



CANAMEX GOLD CORP.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (the “**Shares**”) of Canamex Gold Corp. (the “**Corporation**”) will be held at 970 – 777 Hornby Street, Vancouver, B.C. V6Z 1S4 on August 25, 2021 at 10:00 a.m. (Pacific time). The Meeting will be held in person, however, because of the cancellation of certain public events in connection with the ongoing COVID-19 pandemic, Shareholders are strongly urged to complete and send their proxies to National Securities Administrators Ltd. and **not** attend the Meeting in-person. Due to health and safety issues, it will be mandatory to limit the number of attendees to 5. Reservations will be required, please call (604) 833-4278 to place your reservation.

- (1) to elect four (4) directors of the Corporation who will serve until the next annual general meeting of shareholders;
- (2) to re-appoint Smythe LLP, as the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditor;
- (3) to consider, and if deemed advisable, pass a special resolution, the full text of which is set forth in the accompanying management information circular (the “**Circular**”), authorizing the sale of all of the Corporation’s right, title and interest in the Bruner Gold Property; via the sale of such property by the Corporation’s wholly-owned subsidiary (with the details surrounding this sale to be more particularly described in the Circular), which represents all or substantially all of the assets of the Corporation, pursuant to Section 301(1)(b) of the *Business Corporations Act* (British Columbia) by way of an asset purchase agreement dated, July 14, 2021 (the “**Transaction**”); and
- (4) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Additional information relating to the business to be submitted to the Meeting is contained in the management information circular and forms part of this Notice.

The board of directors of the Corporation (the “**Board**” or “**Board of Directors**”) has fixed the close of business on July 19, 2021 as the record date for the purpose of determining Shareholders entitled to receive notice of, and vote at, the Meeting. Only Shareholders of record at the close of business on July 19, 2021 are entitled to vote at the Meeting. The failure of any Shareholder to receive notice of the Meeting does not deprive such Shareholder of the right to vote at the Meeting.

Registered Shareholders, being those Shareholders, whose names appear on the Corporation’s central securities register as a registered holder of Common Shares, who are unable to attend the Meeting should complete, sign, date and return the enclosed form of proxy to National Securities

Administrators Ltd. in accordance with the instructions set out in the form of proxy accompanying this Circular no later than 10:00 a.m. (Pacific time) on August 23, 2021.

Non-registered Shareholders, being Shareholders who beneficially own and hold Common Shares through a broker or other intermediary and who do not hold Common Shares in their own names, who have received these materials through their broker, or another intermediary should refer to the accompanying Circular for further instructions.

Pursuant to the *Business Corporations Act (British Columbia)* (the “BCBCA”), Registered Shareholders are entitled to exercise rights of dissent in respect of the proposed Transaction and to be paid fair value for their common shares of the Corporation. Registered Shareholders wishing to dissent with respect to the Transaction must send a written objection to the mailing office of the Corporation at 970 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, Attention: Chief Executive Officer, prior to the time of the Meeting, such that the written objection is received no later than 10:00 a.m. (Pacific time) on August 23, 2021, being the second business day immediately preceding the date of the Meeting.

A Shareholder’s right to dissent is more particularly described in the accompanying Information Circular and the text of sections 237 through 247 of the BCBCA is reproduced in Schedule “D” to the accompanying management information circular. Failure to strictly comply with these requirements may result in the loss of any right of dissent. Persons who are beneficial owners of common shares registered in the name of a broker, custodian, nominee, or other intermediary who wish to dissent should be aware that only the Registered Shareholders of such common shares are entitled to dissent. Accordingly, a beneficial owner of common shares desiring to exercise the right of dissent must make arrangements for the common shares beneficially owned to be registered in their name prior to the time the written objection to the Asset Sale Resolution (as such term is defined in the accompanying Circular) is required to be received by the Corporation or, alternatively, make arrangements for the Registered Shareholder of such common shares to dissent on their behalf.

DATED at Vancouver, British Columbia this 23rd day of July, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) “*David Vincent*”

DAVID VINCENT

President, Chief Executive Officer and Director



CANAMEX GOLD CORP.

Suite 970 – 777 Hornby Street, Vancouver,
British Columbia, V6Z 1S4 Telephone: 604 833-4278

**MANAGEMENT INFORMATION CIRCULAR
FOR THE SPECIAL MEETING OF SHAREHOLDERS**

(Containing information as at July 23, 2021, unless otherwise stated)

SOLICITATION OF PROXIES

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Canamex Gold Corp. (the “Corporation”), for use at the special meeting (the “Meeting”), of the holders (“Shareholders”) of common shares without par value in the capital of the Corporation (the “Shares”), to be held on Wednesday, the 25th day of August, 2021, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. It is expected that the solicitation of proxies on behalf of management will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers, employees or agents of the Corporation. The cost of soliciting proxies on behalf of management will be borne by the Corporation. The Corporation may also reimburse brokers and other persons holding Shares in their names or in the name of nominees, for their costs incurred in sending proxy materials to beneficial owners and obtaining their proxies or voting instructions.

APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy (the “Proxy”) are representatives of management of the Corporation and are directors and/or officers of the Corporation. A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM/HER ON HIS/HER BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER MAY STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH THE CORPORATION’S REGISTRAR AND TRANSFER AGENT, NATIONAL SECURITIES ADMINISTRATORS LTD. (THE “TRANSFER AGENT”), AT 777 HORNBY ST #702, VANCOUVER, BC V6Z 1S2, OR VIA EMAIL TO PROXY@TRANSFERAGENT.CA NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ANY ADJOURNMENT THEREOF. ALTERNATIVELY, PROXIES MAY BE FAXED TO 604-559-8908, BY SUCH TIME, IN WHICH EVENT ALL PAGES OF A PROXY SHOULD BE RETURNED.

The Proxy must be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

NON-REGISTERED HOLDERS

Only those Shareholders whose names appear on the books and records of the Corporation (“**Registered Shareholders**”), or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a “**Non-Registered Holder**”) are registered either:

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

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Meeting materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward Meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting materials will either:

- A. be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone); or
- B. be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder, but which is otherwise uncompleted. This Proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the form of Proxy and deposit it with the Transfer Agent, as described above.

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

the corresponding instructions on the form. *In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.*

REVOCATION

A Registered Shareholder who has given a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with the Transfer Agent as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of the Meeting, at which the Proxy is to be used, or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment of the Meeting; or
- (c) in any other manner permitted by law.

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

VOTING OF PROXIES

The management representatives designated in the enclosed Proxy will vote or withhold from voting the Shares in respect of which they are appointed by Proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed FOR the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting.**

The enclosed Proxy confers discretionary authority upon the management representatives designated in the Proxy with respect to amendments to or variations of matters identified in the notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Corporation know of no such amendments, variations or other matters.

FORWARD-LOOKING STATEMENTS

Certain statements in this Circular that are not statements of historical fact, including statements relating to each as more particularly described herein, may constitute "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied

by such forward-looking statements. When used in this Circular, such statements use such words as “may”, “will”, “expect”, “believe”, “plan”, “intend”, “should”, “anticipate” and other similar terminology. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this Circular. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Circular are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with such forward-looking statements. All forward-looking statements are made as of the date of this Circular, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances. Accordingly, readers should not place undue reliance on forward-looking statements.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Shares. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at July 19, 2021 (the “**Record Date**”). As at the Record Date, the Corporation has 61,496,051 Shares, each Share carrying the right to one vote.

Each Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. All such holders of record of Shares on the Record Date are entitled either to attend and vote thereat in person the Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation’s transfer agent, National Securities Administrators Ltd., within the time specified in the Notice of Meeting, to attend and to vote thereat by proxy the Shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all outstanding Shares:

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Corporation at any time since the beginning of the last financial year of the Corporation;
- (a) the proposed nominees for election as a Director of the Corporation; or
- (b) any associate or affiliate of the foregoing persons,

have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON

ELECTION OF DIRECTORS

At the Meeting, the following four (4) persons named hereunder will be proposed for election as directors of the Corporation. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each director elected will hold office until the close of the next annual general meeting of Shareholders of the Corporation, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause. Although management is nominating four (4) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **The Board recommends that Shareholders vote FOR the election of each of the proposed nominees set forth below as directors of the Corporation.**

The following table sets forth the name of all persons proposed to be nominated for election as directors, their place of residence, position held, and periods of service with, the Corporation, or any of its affiliates, their principal occupations and the approximate number of Shares of the Corporation beneficially owned, controlled or directed, directly or indirectly, by them. The information as to Shares beneficially owned, directly or indirectly or over which control or direction is exercised, not being with the knowledge of the Corporation, has been furnished by the respective nominees individually.

