



IC CAPITALIGHT CORP.

## NOTICE OF THE 2022 ANNUAL GENERAL MEETING OF SHAREHOLDERS

I am pleased to give you notice that the 2022 annual general meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Shares**”) of IC Capitalight Corp. (the “**Company**” or “**Capitalight**”) will be held in a virtual-only format, which will be conducted via live audio webcast available online through Zoom using <https://us06web.zoom.us/j/3988986319> on June 27, 2022 at 10:00 a.m. (Toronto time) for the following purposes:

1. To receive the financial statements of the Company for the fiscal year ended December 31, 2021 and the Auditors’ Report thereon.
2. To elect six (6) directors of the Company, each to hold their offices until the next annual meeting of the Shareholders or until their successors have been duly elected and qualified.
3. To approve the re-appointment of MNP LLP, Chartered Accountants, as the Company’s auditors for the fiscal year ending December 31, 2022 and to authorize the Board of Directors to fix their remuneration.
4. To transact other business as may properly come before the Meeting or any adjournments thereof.

Particulars of the foregoing matters are set forth in the accompanying management information circular of the Company dated May 18, 2022 (the “**Circular**”).

The Board of Directors has fixed the close of business on May 20, 2022 as the record date for the Meeting. Only registered Shareholders at such time are entitled to notice of, and to vote at, the Meeting.

The Company will mail the Circular and other related materials of the Meeting (the “**Meeting Materials**”) to Shareholders. The audited financial statements for the fiscal year ended December 31, 2021, can be viewed on the Company’s website at [www.capitalight.co](http://www.capitalight.co) and on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Shareholders that have specifically requested to receive audited financial statements by mail will also receive the audited financial statements for the fiscal year ended December 31, 2021 as part of their Meeting Materials.

### **ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM OR USING VOTEPROXYONLINE.COM**

If you hold your Shares directly (that is, as a “**Registered Shareholder**”) please complete, date, sign and return the accompanying form of proxy in the enclosed envelope to the TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, Attention: Proxy Department, by June 23, 2022 at 10:00 a.m. (Toronto time). **You can also submit your proxy votes online through [voteproxyonline.com](http://voteproxyonline.com) and using the control number that will be provided on the Proxy/VIF.**

If you hold your Shares in "street name", please complete, date and sign the voting instruction form that has been provided by your broker, bank or other nominee and return it in the enclosed envelope in accordance with the instructions provided by your broker, bank or other nominee.

Any Shareholder that would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live audio webcast available online through Zoom using <https://us06web.zoom.us/j/3988986319> (or by dialing (647) 374-4685 and using meeting code 398 898 6319). Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Shares during the Meeting by voting when prompted during the Meeting.

All Meeting attendees **MUST** obtain the meeting **PASSCODE** prior to login, by advising the Company of your intention to attend the Meeting at least three (3) business days prior to the Meeting date by sending an email to [info@capitalight.co](mailto:info@capitalight.co) that includes your full name and contact information.

The Meeting for which this notice is given may be adjourned without further notice other than announcement at the Meeting or any adjournment thereof. Any business for which notice is hereby given may be transacted at any such adjourned Meeting.

### **BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) “Brian Bosse”*

Brian Bosse,  
Chief Executive Officer and Director



**IC CAPITALLIGHT CORP.**

**MANAGEMENT INFORMATION CIRCULAR  
FOR THE 2022 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**INTRODUCTION**

Unless otherwise stated, the information contained in this Circular is as of May 18, 2022.

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

All references to shareholders in this Circular and the accompanying Form of Proxy and Notice of Meeting are to be shareholders of record unless specifically stated otherwise.

**SOLICITATION OF PROXIES**

This Circular is being sent to holders (the “**Shareholders**”) of Shares (the “**Shares**”) of IC Capitalight Corp. (the “**Company**”) in connection with the solicitation by or on behalf of management of the Company by its Board of Directors (the “**Board**”) in connection with the 2022 annual general meeting of Shareholders (the “**Meeting**”) to be held in a virtual-only format, which will be conducted via live audio webcast available online through Zoom using <https://us06web.zoom.us/j/3988986319> on June 27, 2022 at 10:00 a.m. (Toronto time), or at any adjournment or postponement thereof.

Proxies will be solicited primarily by mail but may also be solicited personally, by telephone or electronically by the regular employees of the Company at nominal costs. Employees of the Company may solicit proxies personally or by telephone at nominal cost. The proxy cut-off date for Shares to be voted in advance of the Meeting will be on June 23, 2022 at 10:00 a.m. (Toronto time).

*Record Date*

Registered Shareholders at the close of business on May 20, 2022, the record date for the Meeting, are entitled to receive this Circular and to vote at the Meeting and at any adjournment or postponement thereof. Shareholders have one vote per Share on each matter to be acted upon. A list of the registered Shareholders entitled to vote will be available at the Meeting.

*Virtual Meeting*

**ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM OR USING VOTEPROXYONLINE.COM**

Any Shareholder who would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live audio webcast available online through Zoom using <https://us06web.zoom.us/j/3988986319> on (or by dialing (647) 374-4685 and using meeting code 398 898 6319). Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Shares during the Meeting by voting when prompted during the Meeting.

All Meeting attendees **MUST** obtain the meeting **PASSCODE** prior to login, by advising the Company of your intention to attend the Meeting at least three (3) business days prior to the Meeting date by sending an email to [info@capitalight.co](mailto:info@capitalight.co) that includes your full name and contact information.

*Registered Shareholders*

If your Shares are registered directly in your name with the Company’s transfer agent, TSX Trust Company, you are considered, with respect to those Shares, a “**Registered Shareholder**”. The Meeting Materials have been sent directly to you on the Company’s behalf at the address on file with TSX Trust Company. The Company has engaged the TSX Trust Company, to handle the setup, mailing and tabulation of proxies in relation to the Meeting. See “*Manner of Voting and Exercise of Discretion by Proxies – Voting Instructions for Registered Shareholders*” for more detailed information on how to vote your Shares.

