



**INFORMATION CIRCULAR  
FOR THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

This information is given as of **April 3, 2023**, unless otherwise stated.

**SOLICITATION OF PROXIES**

**The Company is conducting the Meeting virtually. Registered shareholders and validly appointed proxyholders may attend the Meeting via Zoom at:**

<https://us06web.zoom.us/j/85925295919?pwd=ZHY5cHc1dGJYcFZnbnJNMTBxNzJ2UT09>

**Meeting ID: 859 2529 5919  
Passcode: 360621**

This Information Circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **NEWFOUNDLAND DISCOVERY CORP.** (the "**Company**") for use at the annual general meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying notice of meeting (the "**Notice**") and at any adjournment thereof.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

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

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy (the "Proxy") is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Proxy. The cost of solicitation will be borne by the Company. None of the directors of the Company has advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

**APPOINTMENT AND REVOCATION OF PROXIES**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial

owners of the common shares held of record by those intermediaries and we will reimburse the intermediaries for their reasonable fees and disbursements in that regard.

## **Appointment of Proxyholders**

The individuals named in the accompanying Proxy are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy. If your shares are held in physical (i.e. paper) form and are registered in your name, then you are a registered shareholder. However, if, like most shareholders, you keep your shares in a brokerage account, then you are a beneficial shareholder (the “Beneficial Shareholder”). The process for voting is different for registered and Beneficial Shareholders, and you will need to carefully read the instructions below.**

## **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter that properly comes before the Meeting and for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the shares represented by the Proxy in their discretion.

## **Registered Shareholders**

Registered shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person virtually. Registered shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), by fax within North America at 1-866- 249-7775, outside North America at (416) 263-9524, or by mail to 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery to 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to the toll-free number given in the enclosed Proxy. Registered shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder’s account number and the proxy access number; or

- (c) using the internet at Computershare's website, [www.computershare.com/ca/proxy](http://www.computershare.com/ca/proxy). Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder's account number and the proxy access number,

In all cases ensuring that the Proxy is received at least **48 hours** (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof at which the proxy is to be used.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold shares in their own name.** If shares are listed in an account statement provided to a shareholder by an intermediary, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Company. Such shares will more likely be registered under the names of the shareholder's intermediary or an agent of that intermediary. In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of shares). Beneficial Shareholders who wish to vote their shares at the Meeting should follow the instructions set out in this Section.

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

### **NOBOs**

The Company is taking advantage of the provisions of National Instrument 54-101 "*Communication with Beneficial Owners of Securities of a Reporting Issuer*" that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**") from Computershare, the Company's transfer agent. To vote their shares, NOBOs should complete the VIF and return it to Computershare in accordance with the instructions provided in the VIF. In addition, Computershare provides for both telephone voting and internet voting as described in the VIF. The VIF will name the same persons as the Company's Proxy to represent your shares at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company) other than any of the persons designated in the VIF, to represent your shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. Computershare 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 Computershare, the VIF must be completed and returned to Computershare in accordance with its instructions to have your shares voted at the Meeting or to have an alternative representative duly appointed to attend the Meeting and to vote your shares at the Meeting.

## **OBOs**

Beneficial Shareholders who are OBOs will receive instructions from their intermediary as to how to vote their shares. OBOs who wish to vote at the Meeting should follow the instructions of their intermediary carefully to ensure that their shares are voted at the Meeting.

If you are an OBO, the form of proxy supplied to you by your intermediary will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your shares at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company) other than any of the persons designated in the VIF, to represent your shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your shares at the Meeting.**

## **Notice to Shareholders in the United States**

The solicitation of proxies in this Information Circular involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of certain provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the applicable provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and executive officers are residents of Canada and a substantial portion of the assets of such persons are located outside of the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

## **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's

authorized attorney in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare at its address shown on the preceding page, or at the address of the Company at Suite 700 – 838 W Hastings Street, Vancouver, British Columbia, V6C 0A6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairperson of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

- (b) attending the Meeting in person virtually and voting the registered shareholder's shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

### **Voting Securities**

On March 29, 2023, 92,043,357 common shares without par value of the Company were issued and outstanding, (the "**Outstanding Shares**") each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person virtually shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he is the holder.