Name and Municipality of Residence	Present Principal Occupation within the Past Five Years	Director Since	Number of Shares Beneficially Held
David Vincent ⁽¹⁾⁽²⁾ <i>United Arab Emirates</i>	President, and Chief Executive Officer of Canamex Gold Corp. (December 1, 2017-Present) and Director of Canamex Gold Corp. (October 4, 2017-Present); Director of Arizona Silver Exploration Inc. (February 2018-Present); 20 years' experience which includes investment banking, providing corporate advisory, corporate public relations and capital raising services within the resources sector; Former senior executive with BAE Systems, a global aerospace company.	October 4, 2017	1,910,000 ⁽⁵⁾

Gregory Hahn ⁽¹⁾⁽⁴⁾ <i>Arizona USA</i>	Vice President of Canamex Gold Corp. (September 27, 2019-Present) and Director of Canamex Gold Corp. (September 8, 2011-Present); VP Exploration and Director of Arizona Silver Exploration Inc. (November 2018-Present).	September 8, 2011	1,951,226 ⁽⁶⁾
Mike Stark ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ <i>British Columbia, Canada</i>	Chairman of Canamex Gold Corp. (October 4, 2017-Present) and Director of Canamex Gold Corp. (February 5, 2009-Present); 25 year member of the Fire Service International Association of Fire Fighters, former Captain; Director of Arizona Silver Exploration Inc. since November 2016.	February 25, 2009	936,059 ⁽⁷⁾
Frank Hogel ⁽²⁾⁽³⁾⁽⁴⁾ <i>Independencia, Paraguay</i>	Director of Canamex Gold Corp. (October 20, 2015-Present); Current member of the Advisory Board for Concept Capital Management Ltd.; Asset Manager, involved in financial evaluation of companies and convertible debenture structuring; Over 14 years' experience in mining industry, and expertise as international financier/investor.	October 20, 2015	309,000 ⁽⁸⁾

Notes:

- (1) Each director's current term expires at the Meeting.
- (2) Member of the Audit Committee. Mr. Frank Hogel is the Chairman.
- (3) Member of the Compensation Committee. Mr. Frank Hogel is the Chairman.
- (4) Member of the Nominating and Corporate Governance Committee. Mr. Mike Stark is the Chairman.
- (5) Does not include 1,000,000 options to purchase Shares and warrants for 1,026,205 Shares held by Mr. David Vincent.
- (6) 1,369,307 Shares are held through the Gregory A. Hahn Revocable Trust of which Mr. Gregory Hahn is a Trustee. Does not include 1,244,919 options to purchase Shares.
- (7) 860,434 are held in Starkkollections a sole proprietorship owned and operated by Mr. Mike Stark. Does not include 506,250 options to purchase Shares in the name of Starkkollections and warrants for 281,250 Shares held in the name of Starkkollections.
- (8) Does not include 712,500 options to purchase Shares and warrants for 150,000 Shares held by Mr. Frank Hogel.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 5,106,285 Shares, representing approximately 8.3% of the issued and outstanding Shares as of the date hereof.

The members of the Audit Committee are: Mike Stark, Frank Hogel and David Vincent. The members of the Compensation Committee are: Mike Stark and Frank Hogel The members of the Nominating and Corporate Governance Committee are: Mike Stark, Frank Hogel and Gregory Hahn. The Board is currently constituted with two (2) independent directors, being Mike Stark and

Frank Hogel and two (2) directors who are not independent, being David Vincent and Gregory Hahn.

Additional biographical information including the principal occupation of each member of the Board for the past five years preceding the date hereof is described below:

David Vincent – Mr. David Vincent is currently serving as the President, Chief Executive Officer, and a Director of Canamex Gold Corp. Mr. Vincent has 20 years’ experience in corporate finance which includes investment banking, providing corporate advisory, corporate public relations and capital raising services within the resources sector. Mr. Vincent is a former senior executive with BAE Systems, a global aerospace company, and is also currently serving as a Director of Arizona Silver Exploration Inc.

Mike Stark - Mr. Mike Stark is currently Chairman and Director of Canamex Gold Corp. Mr. Stark is a 25 year member of the Fire Service International Association of Fire Fighters, and former Captain. Mr. Stark has also been a Director at Arizona Silver Exploration Inc. since November 2016.

Gregory Hahn – Mr. Gregory Hahn is currently the Vice President and a Director of Canamex Gold Corp. He is also currently serving as Vice President of Exploration and Director of Arizona Silver Exploration Inc. Mr. Hahn is a certified Professional Geologist in the United States, and has served as Chief Executive Officer of several TSX listed companies over the past twenty (20) years. Mr. Hahn also served on the Board of eCobalt Solutions Inc. until its merger with Jervois Mining Ltd. in July of 2019.

Frank Hogel – Mr. Frank Hogel is currently a Director of Canamex Gold Corp, and also an accomplished asset manager, involved in financial evaluation of companies and convertible debenture structuring. Mr. Hogel is currently a member of the Advisory Board for Concept Capital Management Ltd. Mr. Hogel has over 14 years’ experience in mining industry, and expertise as international financier/investor. Mr. Hogel holds degrees in Economics and International Business and Management from University of Nürtingen in Germany, and a Finance Degree (DTV) as a tested finance and stock consultant.

Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions

Except as otherwise disclosed below, to the best of management’s knowledge, no individual set forth in the above table is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

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

from an event that occurred while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

Except as otherwise disclosed below, to the best of management's knowledge, no individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Circular, or has been within ten (10) years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while such individual was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Except as otherwise disclosed below, to the best of management's knowledge, no individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this 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 such individual.

Except as otherwise disclosed below, to the best of management's knowledge, no individual set forth in the above table (or any personal holding company of any such individual) 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 investor in making an investment decision.

On May 6, 2019, the British Columbia Securities Commission issued a cease trade order (the "CTO") against the Corporation its directors, officers and insiders for failure to file audited financial statements and associated management's discussion & analysis and related certifications for the year ended December 31, 2018. Mr. Mike Stark, Chairman and Director of the Corporation, Mr. David Vincent, President, Chief Executive Officer and Director of the Corporation, Mr. Dong H. Shim, Chief Financial Officer of the Corporation, Gregory A. Hahn, Vice President and a Director of the Corporation, and Frank Hogel, Director of the Corporation are insiders of the Corporation. The CTO remains in effect as at the date of this Circular.

APPOINTMENT AND REMUNERATION OF AUDITORS

At the Meeting, the Board proposes to re-appoint Smythe LLP ("**Smythe**"), of 475 Howe St #1700, Vancouver, British Columbia V6C 2B3 as auditor of the Corporation and to authorize remuneration to be fixed by the Board. Smythe will hold office until the next annual general meeting of the Shareholders or until its successor is appointed.

The Board recommends that Shareholders vote FOR the re-appointment of Smythe as auditor of the Corporation.

OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

SALE OF UNDERTAKING

At the Meeting, shareholders will be asked to vote on a special resolution (the “**Asset Sale Resolution**”) approving the sale of all or substantially all the assets of the Corporation, in accordance with Section 301(1)(b) of the *Business Corporations Act* (British Columbia) to Endeavour USA Corp. (the “**Purchaser**”), for \$10,000,000 (USD) in cash (the “**Transaction**”). The assets being sold in the Transaction is all of the Corporation’s and the Corporation’s subsidiary’s right, title and interest, including mineral claims, mining rights, property assets, water rights, government authorizations and permits in its Bruner Gold Property, located in Nye County, Nevada (the “**Bruner Property**”).

The proceeds of the transaction will be primarily used to repay approximately \$5,000,000 worth of secured convertible debentures issued by the Corporation and the Corporation’s subsidiary in 2016, plus accrued interest and applicable penalties relating to the secured convertible debentures; and to discharge any other encumbrances associated with the Bruner Property, with any remaining funds to be allocated at the discretion of the board of directors of the Corporation. Upon completion of the Transaction, the existing net smelter return royalties on the Bruner Property will remain attached to the property. The Transaction will be effected by an asset purchase agreement entered into between the Corporation, Canamex Resources U.S., Inc. (“**Subco**”), the Purchaser, and Endeavour Silver Corp. on July 14, 2021 (the “**Asset Purchase Agreement**”). Subco is the Corporation’s wholly-owned subsidiary. The Asset Purchase Agreement is described in more detail below. The full text of the Asset Sale Resolution is as follows:

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION THAT:

1. pursuant to Section 301(1)(b) of the *Business Corporations Act* (British Columbia), the Corporation’s sale of the Bruner Property to the Purchaser, which represents the sale of all or substantially all of the assets of the Corporation, as held by Subco, on the terms, conditions and provisions as substantially described in the management information circular of the Corporation dated July 23, 2021 is hereby authorized and approved;
2. the Asset Purchase Agreement between the Corporation, Subco, Endeavour Silver Corp., and the Purchaser, with an effective date of July 14, 2021, is hereby ratified, confirmed and approved; and
3. any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such

other acts and things, as in the opinion of such director or officer of the Corporation may be necessary or desirable to carry out the terms of the foregoing special resolution.

Summary of the Asset Purchase Agreement

All summaries of and references to the Asset Purchase Agreement, including the summary set out below, are qualified in their entirety by the complete text of the Asset Purchase Agreement. A copy of the Asset Purchase Agreement will be filed and will be available for review on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”), which can be accessed on the Corporation’s SEDAR profile at www.sedar.com. The Agreement is also available for inspection at the head office of the Corporation at Suite 970-777, Hornby Street, Vancouver, British Columbia, V6Z 1S4. Shareholders are urged to carefully read the Asset Purchase Agreement, dated July 14, 2021 on SEDAR. Readers are advised that any capitalized, but undefined term in the following sections summarizing the Asset Purchase Agreement, will have the definition given to such term in the Asset Purchase Agreement.

Assets to be Sold and Purchase Price

Pursuant to the Asset Purchase Agreement, for the sum of \$10,000,000 (USD) (the “**Purchase Price**”), the Corporation and Subco hereby sells to the Purchaser and the Purchaser hereby purchases from the Corporation and Subco, free and clear of any Encumbrance (other than Permitted Encumbrances), all of the Corporation’s and Subco’s rights, title and interests in the Bruner Property together with all the Corporation’s and Subco’s rights to:

- a) the Mineral Claims, including all Mining Rights appurtenant to the Mineral Claims;
- b) the Bruner Property Assets;
- c) originals, or where not available, copies, of all Books and Records relating to the Bruner Gold Project;
- d) all Improvements located on the Mineral Claims or otherwise forming part of the Bruner Gold Project;
- e) all Water Rights relating to the Bruner Gold Project;
- f) all Tangible Property relating to, used or held for use in connection with the Bruner Gold Project;
- g) the Assigned Contracts, if any;
- h) the Transferred Governmental Authorizations and Permits;
- i) all deposits, advance payments and prepaid expenses paid by the Corporation and Subco in connection with the Bruner Gold Project; and
- j) all claims, choses in action, judgments, demands or other rights (including the Corporation and Subco’s rights under warranties, indemnities, and all similar rights) against third parties relating to the Purchased Assets and the Bruner Gold Project.