*Non-Registered Shareholders*

If your Shares are held in “street name” through a broker, bank or other nominee (such as CDS & Co.), you are considered a non-registered Shareholder. In accordance with National Instrument 54-101 – *Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made to forward proxy solicitation materials to the non-registered Shareholders. The Meeting Materials have been forwarded, if requested, to you by your broker, bank or other holder of record who is considered, with respect to those Shares, the registered Shareholder. As a non-registered Shareholder, you have the right to direct your broker, bank or other holder of record on how to vote your Shares by using the voting instruction form included in the Meeting Materials or as otherwise provided to you by your broker, bank, or other nominee.

#### *Appointment and Submission of Proxies*

The persons named in the enclosed form of proxy are directors and/or officers of the Company. A Shareholder has the right to appoint a person or company (who need not be a Shareholder of the Company), other than the persons designated in the accompanying form of proxy or voting instruction form, to represent the Shareholder at the Meeting. Such right may be exercised by inserting the name of such person or company in the blank space provided in the proxy or by completing another proper form of proxy or voting instruction form. In all cases, the completed proxy is to be delivered to the TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, Attention: Proxy Department, by June 23, 2022 at 10:00 a.m. (Toronto time). **You can also submit your proxy votes online through [voteproxyonline.com](http://voteproxyonline.com) and using the control number that will be provided on the Proxy/VIF.**

#### *Manner of Voting and Exercise of Discretion by Proxies*

Your Shares will be voted at the Meeting in accordance with the instructions contained in the form of proxy or voting instruction form. Your Shares will be voted for, against or withheld from voting in accordance with your instructions on any ballot that may be called for and, if you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly.

**IF YOU RETURN A SIGNED FORM OF PROXY OR VOTING INSTRUCTION FORM WITHOUT INDICATING YOUR VOTE, YOUR SHARES WILL BE VOTED “FOR” EACH OF THE MATTERS PUT FORTH AT THE MEETING.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

The grant of a proxy on the enclosed form of proxy or voting instruction form does not preclude a Shareholder from voting in person. Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Shares during the Meeting by requesting a ballot from the scrutineer at the start of the Meeting.

#### *Voting Instructions for Registered Shareholders*

If you are a Registered Shareholder, you can vote your Shares using any one of the following methods:

1. Via the internet at [www.voteproxyonline.com](http://www.voteproxyonline.com);
2. Signing and returning the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a Shareholder, to represent you as proxyholder and vote your Shares at the Meeting; **OR**
3. Attending the virtual Meeting on June 27, 2022 and voting during the live webcast as follows:
  - a. Obtain the meeting PASSCODE prior to login, by advising the Company of your intention to attend the Meeting at least three (3) business days prior to the Meeting date by sending an email to [info@capitalight.co](mailto:info@capitalight.co) that includes your full name and contact information.
  - b. Log onto <https://us06web.zoom.us/j/3988986319> (or by dialing (647) 374-4685 and using meeting code 398 898 6319) at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the Meeting and to complete the related procedures.
  - c. Enter the PASSCODE

#### *Voting Instructions for Non-Registered Shareholders*

If you are a Non-Registered Shareholder, you will have received voting instructions from your broker, bank or other holder of record who is considered, with respect to those Shares, the Registered Shareholder. As a Non-Registered Shareholder, you have the right to direct your broker, bank or other holder of record on how to vote your Shares by using the voting instruction form included in the Notice and Access Package or as otherwise provided to you by your broker, bank, or other nominee. Non-Registered Shareholders should complete, date and sign the voting instruction form that has been provided by your broker, bank or other nominee and return it in the enclosed envelope in accordance with the instructions provided by your broker, bank or other nominee.

#### *Voting Instructions for Proxyholders*

Duly appointed proxyholders, including Non-Registered Shareholders who have been duly appointed by a Registered Shareholder as proxyholder, can access and vote at the Meeting during the live audio webcast as follows:

- a. Obtain the meeting PASSCODE prior to login, by advising the Company of your intention to attend the Meeting at least three (3) business days prior to the Meeting date by sending an email to [info@capitalight.co](mailto:info@capitalight.co) that includes your full name and contact information.
- b. Log into <https://us06web.zoom.us/j/3988986319> on (or by dialing (647) 374-4685 and using meeting code 398 898 6319) at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the Meeting and to complete the related procedures.
- c. Enter the PASSCODE

The grant of a proxy on the enclosed form of proxy or voting instruction form does not preclude a Shareholder from voting in person. Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Shares during the Meeting by voting when prompted during the Meeting.

#### *Revocability of Proxies*

A Shareholder may revoke a proxy at any time prior to your proxy being voted: (i) by delivering to the Company's President and Chief Executive Officer, prior to the Meeting, a written notice of revocation bearing a later date or time than the proxy; (ii) by timely delivery of a valid, later dated proxy; or (iii) by electronically attending the Meeting and voting in person. Attendance at the Meeting will not by itself constitute revocation of a proxy. If an adjournment occurs, it will have no effect on the ability of registered Shareholders as of the record date to exercise their voting rights or to revoke any previously delivered proxies. We do not expect to adjourn the Meeting for a period of time long enough to require the setting of a new record date.

#### *Quorum and Approval*

The presence in person or by proxy of two persons holding at least ten percent (10%) of the outstanding Shares of the Company constitutes a quorum for the Meeting. There are no cumulative voting rights. The scrutineer who will be appointed for the Meeting will tabulate votes cast by proxy or in person and will determine whether or not a quorum is present.

Unless otherwise noted, approval of matters to be placed before the Meeting are by "ordinary resolution", which is a resolution passed by a simple majority (50% plus 1) of the votes cast by shareholders of the Company entitled to vote and present in person or represented by proxy.

#### *Solicitation Costs*

The Company will pay the cost of solicitation of proxies on behalf of the Board. In addition to mail, proxy solicitation may be made through other means, including by telephone, electronically, and personal interview by our officers, directors and employees. The Company does not intend to pay for an intermediary to deliver to Objecting Beneficial Owners, or "OBOs" (within the meaning of such term under NI 54-101, the proxy-related materials and Form 54-101F7), and therefore OBOs will not receive the materials unless their intermediary assumes the costs of delivery. The Company is sending proxy related material to Non-objecting Beneficial Owners.

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

No director or officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year-end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter of business to be acted upon at the Meeting, other than the election of directors of the Company, the Omnibus Plan Resolution, and as may otherwise be set out herein.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issued an unlimited number of Shares.