### **Record Date**

Only shareholders of record at the close of business on March 29, 2023, who either personally attend the Meeting or who complete and deliver a Proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

### **Principal Holders**

To the knowledge of the directors and executive officers of the Company, there are no shareholders who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all Outstanding Shares of the Company.

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

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

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;

- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities ("**Voting Securities**") of the Company or who exercises control or direction over Voting Securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding Voting Securities of the Company, other than Voting Securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

The Company was a party to the following material transactions with informed persons:

- (a) certain of the directors and executive officers of the Company may be paid pursuant to written management agreements or, consulting agreements, or receive directors' fees or wages. See the notes following "Statement of Executive Compensation" for further details;
- (b) all directors and officers of the Company have been and will continue to be eligible to be granted stock options under the Company's Stock Option Plan in the future.

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

### **STATEMENT OF EXECUTIVE COMPENSATION**

The following disclosure complies with the requirements of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*.

For the purposes of this Statement of Executive Compensation, the following definitions apply:

*"CEO" of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;*

*"CFO" of the Company means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;*

*"NEO" or "named executive officer" means each of the following individuals:*

- (a) a CEO;
- (b) a CFO;
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and

- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

For the purposes of the following disclosure, the Company's NEOs for the most recently completed fiscal year ended April 30, 2022 are: (a) Blair Naughty, former CEO, and (b) Glen Wallace, former CFO.

### **Director and Named Executive Compensation**

The following is a summary of compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company's two most recent completed financial years ending April 30<sup>th</sup>:

<b>Table of compensation excluding compensation securities</b>						
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total Compensation (\$)</b>
<b>Blair Naughty</b> <sup>(1)</sup> Former President, CEO & Director	2022	96,000	Nil	Nil	Nil	96,000
	2021	80,000	Nil	Nil	Nil	80,000
<b>Glen Wallace</b> <sup>(2)</sup> Former CFO	2022	91,714	Nil	Nil	Nil	91,714
	2021	118,459	Nil	Nil	Nil	118,459
<b>Richard Macey</b> <sup>(3)</sup> Director; Former President & CEO	2022	24,000	Nil	Nil	Nil	24,000
	2021	25,000	Nil	Nil	Nil	25,000
<b>Leon David Michaud</b> <sup>(4)</sup> Director	2022	12,000	Nil	Nil	Nil	12,000
	2021	10,000	Nil	Nil	Nil	10,000
<b>John Moraal</b> Director	2022	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil
<b>Dale Andersen</b> <sup>(5)</sup> Former Director	2022	N/A	N/A	N/A	N/A	N/A
	2021	Nil	Nil	Nil	Nil	Nil

(1) Mr. Naughty was appointed President, CEO and a director on June 24, 2020 and resigned on June 7, 2022. Mr. Naughty provided consulting services to the Company pursuant to an agreement dated July 1, 2020. For details, see "Employment, Consulting and Management Agreements or Arrangements".

(2) Mr. Wallace resigned as CFO on June 27, 2022. Mr. Wallace provided consulting services to the Company pursuant to an agreement dated February 28, 2013. For details, see "Employment, Consulting and Management Agreements or Arrangements".

(3) Mr. Macey was appointed President, CEO and a director on March 28, 2019. He resigned as President and CEO on June 24, 2020.

(4) Mr. Michaud was appointed a director on July 17, 2020.

(5) Mr. Anderson resigned as a director on July 17, 2020.

### **Stock Options and Other Compensation Securities**

During the financial year ended April 30, 2022, no NEO or directors of the Company were issued compensation securities.

## **Exercise of Stock Options**

During the financial year ended April 30, 2022, no NEO or directors of the Company exercised compensation securities.

## **External Management Companies**

Management functions of the Company are performed by the directors and executive officers of the Company and are not, to any substantial degree, performed by any other person or corporation.

