

# **GELUM CAPITAL LTD.**

## **2021 ANNUAL GENERAL AND SPECIAL MEETING**

**Notice of Annual General and Special Meeting of Shareholders  
and  
Management Information Circular**

**Place:** 2710 – 200 Granville Street  
Vancouver, BC V6C 1S4

**Time:** 9:00 a.m. PDT

**Date:** July 30, 2021

**GELUM CAPITAL LTD.**  
Suite 2710 – 200 Granville Street  
Vancouver, BC, Canada, V6C 1S4

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

**NOTICE IS GIVEN** that the Annual General and Special Meeting of Shareholders (the “**Meeting**”) of Gelum Capital Ltd. (the “**Company**”) will be held at the Company’s office located at Suite 2710 – 200 Granville Street, Vancouver, British Columbia, V6C 1S4, on **Friday July 30, 2021 at 9:00 a.m.** (Vancouver time) for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the financial year ended April 30, 2020 and the auditor’s reports thereon;
2. To fix the number of directors for the ensuing year at three;
3. To elect directors of the Company for the ensuing year;
4. To appoint, Davidson & Company LLP, Chartered Professional Accountants, as the Company’s auditor for the ensuing financial year and to authorize the directors to set the auditor’s remuneration;
5. To approve the Company’s 10% rolling stock option plan, as more particularly set out in the accompanying information circular; and
6. To transact such other business as may properly come before the Meeting or any adjournment thereof,

all as more particularly set out in the attached Management Information Circular. The form of proxy accompanies this Notice. The audited financial statements, auditors’ report and management’s discussion and analysis have been delivered to those shareholders who indicated to the Company that they wished to receive copies of same.

The Directors have fixed the close of business on June 15, 2021 as the record date for determination of shareholders entitled to notice of and the right to vote at the Meeting either in person or by proxy. A shareholder who is unable to attend the Meeting in person and who wishes to ensure that their shares will be voted at the Meeting, is requested to complete, date and execute the enclosed form of Proxy and deliver it to the Company’s transfer agent: Computershare Investor Services Inc., Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, FACSIMILE (within North America) 1-866-249-7775 (outside North America) (416) 263-9524, by fax, hand or by mail in accordance with the instructions set out in the form of Proxy and Management Information Circular.

BY ORDER OF THE BOARD OF DIRECTORS

*“Robert C. Kopple”*  
Director

June 15, 2021

**GELUM CAPITAL LTD.**  
Suite 2710 – 200 Granville Street  
Vancouver, BC, Canada, V6C 1S4

## **INFORMATION CIRCULAR**

**as of June 15, 2021 (unless otherwise noted)**

### **MANAGEMENT SOLICITATION OF PROXIES**

This Information Circular is furnished to you in connection with the solicitation of proxies by management of Gelum Capital Ltd. (“we”, “us” or the “Company”) for use at the Annual General and Special Meeting (the “Meeting”) of shareholders of the Company to be held on Friday, July 30, 2021, at 9:00 a.m. Pacific Daylight Time at the Company’s office located at Suite 2710 – 200 Granville Street, Vancouver, BC V6C 1S4, and at any adjournment of the Meeting. The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of the Company for this solicitation.

### **APPOINTMENT OF PROXY HOLDER**

The persons named **as proxy holders** in the enclosed form of proxy are the Company’s directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

### **VOTING BY PROXY**

**The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.**

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment,

**variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.**

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

## **RETURN OF PROXY**

You must deliver the completed form of proxy to the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, FACSIMILE (within North America) 1-866-249-7775 (outside North America) (416) 263-9524, by fax, hand or by mail or to the Company's head office at the address listed on the cover page of this Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

## **ADVICE TO NON-REGISTERED SHAREHOLDERS**

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered Holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs. **The Company does not intend to pay for a Nominee to deliver to OBOs, therefore an OBO will not receive the materials unless the OBO's Nominee assumes the costs of delivery.**

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the Shares which they beneficially own. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-**

**registered holder may request (in writing) to the Company or its Nominee, as applicable, without expense to the non-registered holder, that the non-registered holder or his/her nominee be appointed as proxyholder and have the right to attend and vote at the Meeting.** Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

## **REVOCATION OF PROXY**

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or
- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the adoption of the Company's stock option plan, approval of which will be sought at the Meeting. Directors and executive officers of the Company may participate in the Company's stock option plan, and accordingly have an interest in its approval. See "Particulars of Matters to be Acted Upon".