As of the date hereof, the Company had 90,419,146 Shares issued and outstanding, all of which are Shares, each of which carries the right to one vote on all matters that may come before the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or Company beneficially owns, or controls or directs, directly or indirectly, Shares carrying in excess of 10% of the voting rights attached to all outstanding Shares of the Company other than as set forth below:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares
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Brian Bosse <sup>(1)</sup>	35,466,959	39.2%
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(1) Includes shares owned through Bluespring Investment Strategies Inc.

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### 1. FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2021, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting. The Company's financial statements and management discussion and analysis are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### 2. ELECTION OF DIRECTORS

The Company's practice is to hold annual elections for directors and at meetings of Shareholders called for this purpose. Each director is elected individually.

The number of directors has been set at six (6).

The Company's directors currently consist of Brian Bosse, Marc Johnson, Bryan Loree, Douglas R. MacQuarrie, Veronika Hirsch, and Elliot Beutel. Management of the Company proposes to nominate all of the current directors, as further described in the table below, for election by the Shareholders as directors of the Company. Directors of the Company will hold their offices until the next annual meeting of Shareholders or until their successors have been duly elected and qualified or until the earlier of resignation, removal of office or death. Executive officers of the Company are appointed by the Board to serve until their successors are elected and qualified.

The following table sets forth the name, province and country of residence, age, Company position and principal occupation of the nominated directors of the Company as well as their respective shareholdings. There are no family relationships between any director, nominee or executive officer of the Company.

Name	Age	Company Position	Principal Occupation <sup>(3)</sup>	Director Since	# of Voting Securities Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(3)</sup>
Brian Bosse <sup>(1)</sup> Toronto, ON	48	CEO and Director	CEO and director of Capitalight, and CFO and director of Zentek	January 2017	35,466,959 (39.2%)
Marc Johnson <sup>(1)</sup> Toronto, ON	45	CFO and Director	CFO and director of Capitalight, CFO of NextSource Materials Inc.	November 2018	728,129 (0.8%)
Bryan Loree <sup>(2)</sup> Burnaby, BC	45	Director	CFO and director of Cannabix Technologies Inc., CFO of KABN Systems NA Holdings Corp., and CFO of TGS Esports Inc.	June 2008	2,541,350 (2.8%)
Douglas R. MacQuarrie <sup>(2)</sup> Whistler, BC	68	Director	CEO and director of Asante Gold Corporation, and President of MIA Investments Ltd.	April 2016	4,876,000 <sup>(4)</sup> (5.4%)
Veronika Hirsch <sup>(2)</sup> Calgary, AB	67	Director	Investor	May 2019	Nil (0.0%)
Elliot Beutel <sup>(2)</sup> Toronto, ON	32	Director	Analyst and junior portfolio manager at Oakwest Corporation Ltd.	June 2021	Nil (0.0%)

(1) Brian Bosse and Marc Johnson are non-independent directors as they are executive officers of the Company.

(2) Bryan Loree, Douglas R. MacQuarrie, Veronika Hirsch, and Elliot Beutel are independent directors of the Company.

(3) The information as to principal occupation and voting securities (defined as securities that, by their terms, provide the securityholders with a presently exercisable right to vote for the election of directors) beneficially owned or controlled or directed, directly or not directly, not being within the knowledge of the Company, has been furnished by the respective nominees. The number of voting securities exclude stock options held by the Directors.

(4) Of these shares 3,667,000 are held indirectly in the name of MIA Investments Ltd., a private company wholly owned by the MacQuarrie Family Trust and 200,000 are held indirectly in the name of Roberta MacQuarrie.

## **Biographies of the Nominated Directors of the Company**

### *Brian Bosse – CEO and Director*

Brian Bosse has served as CEO of the Company since March 15, 2018. Mr. Bosse is an investment professional with two decades of experience in commodities, as well as both private and public equity. Mr. Bosse has served as a business turnaround specialist for a number of Canadian investment firms. Commencing with Byron Securities and concluding with Société Générale, he spent a decade restructuring equity sales and trading departments, as well as proprietary investment divisions. Mr. Bosse has a Bachelor of Arts in Economics (Honours) from Wilfrid Laurier University's School of Business and Economics. He became a CFA charter holder in 2001.

### *Marc Johnson – CFO and Director*

Mr. Johnson is a senior executive with over 23 years of experience in accounting, corporate finance and investment banking. Mr. Johnson was appointed as Chief Financial Officer (CFO) of the Company in April 2019. He is also the CFO of NextSource Materials Inc. and was previously the CFO of Andean Drilling Services Inc., Red Pine Exploration Inc. and of Honey Badger Exploration Inc. Prior to this he was Equity Research Mining Analyst at M Partners and in Investment Banking at Toll Cross Securities Inc., Accounting Manager at Teleglobe Inc., Risk Management Financial Analyst at Bell Canada and Network Cost Control Analyst at Fonorola Inc. Mr. Johnson holds the Chartered Professional Accountant (CPA) designation and the Chartered Financial Analyst (CFA) designation. He also holds a Bachelor of Commerce (Finance) from the John Molson School of Business at Concordia University in Montreal.

### *Douglas R. MacQuarrie - Director*

Douglas R. MacQuarrie is a consulting geologist/geophysicist specializing in gold exploration in West Africa. Most notably, Mr. MacQuarrie is responsible for acquisition and or discovery of significant gold deposits in Canada and in Ghana including, as former CEO of PMI Gold Corporation, the development of the 5Moz Obotan gold deposit in Ghana (now the Galiano-Goldfields Nkran mine). Mr. MacQuarrie is also President and CEO of Asante Gold Corporation. Mr. MacQuarrie received a combined Honours degree in Geology and Geophysics from the University of British Columbia in 1975.