## **Stock Options and Other Incentive Plans**

The Company adopted a stock option plan (the "Plan") on October 8, 2020, which was further ratified and approved by shareholders on November 12, 2020. The Plan is a "rolling" plan pursuant to which the number of common shares which may be issued pursuant to stock options ("Options") granted thereunder is a maximum of 10% of the issued and outstanding common shares at the time of the grant.

The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating such persons and to closely align the personal interest of such persons to that of the Company's shareholders. The allocation of Options under the Plan is determined by the Board of Directors (the "Board") which, in determining such allocations, considers such factors as previous grants to individuals, overall Company performance, peer company performance, share price performance, the business environment and labour market, the role and performance of the individual in question and, in the case of grants to non-executive directors, the amount of time directed to the Company's affairs and time expended for serving on the Company's audit committee (the "**Audit Committee**").

## **Employment, Consulting and Management Agreements**

Other than as described below, the Company has not entered into any agreement or arrangement under which compensation was provided during the most recently completed fiscal year ended April 30, 2022 or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

### *Blair Naughty - Former President, CEO & Director*

By an agreement dated July 1, 2020, made between the Company, Mr. Naughty and Naughty Capital Ltd., a company controlled by Mr. Naughty, Mr. Naughty provided consulting services to the Company and, in particular, his services as its President & CEO, in consideration of \$8,000 per month. For actual amounts paid to Mr. Naughty for the financial year ended April 30, 2022, see "Table of Compensation Excluding Compensation Securities".

Severance fees of \$192,000 would be payable by the Company upon a change of control or termination without cause by the Company.

The agreement was terminated upon Mr. Naughty's resignation as President, CEO and a director on June 7, 2022.



*Glen Wallace – Former CFO*

By an agreement dated February 28, 2013, made between the Company, Mr. Wallace and CS Compliance Solutions Inc., a company controlled by Mr. Wallace, Mr. Wallace provided consulting services to the Company and, in particular, his services as its CFO, in consideration of a consulting fee on an hourly basis at Mr. Wallace's standard rate. For actual amounts paid to Mr. Wallace for the financial year ended April 30, 2022, see "Table of Compensation Excluding Compensation Securities".

The agreement could be terminated by the Company without cause upon three months' notice or payment of fees in lieu thereof. The agreement with Mr. Wallace did not provide for any change of control benefit.

The agreement was terminated upon Mr. Wallace's resignation as CFO on June 27, 2022.

**Oversight and Description of Director and NEO Compensation**

The Board governs the Company's compensation program, which is designed to be competitive with similar junior mineral exploration companies and to recognize and reward executive and director performance consistent with the success of the Company. The Board's philosophy is to ensure that the Company's goals and objectives, as applied to the actual compensation paid to the directors and NEOs, are aligned with the Company's overall business objectives and with shareholders' interests.

The Company's compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers and consultants a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Company's NEOs may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or
- Bonuses.

The objective and reason for this system of compensation is to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. The Board relies on the general experience of its members in setting base salary amounts.

Stock option grants are designed to reward the NEOs and directors for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

### **Pension Disclosure**

The Company has no pension plans that provide for payments or benefits to any NEO at, following or in connection with retirement. The Company also does not have any deferred compensation plans relating to any NEO.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth details of the Company's compensation plans under which equity securities of the Company were authorized for issuance at the end of the Company's financial year ended **April 30, 2022**:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by securityholders	2,050,000	\$0.68	2,192,379
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	<b>2,050,000</b>		<b>2,192,379</b>

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

### **CORPORATE GOVERNANCE**

Further to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, and the Company's status as a "Venture Issuer", the following is a description of the Company's corporate governance practices.

## Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. John Moraal and Leon David Michaud do not have any other material relationship to the Company that would interfere with his ability to act in the best interests of the Company and are therefore considered to be independent directors. Jeremy Prinsen, President & CEO, would not be considered an independent director as he is an executive officer of the Company. Richard Macey is a former executive officer in the past three years and therefore would not be considered an independent director.

