Franklin's lifetime achievements have been honored by several professional organizations. Among his honors, Dr. Franklin has been awarded GAC's Logan and Duncan R. Derry medals, CIM's Selwyn Blaylock, A.O. Dufresne, Distinguished Lecturer and Julian Boldy Memorial awards and the Society of Economic Geologists Thayer Lindsley and Distinguished Lecturer awards. He has also received the R.A.F. Penrose Gold Medal from SEG for his many contributions to a broad cross section of geosciences. In 2017, he was made a Fellow of Lakehead University, honoring his contributions to education and economic development in northern Ontario. Dr. Franklin was inducted into the Canadian Mining Hall of Fame in January 2019, for his many contributions to the mining industry.

Derek Macpherson, MBA, B.Eng.

President and Chief Executive Officer and Director Nominee

Mr. Macpherson has technical and capital markets experience. Prior to joining the Corporation he was Senior Vice President, Investment Banking at Red Cloud Securities Inc. and prior to that was Vice President, Mining Analyst at Red Cloud. Besides research at Red Cloud, particularly during its early years, his work included retail and institutional sales, and marketing. Preceding his 5 years at Red Cloud, he worked in mining equity research at both bank-owned and boutique Canadian investment banks, providing him 10 years of capital markets experience. Prior to completing his MBA and joining capital markets he worked for six years as a metallurgist. Mr. Macpherson has a Bachelor of Engineering and Management in Materials Science (Metallurgy) from McMaster University and a Master of Business Administration from the Schulich School of Business.

Corporate Cease Trade Orders or Bankruptcies

None of the proposed nominees for election as a director or officers of the Corporation is, or has been within the ten years before the date of this Circular, a director or officer of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions under Canadian securities legislation for a period of more than 30 consecutive days or was declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that company.

Penalties or Sanctions

None of the proposed nominees for election as a director or officers of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

None of the proposed nominees for election as a director or officers of the Corporation 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 the assets of the director or officer.

Appointment of Auditors

At the Meeting, it is proposed to re-appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Corporation to hold office until the next annual meeting of shareholders with their remuneration to be fixed by the Board of Directors. PricewaterhouseCoopers LLP and its affiliates have been the auditors of the Corporation since December 2005.

The aggregate fees billed by PricewaterhouseCoopers LLP for audit services in relation to the Corporation during the financial year ended December 31, 2020 were \$30,000. See heading “Audit Committee Report” below.

Stock Option Plan Resolution

The Corporation has adopted a “rolling” stock option plan (the “**2020 Option Plan**”) for officers, directors, employees and consultants of the Corporation. The maximum number of Common Shares that can be issued upon the exercise of options granted under the 2020 Option Plan, together with any common shares issued or reserved for issuance under any other share compensation arrangement, including the Corporation’s prior “fixed” plan (the “**Pre-Existing Plan**”) which is then in place, is equal to 10% of the number of the Common Shares issued and outstanding from time-to-time.

If the Stock Option Plan Resolution is passed by Shareholders at this Meeting, the maximum number of Common Shares available for issue under the 2020 Option Plan and the Pre-Existing Plan in combination would be 10% of the issued and outstanding shares of the Corporation being stock options for 12,143,846 Common Shares based on the currently outstanding Common Shares as at May 25, 2021. Therefore, if the Stock Option Plan Resolution is passed by Shareholders at this Meeting and based on the currently outstanding Common Shares as at May 25, 2021, total stock options for 3,433,846 Common Shares (representing 2.83% of the currently outstanding Common Shares) would be available for future option grants under the 2020 Option Plan while options for 1,660,000 Common Shares (representing 1.37% of the currently outstanding Common Shares) would remain outstanding under the Pre-Existing Plan.

Following the initial approval of the 2020 Option Plan by shareholders on June 30, 2020, the Corporation determined that it would not grant additional options under the Pre-Existing Plan and all option grants by the Corporation after June 30, 2020 would be granted under the 2020 Option Plan.

