

**BENJAMIN HILL MINING CORP.**

**INFORMATION CIRCULAR**

THIS INFORMATION CIRCULAR CONTAINS INFORMATION AS AT FEBRUARY 28, 2022.

This Information Circular is furnished in connection with the solicitation of Proxies by the management of the Company for use at the Annual and Special General Meeting (the “Meeting”) of the shareholders of BENJAMIN HILL MINING CORP. (the “Company”) to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof.

“Beneficial Shareholders” means shareholders who do not hold Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the voting common shares in the capital of the Company (the “Shares”) held on a record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

**Appointment of Proxyholders**

The individuals named in the accompanying form of proxy are directors, officers or other representatives of the Company. A shareholder entitled to vote at the Meeting has the right to appoint a person or company, who need not be a shareholder, to attend and act for the shareholder on the shareholder's behalf at the Meeting other than either the persons or company designated in the accompanying form of proxy, and may do so either by inserting the name of that other person in the blank space provided in the accompanying form of proxy or by completing and delivering another suitable form of proxy.

**Voting by Proxyholder**

The persons named in the accompanying form of proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If the shareholder has specified a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. The proxy confers discretionary authority on the nominees named therein with respect to:

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

In respect of a matter for which a choice is not specified in the proxy, the persons named in the accompanying form of proxy will vote the Shares represented by the proxy at their own discretion for the approval of such matter.

## **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting **via audio conference call at (605) 472-5594; Access Code: 530196.**

Registered Shareholders must ensure the proxy is received by ODYSSEY TRUST COMPANY, 350 - 409 Granville Street, Vancouver, B.C. V6C 1T2 at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof, unless otherwise provided in the instructions accompanying the proxy.

## **Beneficial Shareholders**

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares, or as set out in the following disclosure, can be recognized and acted upon at the Meeting.

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

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

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

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

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

Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting.

The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of the form of proxy provided by the Company. The VIF will name the same persons as the proxy to represent the Beneficial Shareholder at the Meeting, and that person may be the Beneficial Shareholder themselves. A Beneficial Shareholder has the right to appoint a person (who need not be a Beneficial Shareholder of the Company) other than the persons designated in the VIF, to represent the Beneficial Shareholder at the Meeting. To exercise this right, the Beneficial Shareholder should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use it to vote Shares directly at the Meeting - the VIF must be returned to Broadridge, as the case may be, well in advance of the Meeting in order to have the Shares voted. Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

**To Vote Your Proxy Online please visit:**

**<https://login.odysseytrust.com/pxlogin> and click on VOTE . You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by Internet, do not mail this proxy.**

- 1. By mail or personal delivery to Odyssey Trust Company, United Kingdom Building, 350 – 409 Granville Street, Vancouver, B.C. V6C 1T2; or**
- 2. By fax to Odyssey, to the attention of the Proxy Department at 1-800-517-4553 (toll free within Canada and the U.S.) or 416-263-9524 (international); or**
- 3. By internet by going to <https://login.odysseytrust.com/pxlogin> and following the online voting instructions given to you.**

Alternatively, Beneficial Shareholders may request in writing that their broker send to them a legal proxy which would enable them to attend at the Meeting and vote their Shares.

**Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to ODYSSEY TRUST COMPANY, 350 - 409 Granville Street, Vancouver, B.C. V6C 1T2 or at the address of the registered office of the Company at Suite 1400, 1125 Howe Street, Vancouver, B.C. V6Z 2K8, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the

Chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a proxy may be revoked by the registered shareholder personally by attending the Meeting and voting the registered shareholder's Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as set out herein.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors of the Company (the "Board") has fixed **February 28, 2022** as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

As of **February 28, 2022**, the Company had outstanding **52,065,025** fully paid and non-assessable Shares without par value, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, only the following person beneficially owned, directly or indirectly, or exercised control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
CDS & Co. <sup>(1)</sup>	37,789,922	72.6%

<sup>(1)</sup> The beneficial shareholders represented by this registered holder(s) are unknown.

The above information was supplied to the Company by the Company's transfer agent.