## **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The Company is authorized to issue an unlimited number of common shares without par value, of which 10,277,054 common shares are issued and outstanding as of June 15, 2021. There is one class of common shares only.

Persons who are registered shareholders at the close of business on June 15, 2021 will be entitled to receive notice of, attend, and vote at the Meeting. In accordance with the Company's Articles, every motion put to a vote at the Meeting will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy. In order to approve a motion proposed at the Meeting, a majority of at least 50% plus one vote of

the votes cast will be required to pass an ordinary resolution, and a majority of at least two-thirds of the votes cast will be required to pass a special resolution.

To the knowledge of our directors and executive officers, the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of all voting rights as of June 15, 2021.

<b>Name of Shareholder</b>	<b>Number of shares beneficially owned, controlled or directed</b>	<b>Percentage of issued and outstanding shares</b>
Robert C Kopple	4,160,877	40.48%
Hendrik Van Alphen	1,457,570	14.18%

## **ELECTION OF DIRECTORS**

Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. The shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at three for the next year, subject to any increases permitted by the Company's Articles.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

<b>Name, Province or State and Country of Residence and Present Office Held</b>	<b>Periods Served as Director</b>	<b>Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised <sup>(1)</sup></b>	<b>Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years</b>
<b>Robert C. Kopple<sup>(2)</sup></b> California, USA	Since December 8, 2015	4,160,877	Attorney and co-founder of Kopple, Klinger & Elbaz, LLP.; director of Cardero Resource Corp. since October 2018. Mr. Kopple is also a director of Latin Metals Inc., Madvertise SA, Triton Emission

			Solutions Inc. and Tonogold Resources, Inc.
<b>Hendrik Van Alphen</b> <sup>(2)</sup> BC, Canada	Since December 8, 2015	1,457,570	Mining executive; Chief Executive Officer of Cardero Resource Corp. from May 2001 to November 2011, President from April 2000 to June 2011 and President and Chief Executive Officer since March 2013; President and Chief Executive Officer of Wealth Minerals Ltd. since July 2006 and director since September 2004; director of Ethos Capital Corp. since August 2009, director of Latin Metals Inc. since May 2015, director of World Copper Ltd. since January 15, 2021.
<b>Susannah Coille van Alphen</b> Connecticut, USA	Nominee	Nil	Portfolio manager at Equinox Partners; from 2011-2019 analyst at Tocqueville Asset Management., covering the precious metals space. Coille holds an MBA, graduating with distinction, from The Richard Ivey School of Business and is a CFA charterholder.

(1) As at June 15, 2021.

(2) Denotes a member of the Audit Committee.

The Company was issued a cease trade order on September 4, 2018, while Mr. Kopple and Mr. Van Alphen were directors of the Company, for the Company's failure to file audited financial statements, MD&A and certifications of annual filings for the financial year ended April 30, 2019. The required financial statements, MD&A and certifications were filed and the cease trade order was revoked on August 6, 2019.

Mr. Stephen Brohman, the Company's Chief Financial Officer was formerly involved with Champignon Brands Inc. ("Champignon"). On June 19, 2020, a cease trade order under section 164(1) of the *Securities Act* (British Columbia) was issued to Champignon, while Mr. Brohman, was the Chief Financial Officer of Champignon. Champignon failed to file business acquisition reports related to certain significant acquisitions as required by Part 8 of National Instrument 51-102 - *Continuous Disclosure Obligations*. The cease trade order was revoked on August 26, 2020. Then on August 26, 2020, the BCSC issued another cease trade order as Champignon failed to file the disclosure required by section 14.2 of Form 51-102F5 Information Circular for the restructuring transaction between Champignon and AltMed Capital Corp. as required by Part 8 of National Instrument 51-102 - *Continuous Disclosure Obligations*. The cease trade order was revoked April 22, 2021. Mr. Brohman had resigned as CFO of Champignon in December 2020.

Other than as set forth above, no proposed director of the Company is or has been, within the past 10 years, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company that, while the person was acting in that capacity:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or

- (b) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, become 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.