The 2020 Option Plan is a “rolling” stock option plan as the number of Common Shares reserved for issue pursuant to the grant of stock options will increase as the Corporation's issued and outstanding share capital increases. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares in respect of

that expired, exercised or terminated stock option will again be available for the purpose of the number of stock options available for issue under the Stock Option Plan. The principal features of the 2020 Option Plan and the Pre-Existing Plan are described in more detail below under “*Statement of Executive Compensation*”.

The 2020 Option Plan was approved by the shareholders at the annual and special meeting of the shareholders of the Corporation held on June 30, 2020. The Stock Option Plan is a "rolling" stock option plan and, under Policy 4.4 of the TSX Venture Exchange (“TSXV”), a company which has its Common Shares listed on the TSXV is required to obtain the approval of its shareholders for a "rolling" stock option plan at each annual meeting of shareholders. A copy of the 2020 Option Plan will be available for inspection at the Meeting and is available under the Corporation’s profile at www.sedar.com. A description of the material terms of the 2020 Option Plan is also included in the *Statement of Executive Compensation* section of this Circular.

Accordingly, shareholders will be asked to approve the following resolution (the “**Stock Option Plan Resolution**”):

BE IT RESOLVED THAT:

1. the stock option plan of the Corporation as described in the management information circular dated May 26, 2021 of the Corporation (the “**2020 Option Plan**”), be and it is hereby approved;
2. the directors of the Corporation be authorized to grant stock options to purchase up to 10% of the issued and outstanding number of common shares of the Corporation at the date of grant of the stock options, under, and subject to, the terms and conditions of the 2020 Option Plan, and under the Corporation’s Pre-Existing Plan; and
3. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing resolutions.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE STOCK OPTION PLAN RESOLUTION.

Unless instructed otherwise, the persons designated in the enclosed form of proxy intend to vote FOR the Stock Option Plan Resolution.

In order to pass the Stock Option Plan Resolution, at least a majority of the votes cast by the disinterested shareholders present at the Meeting in person or by proxy must be voted in favour of the Stock Option Plan Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Corporation as at December 31, 2020 whose total compensation was more than \$150,000 for the financial year of the Corporation ended December 31, 2020 (collectively the “**Named Executive Officers**”) and for the directors of the Corporation.

Summary Compensation Table

The following table of compensation, excluding stock options and other compensation securities, provides a summary of compensation paid to each of the Named Executive Officers and directors, directly or indirectly, for each of the two most recently completed financial years ended December 31, 2020 and 2019. Stock option and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities*” in this Circular.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ^{(1) (6)}							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Gary Thompson ⁽²⁾ President, Chief Executive Officer and Executive Chairman	2020	72,917	Nil	Nil	Nil	Nil	72,917
	2019	Nil	Nil	Nil	Nil	Nil	Nil
John McNeice ⁽³⁾ Chief Financial Officer	2020	118,188	Nil	Nil	Nil	Nil	118,188
	2019	65,000	Nil	Nil	Nil	Nil	65,000
Robert Johansing ⁽⁴⁾ Vice-President Exploration and Former President, Chief Executive Officer and Former Director	2020	73,943	Nil	Nil	Nil	Nil	73,943
	2019	41,275	Nil	Nil	Nil	Nil	41,275
W. William Boberg Director	2020	Nil	Nil	3,000	Nil	Nil	3,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
James Franklin Director	2020	Nil	Nil	3,000	Nil	Nil	3,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Derek Macpherson ⁽⁵⁾ Former Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Mr. Thompson was appointed Executive Chairman and a director of the Corporation on July 24, 2020 and was appointed as the President and Chief Executive Officer on August 28, 2020. On April 30, 2021, Mr. Thompson stepped down as President and Chief Executive Officer with the appointment of Mr. Macpherson as President and Chief Executive Officer effective May 1, 2021. Mr. Thompson continues in his role as Executive Chairman. Mr. Thompson’s services to the Corporation are provided by XT88 Holdings Inc., an external management company, of which Mr. Thompson is the principal.
- (3) Mr. McNeice’s services for the Company are provided by 6905498 Canada Inc., an external management company, of which Mr. McNeice is the principal.
- (4) Mr. Johansing was appointed President and Chief Executive Officer of the Corporation on June 25, 2018. On August 28, 2020, Mr. Johansing stepped down as President and Chief Executive Officer and was appointed Vice-President, Exploration of the Corporation. On September 23, 2020, Mr. Johansing stepped down as a director of the Corporation.
- (5) Mr. Macpherson was appointed as a director of the Corporation on September 23, 2020. On February 12, 2021, Mr. Macpherson resigned as a director of the Corporation. On May 1, 2021, Mr. Macpherson was appointed as President and Chief Executive Officer of the Corporation.
- (6) Subsequent to December 31, 2020, on February 11, 2021, the Company appointed Mr. Carrêlo as a director of the Corporation.

Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Corporation during the most recently completed financial year ended December 31, 2020 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and % of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry or vesting date
Gary Thompson President, Chief Executive Officer and Executive Chairman	Stock Options	2,200,000 (2.35%)	August 28, 2020	0.08	0.08	0.07	August 29, 2030
John McNeice Chief Financial Officer	Stock Options	1,000,000 (1.08%)	August 28, 2020	0.08	0.08	0.07	August 29, 2030
Robert Johansing Vice-President Exploration and Former President, Chief Executive Officer and Former Director	Stock Options	1,000,000 (1.08%)	August 28, 2020	0.08	0.08	0.07	August 29, 2030
W. William Boberg Director	Stock Options	200,000 (0.22%)	August 28, 2020	0.08	0.08	0.07	August 29, 2030
James Franklin Director	Stock Options	800,000 (0.87%)	August 28, 2020	0.08	0.08	0.07	August 29, 2030
Derek Macpherson Former Director	Stock Options	500,000 (0.54%)	September 23, 2020	0.11	0.11	0.07	September 24, 2030

Notes:

- (1) Calculated on a partially diluted basis as at December 31, 2020. Each stock option is exercisable for one common share of the Corporation.
- (2) Subsequent to December 31, 2020, on February 11, 2021, the Company granted 500,000 stock options to Mr. Carrêlo upon his appointment as a director. These stock options are exercisable at \$0.10 per share and expire February 12, 2031.

No compensation securities were exercised by Named Executive Officers or directors of the Corporation during the most recently completed financial year of the Corporation ended December 31, 2020.

COMPENSATION DISCUSSION AND ANALYSIS

The following provides a background to and description of all significant elements of compensation paid to or earned by the Named Executive Officers for the most recently completed financial year.

The Corporation relies on a limited number of individuals all of whom are independent contractors to the Corporation. All of the Named Executive Officers are able to provide services to other junior resource companies and dedicate a portion of their time to the affairs of the Corporation. Compensation provided to the Named Executive Officers is comprised of cash payments for regular recurring service and periodic stock option grants. The Corporation's process for determining executive compensation is straightforward. The Corporation relies solely on the Corporation's Compensation Committee and Board of Directors' discussions without any formal objectives or criteria. The Compensation Committee and Board of Directors' assess hourly, per diem or monthly cash compensation paid to the Named Executive Officers based on their judgement of prevailing market rates for similar services and based upon the proportion of the total time that each individual will dedicate to the affairs of the Corporation. The objectives of the Named Executive Officers are closely aligned with management and the Board of Directors' objectives in respect of the Corporation's current and potential exploration projects.

Consulting Contracts

Derek Macpherson, President and Chief Executive Officer

Mr. Macpherson was appointed President and Chief Executive Officer of the Corporation effective May 1, 2021. Mr. Macpherson's services are provided under the terms of an Executive Consulting Agreement with Kanaga Capital Corporation, an external management company of which Mr. Macpherson is the principal. During the first year of the agreement, Mr. Macpherson is entitled to an annual fee of \$240,000 with \$120,000 prepaid during the first month of the agreement and the balance of \$120,000 paid in equal monthly installments. Commencing on May 1, 2022, the annual fee will be \$180,000. Additionally, effective May 1, 2022 up to \$60,000 per annum of variable compensation may be payable semi-annually subject to the evaluation of annual performance objectives by the Corporation's Compensation Committee and the Board of Directors. Mr. Macpherson is entitled to receive stock options under the terms and conditions of the 2020 Option Plan or such other stock option plans of the Corporation from time to time, as determined by the Board of Directors. The agreement may be terminated by the Corporation or Mr. Macpherson upon three months' written notice. Severance payable under the agreement by the Corporation for termination without cause is six and nine months of compensation during the first and second years of service, respectively. After May 2, 2023, severance payable would equate to twelve months of compensation. In the event of a change of control, at any time during the term of the agreement, a payment of twenty-four months compensation would be payable.