## **FINANCIAL STATEMENTS**

The comparative audited financial statements of the Company for the years ended August 31, 2021 and the report of the auditor thereof will be placed before the Meeting. The audited financial statements, the report of the auditor, together with the management's discussion and analysis can be found on [www.sedar.com](http://www.sedar.com).

## **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to approve the resolutions described herein. A special resolution is a resolution passed by a majority of not less than **two-thirds (2/3rds)** of the votes cast by the shareholders who, being entitled to do so, voted in person or by proxy at the Meeting. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have

been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## ELECTION OF DIRECTORS

The size of the Board of Directors of the Company is currently determined at **four (4)**. The Board proposes that the number of directors remain at **four (4)**. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at **four (4)**.

Management of the Company recommends that you vote **FOR** fixing the number of directors at **four (4)**. Unless instructed otherwise, the individuals named as proxy holders in the enclosed form of proxy intend to vote any Shares represented thereby as recommended

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the British Columbia Business Corporations Act ("BCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at February 28, 2022.

Name, Office Held, Residence and Date First Appointed	Present Occupation and if not elected director Occupation for past 5 years	# of Shares Beneficially Owned, Directly or Indirectly, or Over which Control of Direction is Exercised at the date of this Information Circular
Cole McClay <i>CEO and Director</i> Vancouver, B.C. February 25, 2021	Mr. McClay is the CEO and Director of the Company. He is a Director of Tarachi Gold Corp. since March 2021.	268,572
Greg Bronson <sup>(1)</sup> <i>President and Director</i> North Vancouver, B.C. July 22, 2020	Geologist of Rae-co Consulting	30,000
Juan J. Duarte Bravo <i>Director</i> Sonora, Mexico August 11, 2020	Lawyer	Nil
Tyrone McClay <i>Director</i> Vancouver, B.C. July 28, 2020	Business Consultant	142,860

<sup>(1)</sup> Member of audit committee

<sup>(2)</sup> Shares beneficially held directly and indirectly

Unless instructions are given to abstain from voting with respect to the election of directors, the persons named as proxy holders in the enclosed form of proxy intend to **FOR** the election of management's nominees. If, for any reason, any of the above proposed nominees are unable or unwilling to stand for election or to serve as directors, the Company may nominate such alternative nominees as it may see fit.

If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be elected.

Other than as set out above, no proposed director (including any personal holding company of a proposed director), is:

- (1) as at the date of the Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (a) was the subject of a cease trade order (including a management cease trade order which applies to directors or executive officers), 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 person was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (b) was subject to an order that was issued after such person 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 a director, chief executive officer or chief financial officer;
- (2) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, 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;
- (3) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (4) has been subject to:
  - (a) any penalties or sanctions imposed by a court relation to securities legislation or by a securities regular authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
  - (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director. No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

## CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management 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.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

### 1. Board of Directors

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- (a) the *Business Corporations Act* (British Columbia);
- (b) the Company's articles of incorporation;
- (c) the charters of the Board and the Board committees; and
- (d) other applicable laws and Company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

Of the Company's proposed slate of four (4) directors, two (2) would be considered independent. The definition of independence used by the Board is that used by the Canadian Securities Exchange. A director is independent if he has no "material relationship" with the Company. A "material relationship" is a relationship which could, in view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Certain types of relationships are by their nature considered to be material relationships.

The Board has determined that Messrs. Tyrone McClay and Juan J. Duarte Bravo are independent directors. Mr. Bronson is not independent because he is the President of the Company. Mr. Cole McClay is not independent because he is the CEO of the Company.

The Board is responsible for determining whether or not each director is an independent director. The President, CEO, CFO and Secretary and any other officer are not considered independent. None of the other directors work in the day-to-day operations of the Company, are party to any material contracts with the Company, or receive any fees from the Company except as disclosed in this Information Circular.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.

The Board is responsible for choosing the President and CEO and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Company's major communications, including annual and quarterly reports, financing documents and press releases. The Company communicates with its stakeholders through a number of channels including its website. The Board approved the Company's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its audit committee ("Audit Committee"), examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the external auditor and management of the Company to ensure the integrity of these systems. The external auditor submits a report to the Audit Committee each year on the quality of the Company's internal control processes and management information systems.