Representations, Warranties and Covenants

The Asset Purchase Agreement includes a number of customary representations and warranties given by the Corporation and Subco. The following list contains an abbreviated summary of such representations and warranties given by the Corporation and Subco, contained in the Asset Purchase Agreement:

- a) Both the Corporation and Subco are validly existing under their respective corporate law statutes;
- b) Both the Corporation and Subco are duly authorized to enter into the Asset Purchase Agreement;
- c) that neither the Corporation or Subco are subject to any current or potential proceedings that may lead to their dissolution;
- d) that the Corporation and Subco are the valid owners of the Bruner Property, free and clear of any Encumbrance other than the Permitted Encumbrances disclosed in the Asset Purchase Agreement;
- e) there is currently no litigation involving the Bruner Property, the Corporation or Subco;
- f) there are no environmental liabilities involving the Bruner Property; and
- g) the Bruner Property mineral claims are in good standing.

The Purchaser has also made certain representations and warranties as to its organization and good standing, and its authority and approval to enter into the Asset Purchase Agreement.

Closing Deliverables

The completion of the Transaction is subject to the delivery of the following executed documents and other closing deliverables:

The Corporation and Subco shall deliver:

- a) a certificate from an authorized officer of each of the Corporation and Subco attesting to the fact that the representations and warranties contained in the Asset Purchase Agreement are true and correct in all material respects;
- b) certified copies of resolutions of the directors of each of the Corporation and Subco approving the completion of the transactions contemplated by the Asset Purchase Agreement and the execution and delivery of the Asset Purchase Agreement and all documents, instruments and agreements required to be executed and delivered by each of the Corporation and Subco;
- c) evidence of the approval of the Transaction at the Corporation's shareholder meeting, the form and content of which is satisfactory to the Purchaser;

- d) certificates of good standing or status (or equivalent) for each of the Corporation and Subco issued within three days prior to the Closing Date;
- e) payout statement in respect of the Debentures;
- f) registrable discharges in respect of the Debenture Security;
- g) payout statements and evidence of payment to the holders of the Gold Royalty Tokens and GOLDUSA Tokens;
- h) legal opinions addressed to Endeavour Silver Corp. in form and substance of which is satisfactory to Endeavour Silver Corp. dated the Closing Date with respect to the following matters:
 - a. corporate status and good standing of each of the Corporation and Subco;
 - b. confirmation of title and mineral rights to the Bruner Property; and
 - c. such other matters as Endeavour Silver Corp. may reasonably request;
- i) (i) a grant, bargain and sale deed from the Corporation to the Purchaser of the patented mining claims; (ii) a deed from the Corporation to the Purchaser of the unpatented mining claims; (iii) a deed from the Corporation to the Purchaser of the Water Rights; (iv) a declaration of value for each of the deeds; (v) a bill of sale from the Corporation and Subco to the Purchaser of the Tangible Property; (vi) an affidavit of Subco that it is not a nonresident foreign taxpayer compliant with the United States Internal Revenue Code Section 1441 et seq. and applicable regulations relating to such sections; and (vii) all other deeds, bills of sale, conveyances, assignments and other instruments of transfer in form and substance as reasonably required by the Purchaser and the Corporation and Subco to effect the transfer of the Purchased Assets to the Purchaser as contemplated by the Asset Purchase Agreement, duly executed by the Corporation and Subco and immediately registerable with all Governmental Authorities as required to effect such transfer and assumption;
- j) receipts from the Corporation and Subco for the Purchase Price;
- k) possession of the Purchased Assets; and
- l) such other documents, instruments and certificates dated as of the Closing Date as are reasonably required to consummate the transactions contemplated by this Agreement

The Purchaser shall deliver:

- a) the certificates referred to in Sections 6.2(a) and 6.2(b);
- b) certified copies of resolutions of the directors of Endeavour Silver Corp. approving the completion of the transactions contemplated by the Asset Purchase Agreement and the execution and delivery of the Asset Purchase Agreement and all documents, instruments and agreements required to be executed and delivered by Endeavour Silver Corp. pursuant hereto;

- c) certified copies of resolutions of the directors of the Purchaser approving the completion of the transactions contemplated by the Asset Purchase Agreement and the execution and delivery of the Asset Purchase Agreement and all documents, instruments and agreements required to be executed and delivered by the Purchaser pursuant hereto;
- d) separate assignment and assumption agreements between Subco and the Purchaser in respect of: (i) each of Assigned Contracts (provided that the approvals contemplated by Section 5.4 are obtained); and (iii) each of the Permits, duly executed by Endeavour Silver Corp. and the Purchaser, and where required by Subco;
- e) all other deeds, bills of sale, conveyances, assignments and other instruments of transfer in form and substance as reasonably required by the Purchaser and the Corporation and Subco to effect the transfer of the Purchased Assets to the Purchaser as contemplated by the Asset Purchase Agreement, duly executed by the Purchaser and immediately registerable with all Governmental Authorities as required to effect such transfer and assumption; and
- f) such other documents, instruments and certificates dated as of the Closing Date as are reasonably required to consummate the transactions contemplated by this Agreement.

Termination

The Asset Purchase Agreement can be terminated:

- a) in writing, by mutual consent of the parties to the Asset Purchase Agreement;
- b) by written notice from the Purchaser to the Corporation and Subco if any of the conditions set forth in Section 6.1 of the Asset Purchase Agreement are not satisfied on or before the Closing Time, and it is not waived by the Purchaser; or
- c) by written notice from the Corporation and Subco to the Purchaser if any of the conditions set forth in Section 6.2 of the Asset Purchase Agreement are not satisfied on or before the Closing Time, and it is not waived by the Corporation and Subco.

Structure of the Corporation Immediately after Completion of the Transaction

Completion of the Transaction represents the sale of substantially all of the assets of Subco, which is the sole asset of the Corporation. Subsequent to closing, the Corporation's only assets will be shares in Subco and cash that remains after Transaction costs and other debt payments.

Recommendations of the Board

After careful consideration of a number of factors, the board of directors has determined that the Transaction is fair and in the best interest of the Corporation and its stakeholders and recommends that the shareholders vote **FOR** the Asset Sale Resolution.

Unless a shareholder has specifically instructed in the enclosed form of proxy that the shares represented by such proxy are to be voted against the Asset Sale Resolution, the person named in the accompanying proxy will vote FOR the Asset Sale Resolution.

Shareholders should consider the Transaction carefully and come to their own conclusions as to whether to vote in favour of the Asset Sale Resolution. Shareholders who are in doubt as to how to respond should consult with their own financial, legal or other professional advisors.

Rights of Dissent to the Transaction

Registered Shareholders who wish to dissent should take note that strict compliance with the dissent procedures of the *Business Corporations Act* (British Columbia) (hereinafter defined as the “BCBCA”) is required.

The following description of the rights of dissenting shareholders to dissent in respect of the Transaction is not a comprehensive statement of the procedures to be followed by a dissenting shareholder and is qualified in its entirety by the reference to the full text of Division 2 of Part 8 of the BCBCA, which is attached to this Circular as Schedule “D”.

A shareholder who intends to exercise the dissent rights should carefully consider and comply with the provisions of Division 2 of Part 8 of the BCBCA. Failure to strictly comply with the provisions of the BCBCA and to adhere to the procedures set out therein, may result in the loss of all rights thereunder.

A Registered Shareholder is entitled, in addition to any other right such registered shareholder may have, to dissent and to be paid by the Corporation the fair value of the Common Shares held by such Registered Shareholder in respect of which such Registered Shareholder dissents, determined immediately before the Asset Sale Resolution is passed, excluding any appreciation or depreciation in anticipation of the Transaction unless exclusion would be inequitable.

Persons who are beneficial shareholders of the Corporation who wish to dissent with respect to their shares should be aware that only Registered Shareholders are entitled to dissent with respect to them. A Registered Shareholder such as an intermediary who holds the Shares as nominee for beneficial shareholders, some of whom wish to dissent, must exercise dissent rights on behalf of such beneficial shareholders with respect to the Shares held for those respective beneficial shareholders. In such case, the Notice of Dissent (as defined hereinafter) should set forth the number of Shares it covers.

A Registered Shareholder who wishes to dissent must send a written notice of dissent (the “**Notice of Dissent**”) objecting to the Asset Sale Resolution to the mailing office of the Corporation at Suite 970-777, Hornby Street, Vancouver, British Columbia, V6Z 1S4, Attention: Chief Executive Officer, prior to the time of the Meeting, such that the written objection is received no later than 10:00 a.m. on August 23, 2021 (Pacific time), two Business Days prior to the Meeting. The Notice of Dissent must set out the number of Shares held by the dissenting shareholder.

The delivery of a Notice of Dissent does not deprive such dissenting shareholder of its right to vote at the Meeting, however, a vote in favour of the Asset Sale Resolution will result in a loss of its dissent rights. A vote against the Asset Sale Resolution, whether in person or by proxy, does not constitute a Notice of Dissent, but a shareholder need not vote its common shares against the Asset Sale Resolution in order to object. Similarly, the revocation of a proxy conferring authority on the proxy holder to vote in favour of the Asset Sale Resolution does not constitute a Notice of Dissent in respect of the Asset Sale Resolution, but any such proxy granted by a Shareholder who intends to dissent should be validly revoked in order to prevent the proxy holder from voting their

Shares in favour of the Asset Sale Resolution. A vote in favour of the Asset Sale Resolution, whether in person or by proxy, will constitute a loss of the corresponding Shareholder's dissent rights. However, a registered shareholder may vote as a proxy holder for another shareholder whose proxy required an affirmative vote, without affecting the right of the proxy holder to exercise dissent rights.