No proposed director of the Company has, within the past 10 years, become 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 the proposed director.

To the knowledge of the Company, no nominee for director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

## **EXECUTIVE COMPENSATION**

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

The following persons are considered the “**Named Executive Officers**” or “**NEOs**” for the purposes of the disclosure:

- (a) the Company's CEO, including an individual performing functions similar to a CEO;
- (b) the Company's CFO, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officer of the Company and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for the April 30, 2020 year end; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was not an executive officer of the Company and was not acting in a similar capacity at April 30, 2020.

### **Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary of the Company to each Named Executive Officer and director of the Company during the Company's two most recent financial years ended April 30, 2020 and 2019.



Table of compensation excluding compensation securities

Name and Position	Year ended April 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(1)</sup>	Value of all other compensation (\$)	Total compensation (\$)
Robert C. Kopple President, Interim CEO and Director (2)	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Hendrik Van Alphen Director <sup>(2)</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Keith Henderson Former Director <sup>(3)</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Stephen Brohman CFO <sup>(4)</sup>	2020	15,000	Nil	Nil	Nil	Nil	15,000
	2019	11,000	N/A	N/A	N/A	N/A	11,000

(1) The value of perquisites and benefits, if any, was less than \$15,000.

(2) No amount was paid to Mr. Kopple or Mr. Van Alphen in their capacity as directors.

(3) Mr. Henderson was appointed to the board on September 13, 2019 and resigned as a director on April 14, 2021.

(4) Mr. Brohman was appointed CFO on January 25, 2019, therefore the 2019 information is only for part of the financial year ended April 30, 2019.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued during the most recently completed financial year ended April 30, 2020 for services provided or to be provided, directly or indirectly, to the Company or its subsidiary.

Compensation Securities							
Name and position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities and percentage of class	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 date
Robert C. Kopple President, Interim CEO and Director	Stock options <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
Hendrik Van Alphen Director	Stock options <sup>(3)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
Keith Henderson Director	Stock options	N/A	N/A	N/A	N/A	N/A	N/A

## Notes:

- (1) 5,000,000 stock options exercisable at a price of \$0.05 were originally granted by the Company. Following a 20 to 1 share consolidation effective July 30, 2018, the number of outstanding stock options were reduced to 250,000 and the exercise price was increased to \$1.00 per stock option.
- (2) As at the financial year end April 30, 2020, Mr. Kopple held 75,000 stock options exercisable at \$1.00 until June 1, 2022.
- (3) As at the financial year end April 30, 2020, Mr. Van Alphen held 75,000 stock options exercisable at \$1.00 until June 1, 2022.

During the financial year ended April 30, 2020 none of the Named Executive Officers or directors exercised any stock options.

For information about the material terms of the Company's stock option plan, please refer to the heading "Particulars of Matters to be Acted Upon – Shareholder Approval of Stock Option Plan".

### **Employment, Consulting and Management agreements**

The Company does not have any consulting or management agreements in place under which Named Executive Officers or directors are compensated.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### *Director compensation*

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but the Company may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the Canadian Securities Exchange.

During the financial year ended April 30, 2020, no stock options were granted to directors.

#### *Named Executive Officer Compensation*

The Board will determine executive compensation from time to time. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are to attract and retain executives critical to the Company's success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value. The Company looks at industry standards when compensating its executive officers. Because the Company was effectively dormant while it is reactivating its affairs, no compensation was paid.

During the financial year ended April 30, 2020, Mr. Kopple's compensation as President and acting in the capacity of interim CEO was nil.

During the financial year ended April 30, 2020, Mr. Brohman's compensation as CFO was \$15,000.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company's directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the Canadian Securities Exchange limit the granting of stock options to employees, officers, directors and consultants of the Company and provide limits on the length of term, number and exercise price of such options.

The following table sets out equity compensation plan information as at the end of the financial year ended April 30, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options <sup>(1)</sup>	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup>
	(a)	(b)	(c)
Equity compensation plans <b>approved</b> by securityholders	250,000	\$1.00	222,743
Equity compensation plans <b>not approved</b> by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>250,000</b>	<b>\$1.00</b>	<b>222,743</b>

(1) Assuming outstanding options are fully vested.