Gary Thompson, Executive Chairman and Former President and Chief Executive Officer

Mr. Thompson was appointed Executive Chairman on July 24, 2020. Mr. Thompson also served as President and Chief Executive Officer of the Corporation from August 28, 2020 to April 30, 2021. Mr. Thompson's services to the Corporation are provided under arrangements with XT88 Holdings Inc., an external management company of which Mr. Thompson is the principal. During the period from August 2020 to April 2021, Mr. Thompson was entitled to an annual fee of \$175,000, paid in equal monthly installments. Effective May 1, 2021, the Corporation entered into an Executive Consulting Agreement with XT88 Holdings Inc. for the services of Mr. Thompson as Executive Chairman. Under the terms of the agreement, Mr. Thompson is entitled to an annual fee of \$80,000, to be paid in equal monthly installments. Additionally, effective May 1, 2021 up to \$40,000 per annum of variable compensation may be payable semi-annually subject to the evaluation of annual performance objectives by the Corporation's Compensation Committee and the Board of Directors. Mr. Thompson is entitled to receive stock options under the terms and conditions of the 2020 Option Plan or such other stock option plans of the Corporation from time to time as determined by the Board of Directors. The agreement may be terminated by the Corporation or Mr. Thompson upon three months' written notice. Severance payable under the agreement by the Corporation for termination without cause is twelve months compensation. In the event of a change of control, at any time during the term of the agreement, a payment of twenty-four months compensation would be payable.

John McNeice, Chief Financial Officer

Effective January 1, 2008, Mr. McNeice's services to the Corporation are provided by 6905498 Canada Inc., an external management company, of which Mr. McNeice is a principal. 6905498 Canada Inc. charges \$125 per hour for his services to the Corporation. Mr. McNeice is entitled to receive stock options under the terms and conditions of the Corporation's stock option plans as determined by the Board of Directors.

Robert Johansing, Vice-President Exploration and Former President and Chief Executive Officer

Mr. Johansing entered into a consulting agreement with the Corporation on October 10, 2018 for services provided to the Corporation. The consulting agreement provides for compensation at a rate of US\$600 per day. Mr. Johansing is entitled to receive stock options under the terms and conditions of the Corporation's stock option plans as determined by the Board of Directors. Either party can terminate the consulting agreement on ninety days written notice.

Stock Options

The 2020 Option Plan was approved by the shareholders at the annual and special meeting of the shareholders of the Corporation held on June 30, 2020. The Stock Option Plan is a "rolling" stock option plan. Previously, the Corporation had adopted a "fixed" stock option plan (the "**Pre-Existing Plan**"). The Corporation's stock option plans were adopted in order to advance the interests of the Corporation by providing directors, officers, employees and consultants with a financial incentive tied to the long-term financial performance of the Corporation and continued service or employment with the Corporation.

Following the adoption and approvals of the 2020 Option Plan, the Corporation determined that the Pre-Existing Plan would continue only for the purposes of maintaining the rights of existing outstanding options and optionholders and no new options would be granted under the Pre-Existing Plan.

As of June 27, 2019, shareholders of the Corporation approved that the maximum number of Common Shares available for issue under the Pre-Existing Plan be 3,700,000. With the adoption and approval of the 2020 Option Plan on June 30, 2020, the maximum number of Common Shares available for issue under the 2020 Option Plan and the Pre-Existing Plan (together the “Plans”) in combination would be 10% of the issued and outstanding Common Shares of the Corporation. Based upon the current outstanding Common Shares as at May 25, 2021, maximum stock options for 12,143,846 Common Shares are potentially issuable under the Plans. As of May 25, 2021, a total of stock options for 8,710,000 Common Shares have been issued and are outstanding under the Plans (representing 7.17% of the currently outstanding Common Shares) and stock options for 3,433,846 Common Shares (representing 2.83% of the currently outstanding Common Shares) are available for future option grants. The number of shares reserved is subject to adjustment if the Common Shares are subdivided, consolidated, converted or reclassified or the number of Common Shares varies as a result of a stock dividend or an increase or a reduction in the share capital of the Corporation.