If the Asset Sale Resolution is approved at the Meeting or at an adjournment thereof, the Corporation is required to deliver to each dissenting shareholder a notice (the “**Notice of Intention**”) stating that the Corporation intends to effect the Transaction, and advising the dissenting shareholders thereof that if it intends to proceed with exercising its dissent rights, the Shareholder must deliver to the Corporation, within one month of the date of the Notice of Intention, a written statement that such dissenting Shareholder requires the Corporation to purchase all of their dissenting Shares, together with any share certificates representing such dissenting shares. If dissent rights are being exercised by someone other than the beneficial owner of the Shares, this written statement must be signed by such beneficial owner.

A dissenting shareholder delivering such written statement will be deemed to have sold to the Corporation all of their dissenting Shares, and the Corporation will be deemed to have purchased those dissenting shares. A dissenting Shareholder who has delivered such written statement may not vote, or exercise or assert any rights of a Shareholder, in respect of their dissenting shares, other than under Division 2 of Part 8 of the BCBCA.

The Corporation and a dissenting shareholder may agree on the amount of the payout value of the dissenting shares or if no agreement has been reached, the dissenting shareholder of the Corporation may apply to the courts of British Columbia for adjudication, where such court may:

- (a) determine the payout value of the dissenting shares of those dissenting shareholders who have not entered into an agreement with the Corporation, or order that such value be established by arbitration or by reference to the registrar, or a referee, of the court;
- (b) join in the application each dissenting shareholder, who has not agreed with the Corporation on the amount of the payout value of the dissenting shares; and
- (c) make consequential orders and give directions as it considers appropriate.

Promptly after the payout value of the dissenting shares has been agreed or determined, as the case may be, the Corporation must pay to the dissenting Shareholder the payout value with respect to their dissenting shares.

The Corporation may not make a payment to a dissenting shareholder under Division 2 of Part 8 of the BCBCA if there are reasonable grounds for believing that the corporation is or would after the payment be unable to pay its debts as they become due in the ordinary course of its business. In such event, the Corporation will notify each dissenting shareholder that the corporation is unable lawfully to pay dissenting shareholders for their dissenting shares, in which case a dissenting shareholder may, by written notice to the corporation within 30 days after receipt of such notice, withdraw its Notice of Dissent, in which case the corporation will be deemed to consent to the withdrawal and such shareholder will be reinstated with full rights as a shareholder of the corporation. If a dissenting shareholder does not withdraw its Notice of Dissent, such dissenting

shareholder retains a status as a claimant against the Corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to shareholders of the corporation.

If a dissenting Shareholder fails to strictly comply with the requirements of the dissent rights set out in the BCBCA, they will lose their dissent rights and the corporation will return to the dissenting shareholder the certificates representing the dissenting shares that were delivered to the corporation, if any, and if the Transaction is implemented, that dissenting shareholder will be deemed to have participated in the Transaction on the same basis as any non-dissenting shareholder of the corporation.

If a dissenting shareholder strictly complies with the requirements of the dissent rights, but the Transaction is not implemented, the Corporation will return to the dissenting shareholder the certificates delivered to the corporation by the dissenting shareholder, if any.

Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Transaction and their dissent rights.

EXECUTIVE COMPENSATION

Introduction

Pursuant to the requirements of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”), all direct and indirect compensation provided to certain executive officers and directors for, or in connection with, services they have provided to the Corporation or a subsidiary of the Corporation must be disclosed in this form. Based on new legislation the Corporation is required to disclose annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the two most recently completed financial years in respect of the individuals comprised of the Chief Executive Officer (“**CEO**”), the Chief Financial Officer (“**CFO**”) and the most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeds \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an officer at the end of the most recently completed financial year (the “**Named Executive Officers**” or “**NEOs**”).

Directors and named executive officer compensations have been disclosed based on requirements of the new form 51-102F6V under below tables as follows:

- (1) Table of compensation excluding compensation securities;
- (2) Stock options and other compensation securities; and
- (3) Exercise of Compensation Securities by directors and NEO’s.

Named Executive Officers of the Corporation for the Years Ended, December 31, 2020, 2019 and 2018

During the fiscal years ended December 31, 2020, 2019, and 2018, the Corporation had two NEOs: (i) David Vincent, President and Chief Executive Officer of the Corporation and (ii) Dong H. Shim, Chief Financial Officer, and Secretary of the Corporation.

Director and Named Executive Officer Compensation

The following table (and notes thereto) states the names of each NEO and director, his annual compensation, consisting of salary, consulting fee, bonus and other annual compensation, excluding compensation securities, for each of the Corporation's two most recently completed financial years.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of perquisites (\$)	Value of other compensations (\$)	Total compensation (\$)
David Vincent President, Chief Executive Officer and Director	2020	Nil	Nil	Nil	Nil	102,000	102,000
	2019	Nil	Nil	Nil	Nil	102,000	102,000
	2018	Nil	Nil	Nil	Nil	117,061	117,061
Dong H. Shim Chief Financial Officer and Secretary	2020	Nil	Nil	Nil	Nil	36,000	36,000
	2019	Nil	Nil	Nil	Nil	36,000	36,000
	2018	Nil	Nil	Nil	Nil	27,000	27,000
Gregory Hahn Vice President and Director	2020	Nil	Nil	Nil	Nil	75,000	75,000
	2019	Nil	Nil	Nil	Nil	75,000	75,000
	2018	Nil	Nil	Nil	Nil	70,878	70,878
Mike Stark Chairman and Director	2020	Nil	Nil	Nil	Nil	60,000	60,000
	2019	Nil	Nil	Nil	Nil	60,000	60,000
	2018	Nil	Nil	Nil	Nil	68,859	68,859
Frank Hogel Director	2020	Nil	Nil	Nil	Nil	24,000	24,000
	2019	Nil	Nil	Nil	Nil	24,000	24,000
	2018	Nil	Nil	Nil	Nil	28,602	28,602

Notes:

- (1) David Vincent was appointed as President and Chief Executive Officer effective December 1, 2017 and was elected as director effective October 4, 2017. In his capacity as President and Chief Executive Officer, Mr. David Vincent was compensated \$102,000 in 2020, \$102,000 in 2019 and \$117,061 in 2018. In his capacity as Director, he received no compensation in 2020, 2019 and 2018.
- (2) Dong H. Shim was appointed Chief Financial Officer and Secretary effective August 25, 2017. In his capacity as Chief Financial Officer, Mr. Dong H. Shim received \$36,000 in 2020, \$36,000 in 2019 and \$27,000 in 2018.

Stock Option Plans and Other Compensation Securities

The following table sets out for each director and all compensation securities granted or issued outstanding during the years ended December 31, 2020, and 2019 including date of issue, exercise price, closing price on grant day and fiscal year end, and expiry date.

COMPENSATION SECURITIES								
Name and position	Year	Type of compensation Security	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
David Vincent President, Chief Executive Officer and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dong H. Shim Chief Financial Officer and Secretary	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gregory Hahn Vice President and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mike Stark Chairman and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Frank Hogel Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A

External Management Companies

Except as otherwise disclosed herein, to the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS

Name and Position	Year	Type of Compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date exercise (\$)	Total value on exercise date (\$)
David Vincent President, Chief Executive Officer and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dong H. Shim Chief Financial Officer and Secretary	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gregory Hahn Vice President and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mike Stark Chairman and Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Frank Hogel Director	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Stock Option Plans and Other Incentive Plans

The Stock Option Plan is the Corporation’s only equity compensation plan. As of the date of this Circular, the Corporation has 5,258,669 options outstanding to purchase Shares.

The Stock Option Plan provides for the acquisition of Shares by directors, officers, employees or consultants of the Corporation, or any affiliated entity of the Corporation, for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key employees and directors and to secure for the Corporation and the Shareholders the benefits inherent in the ownership of Shares by key employees and directors, it being generally recognized

that stock option plans can aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in such company.

Employment, Consulting and Management Agreements

Management of the Corporation is performed by the directors and officers of the Corporation and not by any other person.

There are no plans in place with respect to compensation of the Named Executive Officers in the event of a termination of employment without cause or upon the occurrence of a change of control.

Oversight and Description of Director and Named Executive Officer Compensation

The Compensation Committee determines the compensation of the Corporation's NEOs and directors with a view to ensuring that the compensation appropriately reflects the responsibilities and risks involved in being an effective executive officer and/or director of the Corporation. The Compensation Committee periodically reviews the Corporation's compensation philosophy and objectives taking into consideration various factors discussed below.

Nature and Responsibilities of the Compensation Committee

The Compensation Committee is responsible for making recommendations to the Board with respect to, among other things: executive and director compensation, including reviewing and determining director compensation, overseeing the Corporation's base compensation structure and equity-based compensation program, recommending compensation of the Corporation's officers and employees and evaluating the performance of officers generally and in light of annual goals and objectives and any changes with a view to providing competitive compensation programs which attract, motivate and retain high-caliber individuals.

The Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Corporation's senior management. The Compensation Committee reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity.

Recommendations of the Compensation Committee are referred to the Board for approval, modification or amendment.

Composition of the Compensation Committee

To ensure the effectiveness of the Compensation Committee's oversight in determining executive compensation, each of its members are independent.

Compensation Committee

The Compensation Committee is currently comprised of Mike Stark and Frank Hogel. Each member of the Compensation Committee has more than ten (10) years of experience in their respective field and, throughout that time period, each has been closely involved with implementing and reviewing compensation policies at their respective organizations. Each of Mike Stark and Frank Hogel have held senior roles with public and private companies directly related to the mining industry.

The following describes the education and experience of the Corporation's Compensation Committee members standing for re-election to the Board that is relevant to the performance of their responsibilities in that role.