### *Bryan Loree - Director*

Bryan Loree was previously the CFO of the Company from June 2008 to April 2019. Mr. Loree is the CFO of TGS Esports Inc., an Esports company listed on the TSXV., and as CFO and director of Cannabix Technologies Inc., a technology company listed on the CSE, and the CFO and director of Max Power Mining Corp., a mineral exploration company listed on the CSE. Mr. Loree also served as CFO of KABN Systems NA Holdings Corp., an industrial company listed on the CSE, as CFO and director of Isodiol International Inc., a company listed on the CSE, and served as CFO of Canadian Mining Corp., listed on the TSXV. Mr. Loree has held various senior accounting roles for public and private companies in various industries including, renewable energy, exploration, and construction. Mr. Loree holds a Chartered Professional Accountant, CMA designation, a Financial Management Diploma from the British Columbia Institute of Technology, and a Bachelor of Arts from Simon Fraser University.

### *Veronika Hirsch - Director*

Veronika Hirsch was a co-founder of Integrated Asset Management Corp., and served as Vice President and/or Portfolio Manager of Prudential Insurance Co. Of America, AGF, Fidelity and most recently Arrow Capital. Ms. Hirsch is a highly regarded Canadian equity manager with over 25 years' experience and is now retired. Ms. Hirsch holds a Bachelor of Commerce degree from McGill University and is a fellow of the Life Management Institute.

### *Elliot Beutel – Nominee*

Mr. Beutel started his career working in mortgage underwriting for a Canadian bank before attending the University of Toronto's Rotman school of Management where he received his MBA in 2018. Since then he has been working at Oakwest Corporation, a value oriented family office as an analyst and junior portfolio manager. Mr. Beutel holds a BA from Queens University.

### *Cease Trade Orders, Bankruptcies and Sanctions*

Bryan Loree is the CFO and Director of TGS Esports Inc. ("TGS") which was subject to a Cease Trade Order ("CTO") issued by the British Columbia Securities Commission on November 4, 2021 for failure to file its audited annual financial statements. Subsequently, the Company filed its audited annual financials on December 16, 2021 and its first quarter on December 17, 2021. The CTO was revoked on December 23, 2021.

To the best of the Company's knowledge:

- Other than as disclosed above, no other proposed director of the Company is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company that, (i) 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 the proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) 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 the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.
- No proposed director: (a) is at the date hereof, or has been with 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, or within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.
- No proposed director of the Company has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

#### *Conflicts of Interest*

To the best of our knowledge, and other than as disclosed in this Circular, there are no known existing or potential conflicts of interest between the Company and any of the directors or officers.

#### **Recommendation**

***The Board recommends that Shareholders vote "FOR" the election of each of the nominated directors.***

### **3. APPROVAL OF RE-APPOINTMENT OF MNP LLP AS AUDITORS**

MNP LLP served as auditor for the fiscal year ended December 31, 2021. The Board has selected MNP LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2022. At the Meeting, the Shareholders will vote to ratify the re-appointment of MNP LLP, as the Company's auditors for the fiscal year ending December 31, 2022 and to authorize the Board to fix their remuneration. We do not expect a representative of MNP LLP to be present at the Meeting.

If Shareholders fail to ratify the selection, it will be considered as a direction to the Board to consider the selection of a different firm. Even if the selection is ratified, the Board in its discretion may select a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and Shareholders.

#### **Recommendation**

***The Board recommends that Shareholders vote "FOR" the ratification of the re-appointment of MNP LLP, as the Company's auditors for the fiscal year ending December 31, 2022 and to authorize the Board to fix their remuneration.***

#### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management knows of no matters to come before the Meeting other than the matters referred to in the notice of Meeting. Receipt at the Meeting of reports to the directors and auditors and the Company's financial statements for its last completed financial year and the auditors' report thereon will not constitute approval or disapproval of any matters referred to therein. If any matters which are not now known should properly come before the Meeting, the accompanying form of proxy will be voted on such matters in accordance with the best judgment of the person voting it.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

Under National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102") and in accordance with Form 51-102F6 – *Statement of Executive Compensation*, requires the disclosure of certain financial and other information relating to the compensation of the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the three most highly compensated executive officer, other than the CEO and CFO, who was serving as an executive officer at the end of financial year ended December 31, 2021 and whose total compensation exceeded CAD\$150,000, for that financial year (collectively, "NEO" or the "Named

**Executive Officers**”) and of the directors of the Company.

As of the year-ended December 31, 2021, the Company had two individuals that qualified as NEOs: Brian Bosse, President and CEO, and Marc Johnson, CFO. The independent directors of the Company are Douglas R. MacQuarrie, Bryan Loree, Veronika Hirsch, and Elliot Beutel.

### **Compensation of Named Executive Officers**

The Company does not have a Compensation or Nominating Committee at the present time. All tasks related to developing and monitoring the Company’s approach to the compensation of officers of the Company and to developing and monitoring the Company’s approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company’s employees is reviewed, recommended, and approved by the independent directors of the Company.

The objectives of the compensation program is to balance the need to offer competitive compensation compared to industry standards in order to attract and retain high-calibre executives against the need to provide compensation programs that are fair and reasonable from the perspective of shareholders.

The basic elements of the compensation program are base compensation, annual incentive bonuses and long-term Option incentives. If the Omnibus Plan Resolution is approved by Shareholders at the Meeting, the compensation program will also include other long-term security-based Awards.

#### *Base Salary, Consulting Fees, Retainer or Commission*

On an individual basis, base salaries, consulting fees, retainers and commissions are reviewed for each executive officer, including the CEO and CFO, and where it is deemed necessary, changes are made. In order to ensure that base compensation are competitive relative to other similar positions within the investment industry in Canada, surveys of such compensation may be examined. Other considerations taken into account when examining base compensation include years of experience, the potential contribution which the individual can make to the success of the Company and the level of responsibility and authority inherent in the job and the importance of maintaining internal equity within the organization.

#### *Annual Incentives*

The Board may recommend bonuses be paid to executive officers of the Company when their performance warrants additional consideration. There is currently no annual bonus plan, and no compensation is directly tied to performance criteria.

#### *Security-Based Incentives*

Options to purchase the Shares of the Company encourage executive officers to own and hold the Company’s Shares and are a method of linking the performance of the Company and the appreciation of share value to the compensation of the executive officer. When determining the number of Options granted to an executive officer, items such as the relative position of the individual officer, the contribution made by that officer during the review period and the number of Options granted previously would be taken into consideration. Options are presently awarded pursuant to the Existing Option Plan. If the Omnibus Plan Resolution is approved by Shareholders at the Meeting, the compensation program will also include other long-term security-based Awards.