Material Terms and Conditions of the 2020 Option Plan and the Pre-Existing Plan

The following are the material terms and conditions of the 2020 Option Plan:

- (a) the Board of Directors of the Corporation may grant options to employees, officers and directors of, and consultants to, the Corporation;
- (b) the maximum number of common shares that may be issued under the 2020 Option Plan together with any common shares issued or reserved for issuance under any other share compensation arrangement which is then in place, is equal to 10% of the number of the common shares of the Corporation issued and outstanding from time-to-time;
- (c) the total number of common shares reserved for issuance upon the exercise of options by any director, officer or employee cannot exceed, during any twelve-month period, 5% of the number of issued and outstanding shares of the Corporation;
- (d) the total number of common shares reserved for issuance upon the exercise of options by any consultant cannot exceed, during any twelve-month period, 2% of the number of issued and outstanding shares of the Corporation;
- (e) the total number of common shares reserved for issuance upon the exercise of options by any employee performing investor-relation activities cannot exceed, during any twelve-month period, 2% of the number of issued and outstanding shares of the Corporation;
- (f) the exercise price of options is determined by the Board of Directors at the time options are granted, but cannot be less than the closing price of the Corporation’s common shares on the trading day immediately preceding the day on which an option is granted subject Discounted Market Prices;
- (g) the terms of vesting of the options will be determined by the Board of Directors from time to time;
- (h) options expire on a date determined by the Board of Directors at the time options are granted which cannot be more than ten years after the date of grant;
- (i) if an optionee dies, any option held by the optionee may be exercised at the latest on the date of expiry of the option or one year after the date of death, whichever occurs first, after which the option is null and void;
- (j) if an optionee ceases to be eligible under the 2020 Option Plan for any reason other than death, any vested option held by the optionee may be exercised for a period of 90 days after the date of such ineligibility or within a reasonable period as determined by the Board of Directors in its sole discretion at the time of such ineligibility; or before the expiration date of the option, whichever occurs first, after which the option is null and void;
- (k) options are not transferable, other than by the laws of succession;
- (l) the option price is payable in full at the time an option is exercised; and

- (m) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, the Board of Directors will have the sole discretion to amend, abridge or otherwise eliminate any vesting schedule and at the discretion of the Board of Directors, upon the exercise of an Option under the Plan, the holder thereof shall be entitled to receive any securities, property or cash which the optionee would have received if the optionee had exercised his Option immediately prior to the applicable record date or event, as applicable, and the exercise price shall be adjusted as applicable by the Board of Directors; provided, however the Board of Directors may determine the basis upon which such Option shall be exercisable, and any such adjustments shall be binding for all purposes of the Plan.

Under the Pre-Existing Plan, options may be granted to all directors, officers, employees and consultants of the Corporation. The maximum number of Common Shares that may be reserved for issuance to any one person under the Plan is 5% of the number of Common Shares outstanding at the time of reservation. The exercise price for Common Shares subject to an option is determined by the Board of Directors at the time of grant and may not be less than the Discounted Market Price, as that term is defined by the TSX Venture Exchange, of the Common Shares at the time the option is granted. Options are generally exercisable as to 10% immediately on the date of grant; with an additional 15% becoming exercisable each quarter thereafter, for a period of six quarters, with all options being fully vested at eighteen months from the date of grant, subject to the right of the Board of Directors to determine at the time of a particular grant that such options will become exercisable on different dates. Options under the Plan are subject to early termination under certain circumstances including death, resignation and dismissal. An option may be for a term of up to five years and may not be assigned.

The Pre-Existing Plan and the terms of any outstanding option may be amended at any time by the Board of Directors subject to any required regulatory or shareholder approvals, provided that where such an amendment would prejudice the rights of an option holder under any outstanding option, the consent of the option holder is required to be obtained.