Mike Stark - Mr. Mike Stark is currently Chairman and Director of Canamex Gold Corp. Mr. Stark is a 25 year member of the Fire Service International Association of Fire Fighters, and former Captain. Mr. Stark has also been a Director at Arizona Silver Exploration Inc. since November 2016.

Frank Hogel – Mr. Frank Hogel is currently a Director of Canamex Gold Corp, and also an accomplished asset manager, involved in financial evaluation of companies and convertible debenture structuring. Mr. Hogel is currently a member of the Advisory Board for Concept Capital Management Ltd. Mr. Hogel has over 14 years' experience in mining industry, and expertise as international financier/investor. Mr. Hogel holds degrees in Economics and International Business and Management from University of Nürtingen in Germany, and a Finance Degree (DTV) as a tested finance and stock consultant.

Philosophy and Objectives of the Compensation Program

The Corporation is a junior resource company with limited resources. The intention of the Corporation's compensation program is to ensure that the corporate objectives and strategy approved by the Board are supported by appropriate compensation awards on a results-oriented basis. The compensation program for the senior management and directors of the Corporation is designed within this context with a view that the level and form of compensation should achieve certain objectives, including:

- (a) to enable the Corporation to attract, retain and motivate qualified executive officers and directors of the highest calibre in light of the strong competition in the mining sector for qualified personnel;
- (b) to ensure that the interests of the Corporation's executive officers, directors, the Corporation and the interests of the Shareholders are aligned;
- (c) to provide a strong incentive to the executive officers and directors of the Corporation to contribute to the achievement of the Corporation's short-term and long-term corporate goals;

- (d) to recognize that the successful implementation of the Corporation's corporate strategy cannot necessarily be measured, for a junior resource company, only with reference to quantitative measurement criteria of corporate or individual performance; and
- (e) to provide fair, transparent, and defensible compensation.

The compensation that is paid to the Corporation's executive officers generally consists of a base amount for consulting fees or salary payable on a monthly or annual basis, performance bonuses (paid in cash, fully paid common shares, or a combination thereof) and equity incentives. The Corporation's compensation policy reflects a belief that an element of total compensation for the Corporation's executive officers should be "at risk" and aligned with long-term interests of the Corporation and its Shareholders in the form of Shares or Options, so as to create a strong incentive to build shareholder value.

Elements of Compensation

Given the size of the Corporation's operations and the very small number of employees and executives, the Corporation's compensation practices must be flexible, entrepreneurial and geared to the objectives of securing the best executives to manage the Corporation. During the financial years ended December 31, 2019 and December 31, 2018, there were two key elements used to compensate the NEOs, consisting of base salary or consulting fees and long-term incentives in the form of Options. The Compensation Committee reviewed compensation of other publicly listed junior exploration companies with a view to analyzing NEO compensation. During the financial years ended December 31, 2019 and December 31, 2018 there were two key elements used to compensate most of the NEOs, consisting primarily of base salary or consulting fees and long term incentives in the form of stock options. There has been intense competition in the mining industry for executives who have extensive industry experience and the necessary skills to achieve specified corporate objectives and deliver long-term shareholder value.

The Corporation believes that providing competitive overall compensation enables the Corporation to attract and retain qualified executives. Grants of long-term incentives in the form of Options serve to further encourage the retention of the Corporation's NEOs while incentivizing the NEOs to create and protect shareholder value. No cash bonuses were paid during the financial years ended December 31, 2020, 2019 or 2018.

In setting compensation, the Compensation Committee considers various factors. First, the remuneration package for each executive, as a whole, must be reasonably competitive with other similar companies. Second, the cash component must be such that the Corporation, in the junior resource sector, can reasonably support it, taking into account that cash is directed into exploration, expansion and acquisition programs. Third, the compensation package should be competitive relative to the Corporation's peer group.

The Corporation has no pre-set formula for determining amounts to be paid as a bonus. Instead, the approach is to consider the overall position of the Corporation compared to the objectives and strategy previously approved by the Board, taking into account the unique aspects of operating in Ontario. In addition, the Compensation Committee has identified the significant elements of each senior management position and uses these criteria as one of the bases for determining compensation for each NEO.

The non-cash component consists of grants made pursuant to the Stock Option Plan. All Options that have been granted to management and the Board vest immediately and, by setting the Option price at a reasonable level such that there is a strong incentive to build shareholder value over the medium and longer term while avoiding the short term approach to decision making, this element provides the incentive for management and the Board to look at the Corporation's operations on a multi-year horizon. Given the relatively small size of the Corporation and the dedicated management team, equity based compensation arrangements, which are typically more complex than the existing Stock Option Plan, have not been considered necessary to date.

Accordingly, the Corporation applies the salary, bonus and Option elements to provide the short, medium and longer term benefits and incentives described above.

No NEO or director of the Corporation is permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, or equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Determination of Compensation

The Compensation Committee is, among other things, responsible for determining all forms of compensation of and for evaluating the Chief Executive Officer's performance and that of the other NEOs. The goals and objectives set for the NEOs for the years ended December 31, 2019 and December 31, 2018 related to continuing the development of the Corporation's Ontario based mining projects and implementing a financing plan for the Corporation.

The appropriate quantum and form of compensation for the NEOs has been based on their qualifications, level of experience, and the compensation being paid to comparable executives working for junior mining companies in the Corporation's peer groups. In making compensation recommendations to the Board in respect of these elements, the Compensation Committee considers both the cumulative compensation being granted to executives as well as internal comparisons among the Corporation's executives. The Compensation Committee discusses reviews and assesses the performance of each NEO at the year end. At that time, the Chief Executive Officer makes a proposal of an appropriate remuneration package for each NEO (other than the Chief Executive Officer) for the consideration of the Compensation Committee for the upcoming year.

Base Salaries

Base salaries or equivalent consulting fees for the NEOs are generally fixed by the Board following recommendations from the Compensation Committee. Increases or decreases on a year-over-year basis are dependent on the Compensation Committee's assessment of the performance of the Corporation overall, the Corporation's projects and the individual's overall performance and skills. In determining such amounts, the Compensation Committee generally balances the compensation objectives set out herein including the experience, skills and scope of responsibility of the executive with the goal of keeping cash compensation for its executive officers within the range of cash compensation paid by companies of similar size and industry.

Share-Based and Option-Based Awards

Long-term equity incentive compensation in the form of Options comprises a significant portion of overall compensation for the NEOs and the Board. The Compensation Committee believes that this is appropriate because it creates a strong correlation between variations in the Corporation's Share price and the compensation of its executives, thereby aligning the interests of the Corporation's executives and Shareholders.

The Stock Option Plan provides that Options will be issued pursuant to Option agreements to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation. The grant of Options to executive officers is determined by the Board as recommended by the Compensation Committee. Options assist the Corporation in attracting, motivating and retaining top talent. The Corporation has used initial larger one-time grants to recruit new executives and directors and ensure that the NEOs have a significant stake in the performance of the Corporation. The Compensation Committee reviews the option schedule periodically during each financial year and the contributions made to the Corporation by executive officers to determine whether additional Option grants should be made. Previous grants of Options are taken in account when considering new grants. Options issued have a term of five years which encourages the long-term retention of the Corporation's officers, employees and consultants.

Discussions by the Compensation Committee and subsequently by the Board are not dependent on or determined by formal analyses, criteria, benchmarking or objectives and are not linked in any quantitative way to the Corporation's Share price quoted on the Exchange. There are no contractual or other arrangements that must be considered in determining the compensation arrangements. Rather, the Corporation relies on the knowledge and experience of the directors who sit on the Compensation Committee together with background information on other similar companies (subject to the unique aspects of operating in British Columbia) in determining appropriate amounts for each element of the compensation package for each NEO.

There has been no significant change to the approach or method for the determination of compensation from that used in prior years.

Board Retainers or Cash Compensation

In the Board's view, board retainers or cash compensation should be determined based on the requirements of the members of the board of a junior resource company, as well as a subjective assessment of the compensation the individual could reasonably expect to receive from the Corporation's peers and upon the Corporation's capacity to pay.

The Compensation Committee intends to review the board retainers or cash compensation annually to ensure they remain externally competitive. At the same time, there is an expectation that individual members of the board be accountable and that a review process is a necessary part of that accountability.

Assessment of Risks Associated with the Corporation's Compensation Policies and Practices

The Compensation Committee has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Compensation Committee has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.

The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans, and programs have generally been implemented by or at the direction of the Compensation Committee.

Safeguards to Mitigate Compensation Risk

The Board is of the view that the executive compensation of the Corporation should not raise the Corporation's risk profile. Accordingly, the Corporation's compensation programs are founded on the principles that support the management of risk, ensuring that management's plans and activities are prudent and focused on generating shareholder value with an effective risk control environment. The Compensation Committee designs the Corporation's compensation programs to appropriately reflect risk and to ensure that those programs do not drive risk taking in excess of the Corporation's risk appetite. In general terms, the determination of compensation programs is based upon the Board and Compensation Committee's review with management of the Corporation's short, medium and longer term progress towards the strategies and objectives previously approved by the Board subject, in all cases, to the operating environment of the Corporation together with the specific challenges and responsibilities allocated to the individual and that person's performance in meeting these challenges. In addition, the determination also considers factors not readily susceptible to measurement such as changes in the general economic and political landscape as well as other matters. This approach is results-oriented.

The Corporation is a junior mining exploration company without revenues. Management of the Corporation provides the Board with an annual budget with respect to its operational activities for each fiscal year. The Board and the Compensation Committee are mindful of the need of management to use the Corporation's capital to develop and exploit its mining properties in a meaningful fashion and this is demonstrated through its review of management's annual budgets and operational forecasts and management's ability to meet or surpass the operational goals of the Corporation. The primary method of providing management with incentives is through the granting of Options, and the Board and the Compensation Committee feel that equity-linked instruments are an effective method of risk mitigation. The granting of Options which provide management with the potential for long term gains is considered to be an effective method of minimizing any incentive of management to conduct activities with a view to short term gains.