(2) Excluding the number of shares issuable on exercise of the outstanding options shown in the second column.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Company or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries, other than as disclosed under the heading "Particulars of Matters to be Acted On".

An “informed person” means:

- (a) a director or executive officer of the Company;
- (c) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (d) any person or company who beneficially owns, directly or indirectly, 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 percent 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
- (e) the Company if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

## AUDIT COMMITTEE

Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* (“NI 52-110”).

### Audit Committee Charter

The Audit Committee Charter was adopted by the Company’s Audit Committee and the Board of Directors. The text of the Audit Committee Charter was attached as Schedule “A” to the Company’s information circular dated June 21, 2013 for a previous annual general meeting of shareholders, and can be viewed under the Company’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### Composition of the Audit Committee

As of June 15, 2021, the following are the members of the Audit Committee:

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Robert C. Kopple	No	Yes
Hendrik Van Alphen	Yes	Yes

(1) As that term is defined in NI 52-110.

Susannah Coille van Alphen, nominee for director, is expected to be appointed to the Audit Committee following the Meeting and his election to the Board.

### Relevant Education and Experience of Audit Committee Members

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;

2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing 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, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting, are as follows:

**Robert C. Kopple** – Mr. Kopple is as an attorney and co-founder of Kopple, Klinger & Elbaz, LLP. Mr. Kopple is also a director of Cardero Resource Corp., Latin Metals Inc., Madvertise SA, Triton Emission Solutions Inc. and Tonogold Resources, Inc. Mr. Kopple's law practice specializes in estate planning, taxation and business law. He holds a J.D. from DePaul University and an LL.M. in Taxation from New York University. As a result of his law and business background, Mr. Kopple has the education and experience to serve on the audit committee.

**Hendrik Van Alphen** – Mr. Van Alphen is a mining industry professional with extensive experience in the mining industry. Mr. Van Alphen is also a director of Cardero Resource Corp., Latin Metals Inc. and Ethos Capital Corp. Mr. Van Alphen is also the CEO and a director of Wealth Minerals Ltd. and the Chairman and Director of World Copper Ltd. His involvement in business and with public companies for over 25 years gives him a suitable background to serve on the audit committee.

#### ***Audit Committee Oversight***

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

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

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside of Control of Member*), or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

The Company has relied on the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) to be exempt from the requirement in subsection 6.1.1(3) which requires a majority of the members of an audit committee of a venture issuer to not be executive officers, employees or control persons of the venture issuer or of an affiliate of the venture issuer. However, the Company remains offside NI 52-110 as it only has 2 members on its Audit Committee. The Company is in the process of appointing a third member to the Audit Committee, in light of past resignations, to satisfy the composition of the Audit Committee requirement in subsection 6.1.1(3).

### ***Pre-Approval Policies and Procedures***

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

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

The following table discloses the fees billed to the Company by its external auditor during the last two financial years:

<b>Financial Year Ending</b>	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees<sup>(2)</sup> (\$)</b>	<b>Tax Fees<sup>(3)</sup> (\$)</b>	<b>All Other Fees<sup>(4)</sup> (\$)</b>
April 30, 2020	9,000	Nil	4,000	Nil
April 30, 2019	12,500	Nil	Nil	Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice.
- (4) "All Other Fees" includes all other non-audit services".

### ***Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations***

Since the Company is a venture issuer, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in 'Composition of the Audit Committee' above) and Part 5 Reporting Obligations of NI 52-110.

## **CORPORATE GOVERNANCE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Company to annually disclose certain information regarding its corporate governance practices. Under this heading, the Company is providing the disclosure required by Form 58-101F2.

### **Board of Directors**

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems.

The Board sets long term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their

implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Company to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Company's business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Company is authorized to act without board approval, on all ordinary course matters relating to the Company's business.

The Board also monitors the Company's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

The Board considers that Hendrik Van Alphen is "independent" in that he is independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholding. The Board considers that Robert C. Kopple, the President and interim CEO of the Company is not independent because he is a member of management.