## Directorships

Certain directors are presently directors in one or more other reporting issuers, as follows:

Director	Other Issuers
Jeremy Prinsen	Pegmatite One Lithium and Gold Corp.
Richard Macey	Silver Sands Resources Corp. Gold Hunter Resources Inc.
John Moraal	N/A
Leon David Michaud	N/A

## Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Company does not provide any continuing education to directors.

## Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

## Compensation

The Board is responsible for setting compensation paid to directors and executive officers, establishing and reviewing incentive plans for directors, officers and management, providing guidance to the Company on corporate governance matters. The process determining compensation includes comparison with compensation in entities comparable to the Company.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board regularly monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

### **Liability Insurance**

The Company has purchased, at its expense, directors' and officers' liability insurance in the aggregate amount of \$5,000,000 to protect its directors and officers against liability incurred in their capacities as directors and officers of the Company and its subsidiaries. The Company paid a premium of approximately \$12,000 for this insurance coverage for the year.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

The Company is relying upon the exemption in section 6.1 of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), which states that venture issuers are exempt from the requirements in Part 3 of NI 52-110 and the reporting obligations in Part 5 of NI 52-110. National Instrument 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following.

### **Audit Committee**

The Audit Committee reviews all financial statements of the Company prior to their publication, oversees audits, considers the adequacy of audit procedures, recommends the appointment of independent auditors, reviews and approves the professional services to be rendered by them and reviews fees for audit services. The Audit Committee Charter (the "**Audit Charter**") has set criteria for membership, which all members of the Audit Committee are required to meet consistent with NI 52-110 and other applicable regulatory requirements. The Audit Committee, as needed, meets separately (with the Company's auditors to discuss the various aspects of the Company's financial statements. A copy of the Audit Charter is attached to this Information Circular as Schedule "A".

### **Composition of Audit Committee**

The members of the Audit Committee are Richard Macey, Leon David Michaud and John Moraal. Mr. Michaud and Mr. Moraal are "independent" in that they were independent and free from any interest and any business or other relationship, other than interests and relationships arising from shareholdings, which could or could reasonably be perceived to, materially interfere with their ability to act in the best interests of the Company. Mr. Macey is a former executive officer in the past three years and therefore would not be considered independent. All of the members of the Audit Committee are financially literate, and all are experienced mining executives and have experience serving on various boards and audit committees.

### **Relevant Education and Experience of Audit Committee**

**Richard Macey** - Former President and CEO of the Company; President and/or director of several reporting issuers.

**Leon David Michaud** - Self-employed businessman, Bachelor of Applied Science degree, Mining and Mineral Processing Engineering, former experience as director and/or senior officer of several reporting issuers.

**John Moraal** - Self-employed businessman, Professional Engineer, Bachelor of Science degree, Bachelor of Engineering degree.

As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- (a) the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) reviewing or evaluating financial statements, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, and
- (c) an understanding of internal controls and procedures for financial reporting.

#### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Company's Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

#### **Reliance on Certain Exemptions**

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in section 2.4 or section 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

#### **Pre-approval of Policies and Procedures**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board, and where applicable the Audit Committee, on a case-by-case basis.

#### **External Auditor Service Fees (By Category)**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed or billable by the Company's auditor in each of the last two financial years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
April 30, 2022	\$28,000	Nil	\$4,000	Nil
April 30, 2021	\$25,000	Nil	\$3,500	Nil

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Election of Directors

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at **four (4)**.

Each director of the Company is elected annually and holds office until the next annual general meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by Proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation for Previous Five Years	Director Since	Number of Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>Jeremy Prinsen</b> Spruce Grove, Alberta <b>President, CEO &amp; Director</b>	President & CEO of the Company; Former self-employed business consultant to various reporting issuers.	June 7, 2022	52,700
<b>Richard Macey</b> Toronto, Ontario <b>Director</b> <i>Audit Committee Member</i>	President & CEO of Gold Hunter Resources Inc.	March 28, 2019	Nil
<b>Leon David Michaud</b> Langley, British Columbia <b>Director</b> <i>Audit Committee Member</i>	President and Chief Executive Officer of 911Metallurgy Corp.	July 17, 2020	Nil
<b>John Moraal</b> Sooke, British Columbia <b>Director</b> <i>Audit Committee Member</i>	Self-employed businessman.	May 19, 2014	1,054,167

(1) information obtained from insider reports available at [www.sedi.ca](http://www.sedi.ca).