Pension Plan Benefits for NEOs

During the years ended December 31, 2020, December 31, 2019 and December 31, 2018, the Corporation did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION

Stock Option Plan

The Stock Option Plan is the Corporation's only equity compensation plan. As of the date of this Circular, the Corporation has 5,258,669 Options outstanding to purchase Shares.

The Stock Option Plan provides for the acquisition of Shares by directors, officers, employees or consultants of the Corporation, or any affiliated entity of the Corporation, for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key

employees and directors and to secure for the Corporation and the Shareholders the benefits inherent in the ownership of Shares by key employees and directors, it being generally recognized that stock option plans can aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in such company.

Equity Compensation Plan Information

The following table provides details of the equity securities of the Corporation authorized for issuance for the year ended December 31, 2020 and 2019 pursuant to the Stock Option Plan currently in place:

Plan Category	Year	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	2020	32,877,274	\$0.18	890,936
	2019	33,864,012	\$0.19	303,436
Equity compensation plans not approved by securityholders	2020	Nil	Nil	Nil
	2019	Nil	Nil	Nil
Total		32,877,274		890,936

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Since the beginning of the last fiscal year of the Corporation, none of the executive officers, directors or employees or any former executive officers, directors or employees of the Corporation or any proposed nominee for election as a director of the Corporation or any of their respective associates is or has been indebted to the Corporation or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means: (a) a director or Executive Officer of the Corporation; (b) a director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Corporation's financial statements, none of:

- a) the Informed Persons of the Corporation;
- b) the proposed nominees for election as a director of the Corporation; or
- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in a proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

APPOINTMENT OF AUDITOR

The auditor of the Corporation is Smythe LLP, first appointed April 16, 2019.

CORPORATE GOVERNANCE AND AUDIT COMMITTEES

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance* and National Instrument 52-110 *Audit Committees* is attached to this Circular as Schedules "A" and "B", respectively.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Other than the above, management of the Corporation knows of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Corporation is National Securities Administrators Ltd. through its office located in Vancouver, British Columbia.

ADDITIONAL INFORMATION

Copies of this Circular, may be obtained on SEDAR at www.sedar.com or free of charge from the Corporation upon request to the Chief Executive Officer of the Corporation, at Suite 970-777, Hornby Street, Vancouver, British Columbia, V6Z 1S4 and such document will be sent by mail or electronically by email as may be specified at the time of the request.

BOARD APPROVAL

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

DATED at Vancouver, British Columbia this 23rd day of July, 2021.

**BY ORDER OF THE BOARD OF
DIRECTORS**

(Signed) "*David Vincent*"

DAVID VINCENT

President, Chief Executive Officer and Director

CANAMEX GOLD CORP.

(the “Corporation”)

**SCHEDULE “A”
CORPORATE GOVERNANCE**

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

General

The board of directors (the “**Board**”) of the Corporation believes that effective corporate governance contributes to improved corporate performance and enhanced Shareholder value. The Corporation’s governance practices are subject to at least an annual review and evaluation through the Board’s Nominating and Corporate Governance Committee to ensure that, as the Corporation’s business develops and grows, changes in structure and process necessary to ensure continued good governance are identified and implemented.

The Canadian Securities Administrators (“**CSA**”) have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) which prescribes certain disclosure by the Corporation of its corporate governance practices.

This section sets out the Corporation’s approach to corporate governance and provides the disclosure requested by Form NI 58-101F2. The following statement has been prepared by the Nominating and Corporate Governance Committee and approved by the Board.

BOARD OF DIRECTORS

As of the date hereof, the Board is comprised of four (4) members. Four (4) directors as at the date hereof are standing for re-election. The Board is responsible for determining whether or not each director is “independent”. To do this, the Board analyzes all the relationships of the directors with the Corporation and its subsidiaries. Pursuant to NI 58-101 and National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), a director is independent if such director has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. None of the independent directors are engaged in the day-to-day operations of the Corporation or are a party to any material on-going contracts with the Corporation. More information about each director can be found in the Circular under the heading “*Information Concerning Nominees Submitted by Management*”.

The role of the Chairman for each Board meeting is determined on a revolving basis among the various members of the Board. The primary roles for the meeting’s Chairman is setting the meeting

agenda and chairing meetings of the Board, working to ensure that the Board works together as a cohesive team with open communication.

Mr. David Vincent currently serves as President and Chief Executive Officer of the Corporation and is therefore not considered to be “independent”.

Mr. Gregory Hahn currently serves as Vice President of the Corporation and is therefore not considered to be “independent”.

Mr. Mike Stark is considered to be “independent” as he does not have any director or indirect material relationship with the Corporation.

Mr. Frank Hogel is considered to be “independent” as he does not have any direct or indirect material relationship with the Corporation.

The Role of the Chief Executive Officer

The Chief Executive Officer of the Corporation is a member of the Board. In addition to being the primary liaison with the Board itself, the Chief Executive Officer’s role is to directly oversee the day-to-day operations of the Corporation, lead and manage the senior management of the Corporation, and to implement the strategic plans, risk management and policies of the Corporation. The Board and the Chief Executive Officer work together to ensure that critical information flows to the Board, that discussions and debate of key business issues are fostered and afforded adequate time and consideration, that consensus on important matters is reached, and decisions, delegation of authority and actions are taken in such a manner as to enhance the Corporation’s business and functions. The Board currently believes that it is in the best interests of the Corporation and its shareholders that the Chief Executive Officer of the Corporation is a member of the Board.

DIRECTORSHIPS

The following table provides details regarding directors of the Corporation who are presently serving as directors on the board of another reporting issuer as of the date of the Circular:

Director	Other Company
David Vincent	Arizona Silver Exploration Inc.
Gregory Hahn	Arizona Silver Exploration Inc.
Mike Stark	Arizona Silver Exploration Inc.

ORIENTATION AND CONTINUING EDUCATION

The Corporation does not provide a formal orientation or education program for new directors. However, when new directors are appointed, they receive an informal orientation, commensurate

with their previous experience, relating to the Corporation's industry, business and operations and the responsibilities of directors of public companies, as well as training with respect to the Corporation's corporate strategy and the role of the Board, its committees and its directors by the current directors and senior officers. The members of the Board have experience in mineral exploration projects, mining, legal, financial and audit matters and capital markets and they continue to work in these areas. New directors meet with management of the Corporation in addition to the other directors of the Corporation to discuss the Corporation's business. The Board receives a monthly report from management with respect to the Corporation's business. The Board encourages directors to participate in continuing education opportunities in order to ensure that directors maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Corporation's business.

The Corporation, at the direction of the Nominating and Corporate Governance Committee, is in the process of preparing a Board Policy Manual which is intended to provide a comprehensive introduction to the Board, the committees of the Board and their mandates, and the Corporation. The orientation and continuing education process is reviewed on an annual basis by the Nominating and Corporate Governance Committee.

ETHICAL BUSINESS CONDUCT

The Board has determined that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation, 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 Corporation.

In addition, the Board has established a Code of Business Conduct and Ethics (the "**Code**") which, among other things, is intended to establish the Corporation's commitment to a culture of honesty, integrity and accountability. The Code together with the Whistle Blower Policy provides the guidelines for employee behavior and establishes the basis for open communication with a view to ensuring that employees are acting in good faith and have the means to report actual or potential violations.

The Board has also established a Disclosure Policy, the objective of which is to ensure that communications with the investing public about the Corporation are timely, factual, accurate, balanced and disseminated in accordance with applicable legal and regulatory requirements.

Each of the policies is reviewed annually. The policies allow employees throughout the organization to report any unethical or illegal activity without fear of reprisal from their fellow employees, supervisor or other officials of the Corporation. Illegal activities include but are not limited to fraud, theft, accounting irregularities and bribery.

NOMINATION OF DIRECTORS

The Board works with the Nominating and Corporate Governance Committee to periodically review the size of the Board and any possible requirement for an increase or decrease in members of the Board. It also recruits and reviews candidates for the position of director and selects the

most appropriate for submission to the Board as a whole for consideration as a potential director nominee.

The Nominating and Corporate Governance Committee's considerations include:

- (a) competencies and skills that the Board, as a whole, should possess and the competencies and skills of each current director. The Board reviews, on an annual basis, the requisite skills and criteria for Board members as well as the composition and size of the Board as a whole in order to ensure that the Board has the requisite expertise, that its membership consists of persons with sufficiently diverse and independent backgrounds, and that its membership consists of an appropriate number of independent directors;
- (b) identification of individuals qualified to become Board members, consistent with criteria set out by the Board; and
- (c) questions of independence and possible conflicts of interest of members of the Board and of senior managers.

Following an assessment of the Board by the Nominating and Corporate Governance Committee, it has been determined that, based on the current size and operations of the Corporation and the composition of the Board, it would be appropriate to add an additional director to the Board such that the number of directors of the Corporation proposed for election by the Shareholders at the Meeting is five.

COMPENSATION

The Compensation Committee of the Board determines compensation and incentive awards for the directors and senior officers of the Corporation based on the individual's skill level and the comparative industry compensation level.

OTHER BOARD COMMITTEES

The Board has no other committees.

ASSESSMENTS

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

The Board assesses, on an informal basis, the effectiveness of the Board as a whole, the Chairman of the Board, Board committees and the contribution of individual directors. The Board 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. As a result of the Corporation's size, its stage of development, and the number of directors of the Corporation, the Board has considered this assessment process to be appropriate at this time. The Nominating

and Corporate Governance Committee will review this process periodically and make recommendations with respect to the assessment process as necessary.