#### *Perquisites*

Perquisites such as health benefits and other usual perquisites may be provided for executives in accordance with local practices in order.

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

The following are the material terms of each agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the company or any of its subsidiaries that were performed by a director, NEO or was performed by any other party but are services typically provided by a director or NEO.

- Brian Bosse: The Company signed a multi-year consulting agreement with Brian Bosse on October 2, 2019 through his consulting company, BlueSpring Investment Strategies Inc. (“BlueSpring”). As part of the agreement, as of January 1, 2020, BlueSpring is entitled to receive an annual base consulting fee of \$150,000 plus additional annual equity compensation of \$150,000. BlueSpring waived the annual base consulting fee of \$150,000 from the 2021 compensation.
- Marc Johnson: The Company has not signed a long-term consulting or employment agreement with Marc Johnson. His consulting company, MDJ Capital Inc., is entitled to receive a base consulting fee of \$5,000 per month plus additional hourly amounts based on hours billed to the Company.

#### *Termination And Change of Control Benefits*



The following are the material termination and change of control benefits payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director, NEO or was performed by any other party but are services typically provided by a director or NEO.

- The Company has a consulting agreement with Brian Bosse, who receives a base annual compensation of \$12,500 per month plus additional equity compensation of \$12,500. His contract has a 12-month pay in lieu of termination notice, which increases by 1 month for each year of service as measured from March 2018. The termination notice period is tripled if the termination notice occurs during or following a change of control the Company.

The following table provides details regarding the estimated incremental payments from the Company to each of the NEOs upon termination in connection with a change of control in accordance with the above provisions, or upon termination without cause, assuming a triggering event occurs on December 31, 2019.

Name and Principal Position	Severance Period Without / With Change of Control (# of months)	Base Salary per Month (\$)	Termination Pay Without Change of Control (\$)	Termination Pay with Change of Control (\$)
Brian Bosse, CEO, President and Director	15 months (45 months)	12,500 <sup>(A)</sup>	187,500	562,500

(A) Brian Bosse receives through BlueSpring an annual base consulting fee of \$150,000 plus \$150,000 of additional equity compensation. BlueSpring waived the annual base consulting fee of \$150,000 from the 2021 compensation.

### Compensation of Directors

The directors of the Company currently do not receive cash payments for their services. However, such individuals are eligible to receive security-based compensation pursuant to the Omnibus LTIP Plan.

### Summary Compensation Table

The following table is a summary of the compensation paid, directly or indirectly, to the Named Executive Officers and directors of the Company for the two most recently completed financial years:

COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Fiscal Year	Salary, Consulting Fees, Retainer or Commission (\$)	Bonus (\$)	Director Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Brian Bosse, CEO, President and Director <sup>(A)</sup>	2021	150,000	Nil	Nil	Nil	Nil	150,000
	2020	150,000	Nil	Nil	Nil	36,751	186,571
Marc Johnson, CFO and Director <sup>(B)</sup>	2021	73,200	Nil	Nil	Nil	Nil	73,200
	2020	71,870	Nil	Nil	Nil	Nil	71,870
Bryan Loree, Director <sup>(C)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Douglas R. MacQuarrie, Director <sup>(D)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Veronika Hirsch, Director <sup>(E)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Elliot Beutel, Director <sup>(F)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

(A) Brian Bosse became the Chief Executive Officer on March 15, 2018, and a Director on January 5, 2017.

(B) Marc Johnson became the Chief Financial Officer on April 5, 2019, and a Director on November 13, 2018.

(C) Bryan Loree became a Director on June 12, 2008.

(D) Douglas R. MacQuarrie became a Director on April 13, 2016.

(E) Veronika Hirsch became a Director on May 15, 2019.

(F) Elliot Beutel became a Director on June 23, 2021.

### Options and Other Compensation Securities

During the financial year ended December 31, 2021, the following compensation securities were granted or issued to the directors and Named Executive Officers by the Company:

COMPENSATION SECURITIES							
Name and Position	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
Brian Bosse, CEO, President and Director <sup>(A)</sup>	Stock Option	100,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Marc Johnson, CFO and Director <sup>(B)</sup>	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Bryan Loree, Director <sup>(C)</sup>	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Douglas R. MacQuarrie, Director <sup>(D)</sup>	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026
Veronika Hirsch, Director <sup>(E)</sup>	Stock Option	200,000	February 12, 2021	0.065	0.055	0.090	February 12, 2026

#### Exercise of Options and Other Compensation Securities

During the financial year ended December 31, 2021, the following compensation securities were exercised by the directors and Named Executive Officers of the Company:

EXERCISE OF COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised (#)	Exercise Price per Security (\$)	Date of Exercise	Closing Price of Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Date of Exercise (\$)
Brian Bosse, CEO, President and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marc Johnson, CFO and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bryan Loree, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Douglas R. MacQuarrie, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Veronika Hirsch, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### Pension Plan Benefits

For the most recently completed financial year, the Company did not have any pension or retirement benefit plans and none are proposed at this time.

## EXISTING EQUITY COMPENSATION PLANS

The Company has two (2) equity compensation plans approved by shareholders, being the 10% rolling omnibus long-term security-based incentive plan that was approved by shareholders on November 19, 2020 (the "LTIP Plan") and the 10% rolling stock option plan that was approved by shareholders on April 11, 2019 (the 2019 Plan).

In respect to the 2019 Plan, no further awards have been or shall be granted under the 2019 Plan, all options granted under the 2019 Plan that remain outstanding shall continue to be governed by the terms and conditions of the 2019 Plan, the 2019 Plan will terminate on April 11, 2029, and the LTIP Plan replaced the 2019 Plan as the Company's primary incentive plan on November 19, 2020.

The purpose of the LTIP Plan is to advance the interests of the Company, by providing an additional incentive to attract, retain and motivate highly qualified and competent persons who are key to the Company and upon whose efforts and judgment the success of the Company and its subsidiaries is largely dependent.