Indebtedness of Directors, Executive Officers and Others

At no time since the beginning of the Corporation's last financial year was any director, executive officer, proposed nominee for election as a director, or any of their respective associates indebted to the Corporation or any of its subsidiaries, nor was the indebtedness of any such person to another entity the subject of any guarantee, support agreement, letter of credit or similar arrangement provided by the Corporation or any of its subsidiaries.

Compensation of Directors

Directors who are non-executive officers of the Corporation are eligible to receive options for Common Shares. Additionally, effective September 1, 2020, the Board of Directors approved an annual fee for each independent director of \$12,000 payable quarterly. All directors are reimbursed for payments on account of travelling and other out-of-pocket expenses incurred in attending Board of Directors' meetings.

Directors' and Officers' Liability Insurance

The Corporation has entered into a directors' and officers' liability insurance policy for the benefit of the directors and officers of the Corporation and its subsidiaries. The annual limit for all claims under the policy is \$5 million, subject to a per claim deductible of \$25,000 to \$50,000. The Corporation's current coverage under the policy continues until November 29, 2021.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth certain summary information concerning the Corporation's equity compensation plans as at December 31, 2020. The Corporation has instituted the 2020 Option Plan and the Pre-Existing Plan. Directors, officers, employees and contractors are eligible to participate in the Existing Plan.

	Number of Common Shares to be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options (\$)	Number of Common Shares Remaining for Future Issuance (Excluding Common Shares to be Issued Upon Exercise of Outstanding Options)
Equity compensation plans approved by securityholders – 2020 Option Plan	6,550,000	\$0.08	932,471
Equity compensation plans approved by securityholders - Pre-Existing Plan ⁽¹⁾	1,660,000	0.13	-
Total	8,210,000	\$0.09	932,471

(1) As of June 27, 2019, shareholders of the Corporation approved that the maximum number of Common Shares available for issue under the Pre-Existing Plan be 3,700,000. Following the adoption and approvals of the 2020 Option Plan, the Corporation determined that the Pre-Existing Plan would continue only for the purposes of maintaining the rights of existing outstanding options and optionholders and no new options would be granted under the Pre-Existing Plan.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no insider of the Corporation or proposed nominee for election as a director of the Corporation, nor any of their respective associates or affiliates, has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction which has materially affected or will materially affect the Corporation or its subsidiaries.

Certain of the Corporation's officers and directors also serve as directors and officers of one or more public companies as identified in the biographies of each of the directors under "Election of Directors" in this Circular. Such directors and officers are also in many cases shareholders of one or more of the foregoing companies. While there is a potential for conflicts of interest to arise in such situations, that potential is minimized because of the nature of each company.

To date, no situations of potential conflict have arisen as a result of the cross directorships and cross shareholdings. Except as otherwise disclosed in this Circular, no person who has been a director or senior officer of the Corporation since the commencement of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any of their respective associates or affiliates, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Introduction

The Board of Directors believes that effective corporate governance contributes to improved corporate performance and enhanced shareholder value. The Board of Directors has reviewed the corporate governance best practices identified in National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (collectively, the "CSA Guidelines"). The Board of Directors is committed to ensuring that the Corporation follows best practices. The Corporation's specific disclosure relative to these guidelines is set out below.

Board of Directors

The responsibility of the Board of Directors is to supervise the management of the business and affairs of the Corporation in accordance with the best interests of the Corporation and all of its shareholders. In discharging its responsibility, the Board of Directors reviews the performance of the President and CEO and the other executive officers of the Corporation and oversees and reviews the development and implementation of the following significant corporate plans and initiatives:

- the Corporation's strategic planning and budgeting process;
- succession planning, including appointing, training and monitoring senior management; and
- the Corporation's public communications policies and continuous disclosure record.

The Board of Directors meets at least four times a year and more frequently if required.