CANAMEX GOLD CORP.

(the “Corporation”)

SCHEDULE “B”

FORM 52-110F2

AUDIT COMMITTEE DISCLOSURE

THE AUDIT COMMITTEE’S CHARTER

PURPOSE OF THE AUDIT COMMITTEE

The purpose of the Audit Committee is to fulfill the applicable public company audit committee legal and regulatory obligations and to provide assistance to the board of directors of the Corporation (the “**Board**”) to enable it to fulfill its oversight responsibilities in relation to the financial reporting process, the system of internal controls and the audit process and management of significant risks to the Corporation, as they relate to financial reporting.

Audit Committee Mandate

The Audit Committee (the “**Committee**”) is appointed by the Board to assist the Board in fulfilling its oversight responsibilities of the Corporation. In so doing, the Committee provides an avenue of communication among the external auditors, management and the Board.

The Committee’s purpose is to ensure the integrity of financial reporting and the audit process, and that sound risk management and internal control systems are developed and maintained. In pursuing these objectives the Audit Committee oversees relations with the external auditors, and reviews the effectiveness of the internal audit function.

STRUCTURE OF THE COMMITTEE

Composition

The Committee is a standing committee of the Board and will be composed of not less than three directors, with not more than one director being an executive officer, related party or employee of the Corporation.

Quorum

A quorum of the Committee will be a majority of members present in person, by telephone or any combination thereof.

Appointment of Members and Chairman

Members of the Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance and Nominating Committee to hold office at the pleasure of the Board. No more than two members of the Committee will resign from the Committee in any given year.

Chairman

The Board shall appoint one of the members as the Committee Chair. In the absence of the Chair from any meeting, the Committee shall appoint a member to be the Chair for the purposes of the conduct of that meeting.

Qualification of Members

Members of the Committee shall meet applicable requirements and guidelines for audit committee service, including requirements and guidelines with respect to being independent and unrelated to the Corporation and to having accounting or related financial management expertise and financial literacy.

The determination as to whether a particular Director satisfies the requirements for membership on the Audit Committee shall be made by the full Board.

Vacancy

A vacancy occurring in the membership of the Committee may be filled by the Board at its discretion, but in any event, the Board shall fill any vacancy to ensure a minimum of three members on the Committee at all times.

Number and Timing of Meetings

The Audit Committee meets at least four times a year, with meetings being scheduled to permit timely review of quarterly and annual financial statements. Additional meetings may be held at the discretion of the Chair or at the request of a member, external auditors or management.

Secretary

A secretary shall be designated and that person shall act as recording secretary for the Committee and produce minutes of the meetings.

Meetings with Management and External Auditors

The Committee shall meet separately with management and external auditors at least once per quarter and shall meet at such other times, as the Committee deems appropriate.

Notice and Place of Meetings

Notice of time and place of meetings shall be communicated to members of the Committee no less than 24 hours prior to the time set for the meeting, provided that any member may waive such notice.

A member of the Committee who attends a meeting for the purpose of objecting to whether the meeting was lawfully called shall not be considered to have waived required notice.

Invitees

By invitation of the Chair, individuals who are not members of the Committee may attend meetings from time to time and may participate in discussions related to issues before the Committee.

Minutes and Procedures of Meetings

Subject to statutory requirements and by-laws of the Corporation, the Committee may set its own procedures at meetings, keep records of its proceedings and report to the Board when the Committee considers it appropriate, but in any event not later than the next Board meeting. Minutes of the Committee meeting shall be tabled at the next Board meeting.

Delegation of Responsibilities

The Committee may delegate to any person or committee of persons any of the Committee's responsibilities that may be lawfully delegated.

External Auditors

External auditors are ultimately accountable to the Board and shall report directly to the Committee. The external auditors are accountable to the Board and the Audit Committee as representatives of the shareholders of the Corporation.

Mandate

The Committee will review and reassess the adequacy of the Audit Committee Mandate on an annual basis to ensure that it accurately specifies the scope of the Committee's responsibilities and adequately sets out how it carries out those responsibilities.

PRIMARY RESPONSIBILITIES OF THE COMMITTEE

The Committee's primary duties and responsibilities are as follows:

- Review and recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and the compensation to be paid to the external auditor.
- Assume direct responsibility for overseeing the work of the external auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the

Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting.

- Pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its external auditors.
- Review the Corporation's financial statements, management's discussion and analysis and annual and interim earnings press releases before such documents are publicly disclosed by the Corporation.
- To satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.
- Establish procedures for: (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditor of the Corporation.

Authority of the Committee

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. The Committee shall also have the authority to communicate directly with the external auditors.

DUTIES OF THE COMMITTEE

Compliance

The Committee is ultimately responsible for ensuring the Corporation's compliance with legal and regulatory requirements in respect to financial reporting and disclosure.

The Committee, on behalf of the Board, is responsible for monitoring management's actions in this regard to ensure that the Corporation has implemented appropriate systems to identify and monitor the response by management and the board of directors to such issues as:

- Significant business risks.
- Legal, ethical and regulatory compliance.

- Internal systems of control and the effectiveness of such internal controls to ensure compliance with policies and procedures.

Meetings

The Committee is responsible for preparing minutes of all of its meetings and submitting the minutes to the Board for approval, and having the Chairman of the Committee report to the Board on all significant issues addressed at the Committee meeting.

The Committee is also responsible for reviewing the interim and annual financial statements as well as the Corporation's financial disclosures and related party transactions.

Internal Controls

The Committee is responsible for maintaining the integrity and quality of the Corporation's financial reporting and systems of internal control by overseeing management's system of internal control and reporting process in respect to those controls.

External Auditors

The Committee has the following responsibilities with respect to the Corporation's external auditors:

- Reviewing and ensuring the qualifications and independence of the Corporation's external auditors.
- Making recommendations to the Board in respect of the appointment of external auditors for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation and making recommendations to the Board on the compensation for the external auditor.
- Overseeing and evaluating the performance of the external auditors.
- Reviewing the annual audit plan prepared by the external auditors and management (Chief Financial Officer and Chief Executive Officer) in addition to proposed audit fees.
- Reviewing the external audit process and determining whether it has been effectively carried out and whether any matters that the external auditors wish to bring to the attention of the Board have been afforded adequate attention.
- Assessing the external audit function with a view to whether external auditors should be appointed. Such responsibility of the Committee shall include the appointment, retention, termination, compensation and oversight of the external audit function.
- Pre-approving all audit services and non-audit services to be performed for the Corporation by the external auditors.

- Meeting separately with internal audit, external auditors and management at least quarterly to assess issues and make determinations on whether issues need to be taken to the Board for review and assessment.
- Evaluating independence of the external auditor in accordance with Canadian professional requirements, and determining whether disclosed relationships or services may impact the objectivity and independence of the auditors and whether such independence has been documented in written correspondence to the Committee.
- Overseeing any work of the external auditor that includes the resolution of disagreements regarding financial reporting between management and the external auditors.
- Evaluating the external audit process and determining whether the external audit has been completed in accordance with applicable law.

Financial Reporting

- Reviewing annual and interim financial statements of the Corporation.
- Reviewing changes in significant accounting policies and evaluates impact on the current and future financial statements of the Corporation.
- Preparing, if required, a Committee report for inclusion in the Corporation's annual management proxy circular in accordance with applicable rules and regulations.
- Ensuring the effectiveness of disclosure controls and procedures to ensure material information potentially requiring public disclosure is made known in a timely fashion to senior officers of the Corporation.
- Being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assessing the adequacy of those procedures.
- Reviewing and recommending to the Board for approval the public release and filing of any annual audited consolidated financial statements and quarterly unaudited consolidated financial statements of the Corporation, including news releases and management's discussion and analysis (MD&A).
- Reviewing the information contained in the Corporation's quarterly reports, annual report to shareholders, MD&A, annual information forms (AIF), prospectuses and other disclosures determining if such information is complete and fairly presented.
- Reviewing material litigation and tax assessments in order to determine if any such matters may have a material impact on the financial position of the Corporation.

- Considering the Corporation’s annual financial statements and ascertaining after a review with external auditors and management whether they are presented fairly in all material respects in accordance with generally accepted accounting principles, whether the selection of accounting policies is appropriate and whether the annual financial statements are recommended to the Board.

Reviewing Terms of Reference and Committee’s Performance

The Committee should routinely assess its effectiveness against the mandate and shall report regularly to the Corporate Governance and Nominating Committee and Board on that assessment.

Reviewing Reports to Shareholders

When required by applicable statute or regulation, the Committee shall prepare reports to shareholders regarding the activities undertaken in the discharge of its responsibilities. A report will be prepared by the Committee for inclusion in the annual report as required.

MEETINGS AND OPERATING PROCEDURES

- In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.
- A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Corporation in a timely fashion.
- The Chairman of the Committee shall prepare and/or approve an agenda in advance of each meeting.
- The Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation’s financial policies and disclosures.
- The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors in advance of meeting dates.
- The Committee should meet privately in an executive session at least quarterly with management, the external auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.
- In addition, the Committee or at least its Chair should communicate with management and the external auditors quarterly to review the Corporation’s financial statements and significant findings based upon the auditor’s limited review procedures.

- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

The Committee shall review and reassess the adequacy of this Charter at least annually, and submit it to the Board for approval and ensure that it is in compliance with the Canadian Securities Exchange and BCSC regulations.