## 2. Directorships

The following table sets forth the directors of the Company who currently hold directorships on other reporting issuers:

<u><i>Name of Director</i></u>	<u><i>Name of Other Reporting Issuer</i></u>
<b>Cole McClay</b>	Tarachi Gold Corp.
<b>Greg Bronson</b>	Bathurst Metals Corp. Avanti Energy Inc. EMP Metals Corp.

## 3. Orientation and Continuing Education

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

## 4. Ethical Business Conduct

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

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any



material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

#### 5. Nomination of Directors

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

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

#### 6. Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of Directors with the return to shareholders. The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

#### 7. Other Board Committees

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

#### 8. 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 committees.

### **AUDIT COMMITTEE**

#### **The Audit Committee Charter**

The Audit Committee's mandate and charter can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board, in good standing, and the majority of the members of the Audit Committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.

3. Review the Audit Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of the management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the Audit Committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review and evaluate the performance of the independent auditors and review with the full Board any proposed discharge of the independent auditors.
8. Review with the management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the management and the independent auditors about significant risks or exposures facing the Company; assess the steps the management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.
11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with the Management's responses thereto.
14. Review with the management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with the management the annual financial reports before they are filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of each alternative and the treatment preferred by the Company.

17. Review all material written communications between the independent auditors and the management.
18. Review with the management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the management encountered during the audit.
19. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
20. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
21. The Audit Committee will perform such other functions as assigned by law, the Company's articles, or the Board.

### **Composition of the Audit Committee**

The members of the Audit Committee are **Cole McClay, Juan J. Duarte Bravo, and Tyrone McClay**, a majority of which are independent and at least one member of which is financially literate.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgement.

A member of the Audit Committee is considered 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 Company.

### **Relevant Education and Experience**

Each member has an understanding of the mineral exploration and mining business in which the Company is engaged and has an appreciation of the financial issues and accounting principles that are relevant in assessing the company's financial disclosures and internal control systems. The experience necessary for such industry understanding and fiscal review experience is drawn from the following prior business activities of each of the members of the Audit Committee:

**Cole McClay** – Mr. McClay has been instrumental in raising venture capital and operations consulting for international mining, exploration, agriculture, and health care businesses. Mr. McClay holds over 10 years of senior management experience, where he was influential in the development of corporate strategy, operations, and marketing platforms. He is a skilled team builder who supervised management teams from the business start-up phase through to whole company acquisition. Mr. McClay holds a Bachelor of Commerce Degree from Royal Roads University.

**Juan J. Duarte Bravo** – Mr. Duarte Bravo has considerable experience dealing with business operations and reading and understanding financial statements.

**Tyrone McClay** - Mr. McClay has considerable experience dealing with business operations and reading and understanding financial statements.

### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants of Vancouver, British Columbia) not adopted by the Board.

### **Reliance on Certain Exemptions**

During the most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of National Instrument 52-110 *Audit Committees*. 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 all the non-audit services not pre-approved is reasonably expected to be no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of the Instrument, in whole or in part.

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

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of National Instrument 52-110 *Audit Committees*, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants of Vancouver, British Columbia to the Company to ensure auditor independence. Fees incurred with Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants of Vancouver, British Columbia for audit and non-audit services in the last two fiscal year for audit fees are outlined in the following table.

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Year ended August 31, 2021</b>	<b>Fees Paid to Auditor in the prior Fiscal Year</b>
Audit Fees (1)	\$40,918.19	\$21,256
Audit-Related Fees (2)	Nil	Nil
Tax Fees (3)	Nil	Nil
All Other Fees (4)	Nil	Nil
<b>Total</b>	<b>\$40,918.19</b>	<b>\$21,256</b>

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

### **Exemption**

The Company is relying upon the exemption in section 6.1 of National Instrument 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

### **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants of Vancouver, British Columbia, will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the directors.

### **COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**

The Compensation Discussion and Analysis section explains the compensation program for the fiscal year ended August 31, 2021 for the Company's Named Executive Officers (as that term is defined under applicable securities legislation).

### **COMPENSATION DISCUSSION AND ANALYSIS**

The compensation of the executive officers is determined by the Board of Directors, based in part on recommendations from the Chief Executive Officer.