Pursuant to the LTIP Plan, the Board may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, consultants and employees of the Company and its affiliates, security-based incentives, including stock options to acquire Common Shares at an exercise price for a period of up to five years from the date of the grant if the vesting provisions are satisfied, restricted share units ("RSUs") that can be converted into Common Shares if the vesting provisions are satisfied, provided that the number of Common Shares reserved for issuance thereunder may not exceed 10% of the total issued and outstanding Common Shares at the date of the grant.

The following restrictions on the granting of incentives are applicable under the LTIP Plan:

- (a) The aggregate number of Shares that may be reserved for issuance pursuant to incentives granted to any one individual must not exceed 5% of the issued Common Shares of the Company (determined as at the Grant Date) in a 12-month period, unless the Company has obtained Disinterested Shareholder Approval.
- (b) The aggregate number of incentives granted to Eligible Persons engaged to provide Investor Relations Activities in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of CSE.
- (c) The aggregate number of incentives granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Company (determined as at the Grant Date) without the prior consent of CSE.

In the event an incentive granted under the LTIP Plan expires unexercised, is terminated or is otherwise lawfully cancelled prior to exercise of the Option, the Shares that were issuable thereunder will be returned to the LTIP Plan and will be available again for an grant under this LTIP Plan.

If there is a Change of Control, then all outstanding incentives, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the Shares subject to such incentives to be issued and tendered to such bid.

The Board will be responsible for the general administration of the LTIP Plan and the proper execution of its provisions, the interpretation of the LTIP Plan and the determination of all questions arising hereunder.

If required by the CSE Policies, the Company must obtain Disinterested Shareholder Approval of incentives if the incentives, together with any other Share Compensation Arrangement, could result at any time in:

- (a) the number of shares reserved for issuance under incentives granted to Insiders exceeding 10% of the issued Common Shares of the Company;
- (b) the grant to Insiders, within a 12-month period of incentives exceeding 10% of the issued Common Shares of the Company; or
- (c) the issuance to any one participant, within a 12-month period of a number of shares exceeding 5% of the issued Common Shares of the Company.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table is a summary of securities issued and issuable under all security-based compensation plans of the Company, being the LTIP Plan, as at December 31, 2021.

Equity Compensation Plan	Number of securities to be issued upon exercise of outstanding Options, Warrants and rights (#)	Weighted-average exercise price of outstanding Options, Warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding security reflected in column (a)) (#)
Equity Compensation Plans Approved by Shareholders	5,969,232 <sup>(1)</sup>	\$0.034 <sup>(3)</sup>	3,072,682 <sup>(2)</sup>
Equity Compensation Plans Not Approved by Shareholders	N/A	N/A	N/A

(1) Representing approximately 6.6% of the 90,419,146 shares issued and outstanding as at December 31, 2021.

(2) Representing approximately 3.4% of the 90,419,146 shares issued and outstanding as at December 31, 2021.

(3) Based on 4,200,000 stock options with a weighted-average exercise price of \$0.055 and 1,769,232 RSUs with a weighted-average price of \$nil.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-201”) and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) set out a series of guidelines for effective corporate governance. The guidelines address matters such as the constitution and independence of corporate boards, the function to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 requires the disclosure by each reporting issuer of its approach to corporate governance with reference to the guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of conformity. The following disclosure is provided in accordance with the corporate governance disclosure prescribed by Form 58-101F2 of NI 58-101.

### Corporate Governance

The Board and management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

The role of the Board is to oversee the conduct of the Company's business, to set corporate policy and to supervise management, which is responsible to the Board for the day-to-day conduct of business. Material transactions are addressed at the Board level. The Board discharges five specific responsibilities as part of its stewardship responsibility. These are:

- (1) Strategic Planning Process: given the Company's size, the strategic plan is carried out directly by management, with input from and assistance of the Board;
- (2) Managing Risk: the Board directly oversees most aspects of the business of the Company and thus, does not require elaborate systems or numerous committees to effectively monitor and manage the principal risks of all aspects of the business of the Company;
- (3) Appointing, Training, and Monitoring Senior Management: no elaborate system of selection, training and assessment of Management has been established, given the operations and size of the Company; however, the Board closely monitors Management's performance, which is measured against the overall strategic plan, through reports by and regular meetings with management;
- (4) Communication Policy: the Company has a Disclosure Committee and formal disclosure policy allowing it to communicate effectively and accurately with its Shareholders, other stakeholders, and the public generally through statutory filings and news releases; the Shareholders are also given an opportunity to make comments or suggestions at Shareholder meetings; these comments and suggestions are then factored into the Board's decisions; and
- (5) Ensuring the integrity of the Company's Internal Control and Management Information System: given the involvement of the Board in operations, the reports from and the meetings with management, the Board can effectively track and monitor the implementation of approved strategies.

The President and Chief Executive Officer and the Chief Financial Officer are members of the Board, as is usual given the Company's size. The Board feels that this is not an impediment to the proper discharge of its responsibilities. Interaction between members of management and the Board, inside and outside Board meetings, ensures that the Board is informed and the Board members' experience utilized by management. The Board remains cognizant to corporate governance issues and seeks to set up structures to ensure the effective discharge of its responsibilities without creating additional costs. The Board is committed to ensuring the Company's long-term viability, and the well-being of its employees and of the communities in which it operates. The Board has also adopted a policy of permitting individual directors, under appropriate circumstances, to engage legal, financial or

other advisors at the Company's expense. The majority of the Board, when elected, was comprised of independent directors. See "Election of Directors".

The Board is of the view that the Company's approach to corporate governance is appropriate for its current size and resources, but will monitor its approach as it progresses in its business plans. The Company will periodically monitor and refine such practices as the size and scope of its operations increase. The Board regularly reviews, evaluates and modifies its governance program to ensure it is of the highest standard. The Board is satisfied that the Company's governance plan is consistent with legal and stock exchange requirements.

The Company does not have a policy requiring members of the Board to attend annual meetings of Shareholders, although the Company typically encourages the Board to attend.

### **Board of Directors**

At the last annual meeting of Shareholders, the following individuals were elected as the Company's directors: Brian Bosse, Marc Johnson, Bryan E. Loree, Douglas MacQuarrie, Veronika Hirsch, and Elliot Beutel.