The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting of the Company.

To the knowledge of the Company, no proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Company, no proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Directorships**

As previously disclosed, several directors of the Company also serve as directors of one or more other resource companies involved in mineral exploration and/or development. It may occur from time to time that, as a consequence of his activities in the mineral industry and serving on such other

boards, a director may become aware of potential resource property opportunities which are of interest to more than one of the companies on whose boards that person serves. Furthermore, it is possible that the directors of the Company and the directors of one or more such other companies (many of which are described herein) may also agree to allow joint participation on the Company's properties or the properties of that other company. Accordingly, situations may arise in the ordinary course, which involve a director in an actual or potential conflict of interest as well as issues in connection with the general obligation of a director to make corporate opportunities available to the company whose board the director serves. In all such events, any director is required to disclose a financial interest in a contract or transaction by virtue of office, employment or security holdings or other such interest in another company or in a property interest under consideration by the Board, and is obliged to abstain from voting as a director of the Company in respect of any transaction involving that other company or in respect of any property in which an interest is held by him or her. The directors will use their best business judgment to avoid situations where conflicts or corporate opportunity issues might arise, and they must at all times fulfill their duties to act honestly and in the best interests of the Company as required by law.

### **Appointment of Auditor**

Baker Tilly WM LLP, Chartered Professional Accountants, are the auditors of the Company and management proposes the reappointment of the auditors for the ensuing year. Baker Tilly WM LLP were first appointed as auditors of the Company on May 27, 2014.

### **OTHER MATTERS TO BE ACTED UPON**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice. Should any other matters properly come before the Meeting, the shares represented by the Proxies solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by Proxy.

### **ADDITIONAL INFORMATION**

Additional information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in the Company's comparative financial statements and Management Discussion and Analysis (the "MD&A") for the financial year ended April 30, 2022.

Shareholders wishing to obtain a copy of the Company's financial statements and MD&A may contact the Company by emailing [admin@newfoundlanddiscovery.ca](mailto:admin@newfoundlanddiscovery.ca).

### **BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the directors of the Company.

**DATED** at Vancouver, British Columbia on April 3, 2023.

### **ON BEHALF OF THE BOARD**

*/s/ "Jeremy Prinsen"*

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**Jeremy Prinsen,**  
President & CEO



**SCHEDULE "A"**

**NEWFOUNDLAND DISCOVERY CORP.**  
(the "Company")

**AUDIT COMMITTEE CHARTER**

**Purpose of the Committee**

- 1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

**Members of the Audit Committee**

- 2.1 At least one Member must be "financially literate" as defined under MI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- 2.2 The Audit Committee shall consist of no less than three directors.
- 2.3 At least one Member of the Audit Committee must be "independent" as defined under MI 52-110, while the Company is in the developmental stage of its business.

**Relationship with External Auditors**

- 1.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.
- 1.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.
- 1.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.
- 1.4 The Audit Committee will have direct communications access at all times with the external auditor.

**Non-Audit Services**

- 4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.
- 4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:
  - (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
  - (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

#### Appointment of Auditors

- 5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.
- 5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

#### Evaluation of Auditors

- 1.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

#### Remuneration of the Auditors

- 7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.
- 7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

#### Termination of the Auditors

- 8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

#### Funding of Auditing and Consulting Services

- 9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

#### Role and Responsibilities of the Internal Auditor

- 10.1 At this time, due to the Company's size and limited financial resources, the Corporate Secretary of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

#### Oversight of Internal Controls

- 11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

#### Continuous Disclosure Requirements

- 12.1 At this time, due to the Company's size and limited financial resources, the Corporate Secretary of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

#### Other Auditing Matters

- 13.1 The Audit Committee may meet with the Auditors independently of the management of the Company at any time, acting reasonably.
- 13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee

in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

#### Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

#### Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.