GENERAL

In addition to the responsibilities and duties of the Committee stated above, the Committee shall attend to the following items:

- Review the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation. Review business practices undertaken by senior management to assess appropriateness with corporate policies.
- Review complaints procedures and whether they adequately track and record complaints to the Corporation regarding accounting, internal accounting or auditing matters.
- Engage and pay independent counsel and other special advisors as it deems necessary from time to time in order to carry out Committee duties.
- Investigate any activity of the Corporation as it deems appropriate. All employees of the Corporation are required to cooperate with the efforts or enquiries of the Committee.
- Retain persons having special expertise to assist it in the performance of its duties.
- Communicate with the Board to ensure sufficient funding for the Audit Committee to permit it to fulfill its responsibilities.
- Make provisions for confidential, anonymous submissions by employees of the Corporation of concerns regarding accounting, internal accounting controls or auditing matters, ensuring that the existing processes adequately provide for such submission and establishing a process whereby the external auditor will receive timely notice of any such submission.
- Review at least annually the risk management and insurance programs.
- Review any issues referred to the Committee by the Board.

The procedures set forth herein have been set out as guidelines only as opposed to inflexible rules and the Committee may alter these procedures as it deems necessary in order to perform its responsibilities.

COMPOSITION OF THE AUDIT COMMITTEE

The Corporation’s Audit Committee is comprised of three directors, consisting of David Vincent, Mike Stark, and Frank Hogel. The following table sets out the names of the members of the Audit Committee and whether they are “independent” and “financially literate” for the purposes of National Instrument 52-110 *Audit Committees* (“NI 52-110”).

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
David Vincent	No	Yes
Mike Stark	Yes	Yes
Frank Hogel	Yes	Yes

Notes:

- (1) To be independent, a member of the Audit Committee must not have any direct or indirect “material relationship” with the Corporation. A material relationship is a relationship, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. Accordingly, an executive officer of the Corporation is not independent, nor is a director that is paid consulting fees for non-director services provided to the Corporation.
- (2) To be considered financially literate, a member of the audit committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the corporation’s financial statements.

RELEVANT EDUCATION AND EXPERIENCE

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

All of the members of the Corporation’s current audit committee are “financially literate” as that term is defined in NI 52-110.

David Vincent – Mr. Vincent’s background includes consulting and investment banking, corporate advisory, corporate public relations and capital raising services within the resources sector Mr. Vincent was a senior executive with BAE Systems, a global aerospace company, where he gained significant skills and experience in international business development, feasibility studies, market

analysis, business planning, project financing, project management and marketing within the United Kingdom, the Middle East and Europe.

Mike Stark – Mr. Stark has over 32 years of business experience in the private sector as an owner and operator of two successful companies, and 27 years in the public sector. Mr. Stark's background includes corporate financing, investor relations, market support and corporate strategic development. Companies he has worked with in the past include; Exeter Resources and Extorre Resources. Mr. Stark is currently Chairman and director of the Corporation.

Frank Hogel – Mr. Frank Hogel is currently a Director of Canamex Gold Corp, and also an accomplished asset manager, involved in financial evaluation of companies and convertible debenture structuring. Mr. Hogel is currently a member of the Advisory Board for Concept Capital Management Ltd. Mr. Hogel has over 14 years' experience in mining industry, and expertise as international financier/investor. Mr. Hogel holds degrees in Economics and International Business and Management from University of Nürtingen in Germany, and a Finance Degree (DTV) as a tested finance and stock consultant.

All members have an understanding of the accounting principles used by the Corporation to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor adopted by the Board. At the Meeting, it is proposed to re-appoint MNP as auditor of the Corporation and to authorize remuneration to be fixed by the Board. The auditor of the Corporation will hold office until the next annual general meeting of the Shareholders or until its successor is appointed.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions contained in sections 2.4 or 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 fiscal 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 POLICIES AND PROCEDURES

Formal policies and procedures for the engagement of non-audit services are set out in the Audit Committee Charter.

EXEMPTION

In respect of the most recently completed financial year, the Corporation relied upon the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Committee) and Part 5 (Reporting Obligations) of NI 52-110.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

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

The aggregate fees billed by the Corporation’s external auditors in each of the last two fiscal years were as follows:

Financial Year Ending December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2020	Nil	Nil	Nil	Nil
2019	Nil	Nil	Nil	Nil
2018	\$75,915	Nil	Nil	Nil

CANAMEX GOLD CORP.

(the “Corporation”)

SCHEDULE “C”

BOARD OF DIRECTORS MANDATE DISCLOSURE

CANAMEX GOLD CORP.

MANDATE OF THE BOARD OF DIRECTORS

RESPONSIBILITY OF THE BOARD

The directors of the Corporation are responsible for managing the business and affairs of the Corporation and, in doing so, must act honestly and in good faith with a view to the best interests of the Corporation.

Board Mandate

The Board’s mandate includes setting long-term goals and objectives for the Corporation, formulating the plans and strategies necessary to achieve those objectives, and supervising senior management who are responsible for the implementation of the Board’s objectives and day-to-day management of the Corporation. The Board retains a supervisory role and ultimate responsibility for all matters relating to the Corporation and its business.

The Board discharges its responsibilities both directly and through its committees, including the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee. The Board may also appoint ad hoc committees periodically to address issues of a more short-term nature.

RESPONSIBILITIES OF THE BOARD

Board Composition

The Board takes into account recommendations of the Nominating and Corporate Governance Committee, but retains responsibility for managing its own affairs by giving its approval of its composition and size, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation. When the Chair of the Board is not an independent director, the independent directors of the Board shall designate an independent director to be the lead director. The Board is responsible for determining the roles and responsibilities of the independent Chair or, if applicable, lead director. The Board shall annually evaluate the independence of the Chair or, if applicable, lead director.

Delegation of Board Matters

The Board may delegate to Board committees matters that the Board is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Education

The Board is responsible for ensuring that measures are taken to orient new directors regarding the role of the Board, its committees and its directors and the nature and operation of the Corporation's business. The Board is also responsible for ensuring that measures are taken to provide continuing education for its directors to ensure that they maintain the skill and knowledge necessary to meet their obligations as directors.

Board Performance

The Board shall annually review the performance of the Board and its committees against their respective charters and mandates and disclose the process in all applicable public documents. The Board shall also annually evaluate the performance of individual directors, the performance of the Chair and the performance of the lead director, if any.

Approval of Appointment of Management

The Board is responsible for approving the appointment of the officers of the Corporation. The Board, together with the Chief Executive Officer of the Corporation, may develop a position description for the Chief Executive Officer if desired.

Approval of Compensation of Management

The Board approves the compensation of officers and reviews and approves the Corporation's incentive compensation plans. In doing so, the Board takes into account the advice and recommendations of the Compensation Committee.

Delegation to Management

The Board from time to time delegates to senior management the authority to enter into transactions, such as financial transactions, subject to specified limits. Investments and other expenditures above the specified limits, and material transactions outside the ordinary course of business, are reviewed by and are subject to the prior approval of the Board.

Management Development and Succession

The Board ensures that adequate plans are in place for management development and succession.

Crisis or Emergency

The Board assumes a more direct role in managing the business and affairs of the Corporation during any period of crisis or emergency.

Responsibility for Strategic Planning

The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the goals and objectives of the Corporation.

The Board is responsible for reviewing the business, financial and strategic plans by which it is proposed that the Corporation may reach those goals.

Provide Management with Input

The Board is responsible for providing input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.

The Board will consider alternative strategies in response to possible change of control transactions or takeover bids with a view to maximizing value for shareholders.

Monitoring of Financial Performance and Other Financial Matters

The Board is responsible for enhancing the alignment of shareholder expectations, plans of the Corporation and management performance.

The Board is responsible for adopting a processes for monitoring the Corporation's progress toward its strategic and operational goals and revising its direction to management in light of changing circumstances affecting the Corporation; and

Assessment of Integrity of Internal Controls

Directly and through the Audit Committee, the Board assesses the integrity of internal controls over financial reporting and management information systems.

Budgets and Financial Statements

The Board reviews and approves capital, operating and exploration and development expenditures including any budgets associated with such expenditures.

The Board is responsible for approving the annual audited financial statements and, if required by applicable securities legislation, the interim financial statements, and the notes and management's discussion and analysis accompanying such financial statements. The Board may delegate responsibility for approving interim financial statements to the Audit Committee.

Material Transactions

The Board is responsible for reviewing and approving material transactions outside the ordinary course of business, including material investments, acquisitions and dispositions of material capital assets, material capital expenditures, material joint ventures, and any other major initiatives outside the scope of approved budgets.

Governance of All Board Matters

The Board approves those matters that are required under the Corporation's governing statute to be approved by the directors of the Corporation, including the issuance, purchase and redemption of securities and the declaration and payment of any dividends.

Risk Management

The Board is responsible for the identification of the principal risks of the Corporation's business and monitoring and managing those risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation's shareholders.

The Board monitors the conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements.

Policies and Procedures

The Board is responsible for approving and monitoring compliance with all significant policies and procedures by which the Corporation is operated and approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations. The Board is responsible for adopting a written code of ethical business conduct for the directors, officers and employees of the Corporation and is responsible for monitoring compliance with the code and to encourage and promote a culture of ethical business conduct.

Director Independence

The Board is responsible for taking steps to ensure that directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Confidentiality

The Board shall enforce its policy respecting confidential treatment of the Corporation's proprietary information and the confidentiality of Board deliberations.

Communications and Reporting

The Board is responsible for approving a corporate Disclosure Policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Corporation is conducted.

The Board is responsible for ensuring appropriate policies and processes are in place to ensure the Corporation's compliance with applicable laws and regulations, including timely disclosure of relevant corporate information and regulatory reporting.

SCHEDULE “D”

DISSENT PROCEEDINGS OF THE

BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

Definitions and application

237 (1) In this Division:

“**dissenter**” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“**notice shares**” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

“**payout value**” means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations, excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

- (2) The written statement referred to in subsection (1) (c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
 - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.
- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

- 245** (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must
- (a) promptly pay that amount to the dissenter, or
 - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.