The Board evaluates individual executive performance with the goal of setting compensation at levels that they believe are comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, the Board base their decisions on their general business and industry knowledge and experience and publicly available information of comparable companies while also considering our relative performance and strategic goals.

The executive officer compensation consists of two basic elements: i) base salary; and ii) incentive stock options. The details are set out in the Summary Compensation Table.

The base salary established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by the Board. In deciding on the salary portion of the compensation of the executive officers, major consideration is given to the fact that the Company is an early stage exploration company and does not generate any material revenue and must rely exclusively on funds raised from equity financing. Therefore, greater emphasis may be put on incentive stock option compensation.

The incentive stock option portion of the compensation is designed to provide the executive officers of the Company with a long term incentive in developing the Company's business. Options granted under the Company's stock option plan are approved by the Board, and if applicable, its subcommittees, after consideration of the Company's overall performance and whether the Company has met targets set out by the executive officers in their strategic plan.

**TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES**  
(for the fiscal year ended August 31, 2021)

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Cole McClay<sup>(1)</sup></b> <i>CEO and Director</i>	2021	70,000	Nil	Nil	Nil	Nil	70,000
<b>Greg Bronson<sup>(2)</sup></b> <i>President and Director</i>	2021 2020	60,000 25,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	5,000 5,000
<b>Juan J. Duarte Bravo<sup>(3)</sup></b> <i>Director</i>	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Tyrone McClay<sup>(4)</sup></b> <i>Director</i>	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Ni
<b>Souhail Abi-Farrage<sup>(5)</sup></b> <i>Director (Former President and CEO)</i>	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Ni
<b>Michael Mulberry<sup>(6)</sup></b> <i>Director</i>	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Leonard Vern Senft<sup>(7)</sup></b> <i>Former Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Paul Smith<sup>(8)</sup></b> <i>Former Director</i>	2020	N/A	N/A	N/A	N/A	N/A	N/A

(1) Appointed February 25, 2021 as a Director and CEO

(2) Appointed July 22, 2020 as a Director and appointed August 13, 2020 as President

(3) Appointed August 11, 2020 as a Director

(4) Appointed July 28, 2020 as a Director

(5) Resigned as President and CEO on August 13, 2020 and resigned as director February 23, 2021

(6) Resigned February 23, 2021

(7) Resigned August 11, 2020

(8) Resigned July 22, 2020

**COMPENSATION SECURITIES**  
(for the fiscal year ended August 31, 2021)

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	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
<b>Cole McClay</b> <i>CEO and Director</i>	Stock Options	600,000	Feb 18, 2021	0.59	0.59	0.34	Feb 18, 2026
<b>Greg Bronson</b> <i>President and Director</i>	Stock Options	444,105	July 22, 2020	0.25	0.26	0.34	July 22, 2025
<b>Juan J. Duarte Bravo</b> <i>Director</i>	Stock Options	350,000	Feb 18, 2021	0.59	0.59	0.34	Feb 18, 2026
<b>Tyrone McClay</b> <i>Director</i>	Stock Options	600,000	Feb 18, 2021	0.59	0.59	0.34	Feb 18, 2026
<b>Michael Mulberry</b> <i>Director</i>	Stock Options	200,000 104,105	Feb 18, 2021 July 22, 2020	0.59 0.25	0.26 0.25	0.34	Feb 18, 2026 July 9, 2021
<b>Paloma Pantoja</b> <i>Officer</i>	Stock Options	600,000	Feb 18, 2021	0.59	0.59	0.34	Feb 18, 2026

<sup>(1)</sup> The total amount of compensation securities, and underlying securities, held by each named executive officer or director on the last day of the most recently completed financial year end.

Name	Total Compensation Securities	Description of Underlying Securities
<b>Cole McClay</b>	600,000 stock options	600,000 common shares
<b>Greg Bronson</b>	444,105 stock options	444,105 common shares
<b>Juan J. Duarte Bravo</b>	350,000 stock options	350,000 common shares
<b>Tyrone McClay</b>	600,000 stock options	600,000 common shares
<b>Michael Mulberry</b>	304,105 stock options	304,105 common shares
<b>Paloma Pantoja</b>	600,000 stock options	600,000 common shares

**PENSION PLAN BENEFITS**

The Company does not have a pension plan or provide any benefits following or in connection with retirement.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

A management company, wholly owned by a director provides management services to the Company pursuant to an agreement dated September 1, 2014 and amended June 1, 2016, which can be terminated upon one (1) month's prior written notice.