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Company. A "material relationship" is defined as a relationship, which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment. Bryan E. Loree, Douglas MacQuarrie, Veronika Hirsch, and Elliot Beutel are considered "independent directors". Brian Bosse and Marc Johnson are non-independent directors as they are executive officers of the Company.

Independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. Independent directors are encouraged to hold unscheduled and informal meetings to discuss issues ahead of regularly scheduled meetings of the Board.

Since the last annual meeting of Shareholders held on June 23, 2021, the Board has met four (4) times. No member of the Board attended fewer than 75% of the total number of board and committee meetings.

The Company does not currently have a Nominating Committee. All tasks related to developing and monitoring the Company's approach to the nomination of directors to the Board have been performed by the members of the Board collectively. Nominations tend to be the result of recruitment efforts by management and directors, which are then presented to the Board for consideration. The Board has no specified policy regarding consideration of any director candidates recommended by securityholders, as it believes the most effective recruitment efforts are those led by management and directors.

### **Board Mandate**

The Board of Directors has not developed a written Board of Directors Mandate description.

### **Position Descriptions**

The Board of Directors has not developed written position descriptions for the Chair of the Board and the Chair of the Audit Committee. The Board of Directors has established that the Chairs are required to set the agenda for respective meetings, assigning meeting secretaries, calling the meetings to proper order and ensuring the meeting agendas are respected and that matters are duly discussed.

The Board has not developed a written position description for the Chief Executive Officer.

### **Director Orientation and Continuing Education**

The Company does not provide a formal orientation and education program for its directors. New directors are given an opportunity to familiarize themselves with the Company by visiting the Company's corporate offices, meeting with other directors, reviewing the rules and regulations of the stock exchanges where the Shares are listed, and reviewing the Company's by-laws and related documents. Directors are invited to speak with the Company's solicitors, auditors and other service providers to become familiar with their legal responsibilities.

### **Ethical Business Conduct**

The Company has instituted certain policies and procedures but has not adopted a Code of Ethics that applies to its directors, officers, and employees. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Board of Director Committees**

The Company established the Investment Committee in order to monitor its investment portfolio on an ongoing basis and to review the status of its investments. The Investment Committee is subject to the direction of the CEO, and consists of Brian Bosse, Marc Johnson and Veronika Hirsch. See Item 13.11 “Management” for more information on each member of the Investment Committee.

The Investment Committee is responsible for overseeing the Company’s investment activities and strategies. To accomplish this, the Investment Committee is charged with:

- Reviewing proposed investment opportunities formally submitted to the Investment Committee for consideration to ensure each presented investment opportunity meets the Company’s investment criteria, including the its’ investment policy;
- Assisting and advising on the terms of any investment;
- Reviewing and recommending funding for the Company’s investment opportunities;
- Overseeing the due diligence process for each propose investment opportunity;
- Identifying and managing potential conflicts of interest;
- Making recommendations to the Board; and
- Reviewing the performance and outlook of the Company’s portfolio of investments.

All of the Investment Committee members are financially literate. As currently structured, the Investment Committee includes directors and/or officers of the Company, but the Company may also utilize, or appoint to the Investment Committee, qualified independent financial or technical consultants approved by the CEO to assist the Investment Committee in making its investment decisions. One member of the Investment Committee may be designated and authorized to handle the day-to-day trading decisions in keeping with the directions of the Board and the Investment Committee.

### Directorships

The following directors of the Company are presently directors of the following other issuers that are reporting issuers, or the equivalent, in a Canadian or foreign jurisdiction:

Director	Name of Reporting Issuer	Exchange	Position
Brian Bosse	Zentek Ltd	TSXV	Director
Douglas R. MacQuarrie	Asante Gold Corporation	CSE	Director
Bryan Loree	Cannabix Technologies Inc. Max Power Mining Corp. TSG Esports Inc.	CSE CSE TSX-V	Director and CFO Director and CFO Director and CFO

Note: “TSX-V” = TSX Venture Exchange, and “CSE” = Canadian Securities Exchange

### Director Assessments

The Board uses peer reviews to assess, on an annual basis, the effectiveness of the Board as a whole and of each of the individual Directors in order to determine whether the Board is functioning effectively.

### Director Term Limits

The Company has not instituted director term limits. The Company believes that in taking into account the nature and size of the Board and the Company, it is more important to have relevant experience than to impose set time limits on a director’s tenure, which may create vacancies at a time when a suitable candidate cannot be identified and as such would not be in the best interests of the Company. In lieu of imposing term limits, the Company regularly monitors director performance through annual assessments and regularly encourages sharing and new perspectives through regularly scheduled Board meetings, meetings with only independent directors in attendance, as well as through continuing education initiatives. On a regular basis, the Company analyzes the skills and experience necessary for the Board and evaluates the need for director changes to ensure that the Company has highly knowledgeable and motivated Board members, while ensuring that new perspectives are available to the Board.

### Female Representation in Management and on the Board

The Company currently has six Board members, one of whom is female. The Company has two executive officers, none of whom are female.

The Company has not implemented a diversity policy; however, the Company believes that it currently promotes the benefits of, and need for, extending opportunities to all candidates, without distinction as to gender, race, colour, religion, sexual orientation, family or marital status, political belief, age, national or ethnic origin, citizenship, disability, or any other basis and will strive for diversity of experience, perspective and education.

The Company has not adopted a written policy relating to the identification and nomination of women directors and executive officers. The Company has not considered the level of representation of women in its executive officer positions or on its Board in previous nominations or appointments (including a targeted number or percentage).

The Company will continue to monitor developments in the area of diversity.

### **Board's Relations with Management**

The interaction between Management and Board members, both inside and outside of meetings of the Board, ensures that the Board is properly informed and that the Board members' experience is brought to bear when needed by management.

The Board remains sensitive to corporate governance issues and seeks to set up the necessary structures to ensure the effective discharge of its responsibilities without creating additional overhead costs or reducing the return on shareholders' equity. The Board is committed to ensuring the long-term viability of the Company. The Board has also adopted a policy of permitting individual Directors under appropriate circumstances to engage legal, financial or other expert advisors at the Company's expense.

### **AUDIT COMMITTEE INFORMATION AND OVERSIGHT**

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires that certain information regarding the Audit Committee be included in the management Circular sent to shareholders in connection with the issuer's annual meeting.