## Directorships

Certain of the directors are presently a director of one or more other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction, as follows:

Name of Director	Other reporting issuer (or equivalent in a foreign jurisdiction)
Robert C. Kopple	Latin Metals Inc.
	Cardero Resource Corp.
Hendrik Van Alphen	Cardero Resource Corp.
	Wealth Minerals Ltd.
	Latin Metals Inc.
	Ethos Capital Corp.
	World Copper Ltd.
Susanna Coille van Alphen	None

## Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business and industry and on the responsibilities of

directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

### **Ethical Business Conduct**

To comply with its legal mandate, the Board seeks to foster a culture of ethical conduct by striving to ensure the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- has adopted a written Code of Conduct for its directors, officers, employees and consultants which is intend to promote honest and ethical conduct, avoid conflict of interest, protect confidential or proprietary information and comply with the applicable government laws and securities rules and regulations;
- encourages management to consult with legal and financial advisors to ensure the Company is meeting those requirements;
- is cognizant of the Company's timely disclosure obligations and reviews material disclosure documents such as financial statements, MD&A and press releases prior to their distribution;
- relies on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Company's external auditor; and
- actively monitors the Company's compliance with the board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the board before being undertaken by management.

The Board must also comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees to fill vacancies and for the next annual meeting the shareholders. The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. 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.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole; however, this policy may be reviewed in the future depending on the circumstances of the Company.



## **Compensation**

The Board periodically reviews the compensation paid to directors, management and other employees based on such factors as time commitment and level of responsibility and the Company's current position as an exploration company with limited operating revenue.

The Board does not have a compensation committee, and these functions are currently performed by the Board as a whole; however, this policy may be reviewed in the future depending on the circumstances of the Company.

## **Other Board Committees**

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

## **Assessments**

The Board of Directors conducts periodic assessments of its members including individual assessments to determine if the board and the individual directors are performing efficiently. Based on the Company's size, stage of development and the limited number of individuals on the Board of Directors, the Board considers a formal assessment process to be unnecessary at this time. As the activities of the Company develop, it will consider the establishment of more formal evaluation procedures, including more quantitative measures of performance.

## **APPOINTMENT OF AUDITOR**

Shareholders will be requested to appoint Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia ("**Davidson & Company**") as auditors of the Company to hold office until the next annual meeting of shareholders and to authorize the directors of the Company to fix their remuneration and the terms of their engagement. Davidson & Company have been the Company's auditors since June 29, 2020, when Morgan & Company LLP ceased to be the Company's auditor. The Company includes the change of auditor reporting package as Schedule "A".

Our Audit Committee recommends the election of Davidson & Company as our auditor to hold office until the Company's next annual general meeting. The Audit Committee proposes that the Board of Directors be authorized to fix the remuneration to be paid to the auditor.

**Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor.**

## **MANAGEMENT CONTRACTS**

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and directors of the Company.

## **PARTICULARS OF MATTERS TO BE ACTED ON**

### **Shareholder Approval of Stock Option Plan**

The Company has a 10% rolling stock option plan which was approved by shareholders at the Company's last annual general meeting of shareholders held on September 13, 2019. Again, the

Company seeks shareholder approval of a 10% rolling stock option plan (the “**2021 Plan**”) under which the total number of common shares that may be reserved for issuance will be 10% of the issued and outstanding common shares of the Company at the time of grant, less any common shares reserved for issuance pursuant to the grant of stock options under any other share compensation arrangements. The 2021 Plan complies with the current policies of the CSE. The intention of management in proposing the 2021 Plan is to increase the proprietary interest of employees, officers, directors and consultants in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

### **Terms of the 2021 Plan**

A full copy of the 2021 Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the 2021 Plan from the Company prior to the Meeting on written request. The following is a summary of the material terms of 2021 Plan:

1. The options are non-assignable and non-transferable (except that the Optionee’s heirs or administrators can exercise any portion of the outstanding option, up to one year from the Optionee’s death).
2. The number of shares subject to each option is determined by the Board of Directors provided that the 2019 Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12 month period, result in the number of options granted to any one Person exceeding 5% of the issued shares of the Company.
3. The exercise price of an option may not be set at less than the greater of the closing market price of the underlying securities on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options.
4. The options may be exercisable for a period of up to 10 years.
5. For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
6. Any options granted may not be amended once issued and if an option is cancelled before its expiry date, options may not be granted to the same holder until 30 days have elapsed from the date of cancellation.