Board Composition

The Board of Directors is currently composed of four directors. All directors are elected annually. Currently, the Corporation's four directors include Gary Thompson, W. William Boberg, Paul Carrêlo and James Franklin. Derek Macpherson has been nominated for election as a director at the Meeting. Messrs. Boberg and Carrêlo and Dr. Franklin are independent directors as contemplated by the CSA Guidelines (i.e. each is independent of management and free from any interest in and any business or other relationship with the Corporation which could reasonably be expected to interfere with the exercise of the director's judgment). Messrs. Macpherson and Thompson are not independent due to their roles as President and Chief Executive Officer and Executive Chairman, respectively. In determining whether a director is independent, the Board of Directors considers the specific circumstances of a director and the nature, as well as materiality, of any relationship between the director and the Corporation.

Several members of the Board of Directors are directors of other reporting issuers as identified in the biographies of each of the directors under "Election of Directors" in this Circular.

Board Committees

There are two permanent Board committees: (i) the audit committee ("**Audit Committee**") and (ii) the compensation committee ("**Compensation Committee**"). The Board of Directors may also appoint other temporary or permanent committees from time to time for particular purposes.

Currently, the Board of Directors does not have a corporate governance committee or nominating committee. The Board of Directors as a whole evaluates corporate governance requirements, the conduct of the Board of Directors and the respective roles of the committees; and identifies and recommends for nomination candidates for election as directors. The Board of Directors looks at the education and experience of potential nominees to the Board of Directors and the relevance of the skills of such nominees for the overall profile of the Board of Directors. The Board of Directors met six times during the year ended December 31, 2020 and took several actions by resolutions in writing.

The following sets out the report of the Audit Committee as well as a summary of the responsibilities and activities of the Compensation Committee.

Audit Committee Report

Messrs. Boberg and Carrêlo and Dr. Franklin are current members of the Audit Committee. Mr. Carrelo was appointed Chair of the Audit Committee on April 29, 2021 replacing Mr. Boberg. Each of the members of the Audit Committee is financially literate as defined in National Instrument 52-110 ("**NI 52-110**"). The education and experience of each member of the Audit Committee is set forth under the heading "Election of Directors" in this Circular. The Audit Committee met three times during the year ended December 31, 2020 and took one action by resolution in writing.

The Corporation as a venture issuer has relied on the exemptions in Section 6.1 of NI 52-110 exempting the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

The Audit Committee charter was adopted in July 2005 and is reviewed by the Audit Committee from time to time. A copy is attached hereto as Schedule A. The Audit Committee recommends to the Board of Directors and assists the Board of Directors in carrying out its responsibilities relating to corporate accounting and financial reporting practices. The duties and responsibilities of the Audit Committee, as set out in the Audit Committee charter, include the following:

- reviewing for recommendation to the Board of Directors for its approval the principal documents comprising the Corporation’s continuous disclosure record, including interim and annual consolidated financial statements and management’s discussion and analysis;
- recommending to the Board of Directors a firm of independent auditors for appointment by the shareholders and reporting to the Board of Directors on the fees and expenses of such auditors. The Audit Committee has the authority and responsibility to select, evaluate, and if necessary, replace the independent auditor. The Audit Committee has the authority to approve all audit engagement fees and terms and the Audit Committee, or a member of the Audit Committee, must review and pre-approve any non-audit services provided to the Corporation by the Corporation’s independent auditor and consider the impact on the independence of the auditor;
- reviewing periodic reports from the CFO;
- discussing with management and the independent auditor, as appropriate, any audit problems or difficulties and management’s response; and
- establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

The Audit Committee maintains direct communication during the year with the Corporation’s independent auditor and the Corporation’s senior officers responsible for accounting and financial matters.

The Audit Committee has reviewed and discussed with management and the independent auditors the consolidated financial statements of the Corporation as at December 31, 2020 and management’s discussion and analysis. Based on that review and on the report of the independent auditor of the Corporation, the Audit Committee recommended to the Board of Directors that the Corporation’s consolidated financial statements and management’s discussion and analysis be approved and filed with Canadian regulatory authorities.

The Audit Committee has recommended to the Board of Directors that the shareholders of the Corporation be requested to re-appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the independent auditor for 2021.