The Audit Committee is responsible for the oversight and for recommending the appointment, compensation, retention, termination of an independent external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Company has not yet adopted any specific policies or procedures regarding the engagement of non-audit services but does review such matters as they arise in light of factors such as the Company's current needs and the availability of services.

The Audit Committee consists of Bryan Loree (Chair), Douglas R. MacQuarrie and Veronika Hirsch. All members are independent and “financially literate” as per the standards of National Instrument 52-110. During the year ending December 2020, the Audit Committee met four (4) times in person or by telephone. All Audit Committee members attended all four meetings.

The Audit Committee has a charter, the full text of which is attached to this Circular as Appendix A” and is also available on the Company's website at [www.capitalight.co](http://www.capitalight.co).

### **Relevant Education and Experience**

#### *Bryan Loree - Chair*

Bryan Loree was previously the CFO of the Company from June 2008 to April 2019. Mr. Loree is the CFO of TGS Esports Inc., an Esports company listed on the TSXV., and as CFO and director of Cannabix Technologies Inc., a technology company listed on the CSE. Mr. Loree also served as CFO of KABN Systems NA Holdings Corp., an industrial company listed on the CSE, as CFO and director of Isodiol International Inc., a company listed on the CSE, and served as CFO of Canadian Mining Corp., listed on the TSXV. Mr. Loree has held various senior accounting roles for public and private companies in various industries including, renewable energy, exploration, and construction. Mr. Loree holds a Chartered Professional Accountant, CMA designation, a Financial Management Diploma from the British Columbia Institute of Technology, and a Bachelor of Arts from Simon Fraser University.

#### *Douglas R. MacQuarrie*

Douglas R. MacQuarrie is a consulting geologist/geophysicist specializing in gold exploration in West Africa. Most notably, Mr. MacQuarrie is responsible for acquisition and or discovery of significant gold deposits in Canada and in Ghana including, as former CEO of PMI Gold Corporation, the development of the 5Moz Obotan gold deposit in Ghana (now the Galiano-Goldfields Nkran mine). Mr. MacQuarrie is also President and CEO of Asante Gold Corporation. Mr. MacQuarrie received a combined Honours degree in Geology and Geophysics from the University of British Columbia in 1975.

#### *Veronika Hirsch*

Veronika Hirsch is currently Portfolio Manager with Arrow Capital Management Inc. (expected to retire later in 2021). Ms Hirsch was a co-founder of Integrated Asset Management Corp., and served as Vice President and Portfolio Manager at AGF Management Limited and Fidelity Investments Inc. Ms. Hirsch is a highly regarded Canadian equity manager with over 25 years' experience. Ms. Hirsch holds a Bachelor of Commerce degree from McGill University and is a fellow of the Life Management Institute.

### **Audit Committee Oversight**

Since the commencement of the most recently completed financial year, the Board adopted all the recommendations of the Audit Committee to nominate or compensate an external auditor.

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

The Audit Committee has not adopted any specific policies and procedures regarding the engagement of non-audit services, but does review such matters as they arise in light of factors such as the Company's current needs, the availability of services from other sources and the other services provided by the Company's auditor.

## **External Auditor Services Fees**

MNP LLP was appointed as the Company's auditors on May 16, 2019. The Board considers that the work done in the year ended December 31, 2021 by the Company's external auditors, MNP LLP is compatible with maintaining MNP LLP. All of the work expended by MNP LLP on our December 31, 2020 audit was attributed to work performed by MNP LLP's full-time, permanent employees. The Audit Committee reviews and must approve all engagement agreements with external auditors.

During the year ended December 31, 2021, the Audit Committee pre-approved all of the fees invoiced by MNP LLP.

### *Audit Fees:*

The aggregate fees, including expenses, billed by the Company's auditor in connection with the audit of our financial statements for the most recent fiscal year and for the review of our financial information included in our Annual Report and our quarterly reports during the fiscal year ending December 31, 2021 was \$48,150 (2020: \$35,125).

### *Non-Audit Assurance Fees:*

The aggregate fees, including expenses, billed by the Company's auditor for assurance services unrelated to the audit for the year ended December 31, 2021 were \$Nil (2019: \$Nil).

### *Non-Audit Taxation Fees:*

The aggregate fees, including expenses, billed by the Company's auditor for tax compliance services during the year ended December 31, 2021 were \$Nil (2020: \$Nil). The tax filing was completed by Devisser Gray LLP, Chartered Professional Accountants, which was paid aggregate fees, including expenses, of \$4,500.

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS**

No person who is now, or was at any time since the beginning of the most recently completed financial year of the Company has been, a director, executive officer or senior officer of the Company, or associate thereof, been indebted to the Company, or had indebtedness during that period which was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

None of the directors or senior officers of the Company, nor any proposed director of the Company, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed fiscal year or in any proposed transaction which, in either case, has or will materially affect the Company.

## **ADDITIONAL INFORMATION**

Additional information related to the Company, audited financial statements and management discussion and analysis (MD&A) for the most recently completed financial year, are available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Company website at [www.capitalight.co](http://www.capitalight.co).

Shareholders may request copies of the financial statements and MD&A by mailing a request to: IC Capitalight Corp., 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.



## APPENDIX "A"

### AUDIT COMMITTEE CHARTER

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### Composition

The Committee shall be comprised of a minimum of three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in NI 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in NI 52-110), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

#### Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review
  - a. review and update this Audit Committee Charter annually; and
  - b. review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
2. External Auditors
  - a. review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
  - b. obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
  - c. review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
  - d. take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
  - e. recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
  - f. recommend to the Company's Board of Directors the compensation to be paid to the external auditors;

- g. at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- h. review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- i. review with management and the external auditors the audit plan for the year- end financial statements and intended template for such statements; and
- j. review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### 3. Financial Reporting Processes

- a. in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- b. consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- c. consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- d. review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- e. following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- f. review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- g. review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- h. review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- i. review the certification process;
- j. establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- k. establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### 4. Other

- a. review any related-party transactions;
- b. engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- c. to set and pay compensation for any independent counsel and other advisors employed by the Committee