Shareholders will be asked to pass the following ordinary resolution (the “**Stock Option Plan Resolution**”), approving the Company’s 2021 Plan:

### **“IT IS RESOLVED, AS AN ORDINARY RESOLUTION THAT:**

1. The Company adopt a 2021 Stock Option Plan (the “**Plan**”), including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company;
2. The Board of Directors be authorized on behalf of the Company to make any further amendments to the Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the Plan;

3. The Company file the Plan with the Canadian Securities Exchange for acceptance, if required; and
4. Any one director or officer of the Company is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution."

### **Recommendation of the Company's Directors**

The directors have reviewed and considered all facts respecting the approval of the 2021 Plan. The Company's directors unanimously recommend that the shareholders vote in favour of ratifying and approving the 2021 Plan.

An ordinary resolution requires the approval of a simple majority (50% + one vote) of the votes cast at the Meeting, in person or by proxy.

**Unless otherwise instructed, the proxies solicited by management will be voted for the approval of the 2021 Plan.**

## **ADDITIONAL INFORMATION**

Additional information about the Company is located on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for its most recently completed financial year ended April 30, 2020. Shareholders may contact the Company to request copies of the financial statements and Management's Discussion and Analysis by contacting the Corporate Secretary, Marla Ritchie at [marla@gelumcapital.com](mailto:marla@gelumcapital.com).

## **OTHER MATERIAL FACTS**

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

DATED as of the 15<sup>th</sup> day of June, 2021.

BY ORDER OF THE BOARD

**GELUM CAPITAL LTD.**

*"Robert C. Kopple"*

Robert C. Kopple  
Director

**SCHEDULE "A"**

**CHANGE OF AUDITOR REPORTING PACKAGE**

**GELUM CAPITAL LTD.**  
**(the “Company”)**

**NOTICE OF CHANGE OF AUDITOR**

The Company has changed its auditor from Morgan & Company LLP, Chartered Professional Accountants, of Suite 1630 – 609 Granville Street, Vancouver, British Columbia, Canada (the “Former Auditor”) to Davidson & Company LLP, Professional Chartered Accountants, of Suite 1200 – 609 Granville Street, Vancouver, British Columbia (the “Successor Auditor”), effective as of the 29<sup>th</sup> day of June, 2020.

The Former Auditor resigned at the request of the Company. The resignation of the Former Auditor and the appointment of the Successor Auditor, both effective June 29, 2020, have been considered and approved by the audit committee of the Company’s board of directors and by the full board.

There were no reservations in the Former Auditor’s reports on any of the Company’s financial statements relating to the Company’s two most recently completed financial years nor for any period subsequent to the period for which an audit report was issued up to and including June 29, 2020.

In the opinion of the Company’s audit committee and board of directors, there are no reportable events between the Company and the Former Auditor.

DATED at Vancouver, British Columbia, this 29<sup>th</sup> day of June, 2020.

**GELUM CAPITAL LTD.**

Per: (signed) *Stephen Brohman*  
Stephen Brohman, Chief Financial Officer

June 29, 2020

Canadian Stock Exchange  
British Columbia Securities Commission  
Alberta Securities Commission

Dear Sirs and Mesdames:

**Re: Gelum Capital Ltd. (the “Company”)**  
**- Change of Auditor**

We have read the statements made by Gelum Capital Ltd. in the attached copy of change of auditor notice dated June 29, 2020, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated June 29, 2020.

Yours very truly,



Chartered Professional Accountants

June 29, 2020

**British Columbia Securities Commission**  
PO Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

**Alberta Securities Commission**  
600, 250 – 5<sup>th</sup> Street SW  
Calgary, AB  
T2P 0R4

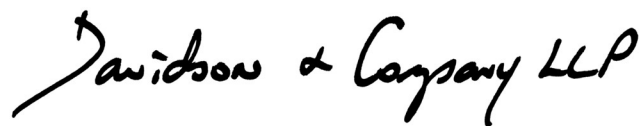
**CNSX Markets Inc.**  
220 Bay Street, 9<sup>th</sup> Floor  
Toronto, ON  
M5J 2W4

Dear Sirs / Mesdames:

**Re: Gelum Capital Ltd. (the "Company")**  
**Notice Pursuant to NI 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated June 29, 2020 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,



**DAVIDSON & COMPANY LLP**  
Chartered Professional Accountants

**cc: CNSX Markets Inc.**