For the years ended December 31, 2020 and 2019, the fees paid by the Corporation for audit work and other services performed by PricewaterhouseCoopers LLP were as follows:

	2020	2019
Audit Services	\$30,000	\$20,000
Audit-Related Services	–	–
Tax Services	–	–
Other Services	–	–
Total	\$30,000	\$20,000

Audit service fees were paid for professional services rendered by the auditors for audit of the consolidated financial statements including the services provided in connection with statutory and regulatory filings. No audit-related, tax or other service fees were paid.

Pursuant to the Audit Committee charter, the Audit Committee approved in advance all auditing services of the external auditors and related fees and terms and all non-audit service mandates including related fees and terms, to the extent permitted by applicable laws, regulations and policies. The Audit Committee may delegate to one or more members of the Audit Committee the authority to pre-approve non-audit services to be provided by the external auditors provided that any such approvals made by the designated individuals will be reported to the full Audit Committee at its next scheduled meeting.

Compensation Committee

Messrs. Boberg and Carrêlo and Dr. Franklin (Chair) are current members of the Compensation Committee. The education and experience of each member of the Compensation Committee is set forth under the heading “Election of

Directors” in this Circular. The Compensation Committee met once during the year ended December 31, 2020 and took several actions by resolutions in writing. The Compensation Committee recommends to the Board of Directors and assists the Board of Directors in carrying out its responsibilities relating to personnel matters, including performance, compensation and succession. The Board of Directors adopted terms of reference for the Compensation Committee in June 2008 and its mandate includes reviewing compensation for executive officers and directors and making recommendations to the Board of Directors on compensation including under equity incentive programs and succession planning.

Ethical Conduct

The Board of Directors adopted a Code of Ethics (the “Code”) in June 2008. All directors, officers, employees and consultants of the Corporation are expected to be familiar with the Code and to adhere to those principles and procedures set forth in the Code that apply to them. The Board of Directors is responsible for the application of the Code to the affairs of the Corporation and the periodic review of the Code.

Shareholder Feedback

The Board of Directors believes that management should speak for the Corporation in its communications with shareholders and others in the investment community and that the Board of Directors should be satisfied that appropriate investor relations programs and procedures are in place. Management meets regularly with shareholders and others in the investment community to receive and respond to shareholder feedback.

The Board of Directors regularly reviews the Corporation’s major communications with shareholders and the public, including management information circulars.

Expectations of Management

The Board of Directors believes that it is appropriate for management to be responsible for the development of long-term strategies for the Corporation. Meetings of the Board of Directors are held, as required, to specifically review and deal with long-term strategies of the Corporation as presented by senior members of management.

SHAREHOLDER PROPOSALS

All proposals of the Corporation’s shareholders intended to be presented at the Corporation’s annual meeting of shareholders in 2022, must be received by the Corporation no later than March 1, 2022 for inclusion in the information proxy circular related to that meeting. The Corporation’s next annual meeting of shareholders is planned for June 2022.

ADDITIONAL INFORMATION

Additional financial information with respect to the Corporation is available in the Corporation’s audited consolidated financial statements for the year ended December 31, 2020 and related management’s discussion and analysis for the year ended December 31, 2020, which have been filed with Canadian securities regulators and are available under the Corporation’s profile at www.sedar.com.

Upon request made to the Secretary of the Corporation at P.O. Box 279, Manotick, Ontario, K4M 1A3, the Corporation will provide a shareholder of the Corporation with a copy of its audited consolidated financial statements for the year ended December 31, 2020 and related management’s discussion and analysis of financial condition and results of operations for the year ended December 31, 2020.

APPROVAL BY BOARD OF DIRECTORS

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

DATED at Toronto, Ontario, this 26th day of May, 2021.

By Order of the Board of Directors

/s/ Derek Macpherson
President and Chief Executive Officer

SCHEDULE A

AUDIT COMMITTEE CHARTER

Purpose of the Committee

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

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

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

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

The Committee’s role is one of oversight. Management is responsible for preparing the Corporation’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (IFRS). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

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

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

Authority and Responsibility

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

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation’s Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Corporation’s accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditor's judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Corporation and all non-audit work performed for the Corporation by the independent auditor.
11. Establish and review the Corporation's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors as the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110, the Corporation's governing corporate statute and the articles of the Corporation.