Neither the Company or any of its subsidiaries has any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Company and its subsidiaries or from a change of control of the Company or any subsidiary of the Company or a change in the executive officers' responsibilities following a change in control.

## EQUITY COMPENSATION PLAN INFORMATION (for the fiscal year ended August 31, 2021)

	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 securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	3,723,210	0.52	1,483,293 (under the current 10% plan) and 4,086,544 (under the proposed 15% plan)
Equity compensation plans <i>not</i> approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>3,723,210</b>		<b>As above</b>

There are no employment contracts between either the Company or its subsidiaries and the above-named executive officers other than disclosed herein or in the financial statements.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as disclosed hereunder, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end most recently completed financial year or as at the date hereof.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means (a) a Director or Executive Officer of the Company; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself 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 Company's financial statements for the financial years ended August 31, 2021, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director of the Company; 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 Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the years ended August 31, 2021, or has any interest in any material transaction in the current year other than as set out herein.

## MANAGEMENT CONTRACTS

Except as set out herein, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Stock Option Plan

Shareholders approved the adoption of new **15% rolling option plan** (the “**Stock Option Plan**”) at a previous annual general meeting.

The following is a summary of the material terms of the Issuer’s Stock Option Plan:

- (a) directors, officers, employees, consultants and related persons of the Issuer, or persons engaged in investor relations activities on behalf of the Issuer are eligible to receive grants of options under the Stock Option Plan. **It is intended that 5% out of the 15% available under the Stock Option Plan are reserved for contractors and non-related parties.**
- (b) the maximum number of Common Shares reserved for issuance upon exercise of options granted pursuant to the provisions of the Stock Option Plan at any time shall not exceed **15%** of the issued and outstanding Common Shares of the Issuer at the relevant time less any Common Shares required to be reserved with respect to any other options granted prior to the adoption and implementation of the Stock Option Plan provided that (i) no more than 10% of the issued and outstanding Common Shares of the Issuer would be reserved for options that are granted to related persons (directors and executive officers) at the date of the grant or would be reserved for options that have been granted to related persons over the 12 months period preceding and including the date of the grant, and (ii) (i) no more than 5% of the issued and outstanding Common Shares of the Issuer would be reserved for options that are granted to any one related person (a director and/or executive officer) at the date of the grant or would be reserved for all options that have been granted to any one related person over the 12 months period preceding and including the date of the grant;

- (c) the exercise price of any options granted is determined by the Board of Directors in its sole discretion as of the date the Board of Directors grants the options, and shall not be less than the greater of the closing market prices of the Issuer's Common Shares traded through the facilities of any stock exchange or exchanges or other trading facility or system on which the Common Shares of the Issuer may be listed or traded on (a) the trading day immediately prior to the date of the grant, and (b) the date of the grant;
- (d) options granted under the Stock Option Plan are non-assignable and non-transferable and exercisable for a period of up to five (5) years;
- (e) an optionee's options expire as determined by the Board, or no later than thirty (30) days if the optionee was engaged in investor relations activities; and
- (f) notwithstanding the foregoing, if an optionee dies, any vested options held by him or her at the date of death will become exercisable by the optionee's heirs, executors, administrators or other legal representatives lawful personal representatives, heirs or executors for a period of one year following the date of death of the optionee.

Under the Stock Option Plan, the number of Common Shares which may be reserved for issue: (i) to any one individual in any twelve (12) month period shall not exceed 5% of the issued and outstanding Common Shares calculated at the date the option was granted; and (ii) to any one consultant in a twelve (12) month period shall not exceed 2% of the issued and outstanding Common Shares calculated at the date the option was granted all persons who undertake investor relations activities.

The Stock Option Plan shall include a restricted share unit plan described herein (the "**RSU Plan**") attached as Schedule "A" thereto and is available for review by shareholder upon written request and has been added to fulfill the Company's ability to recruit and retain qualified individuals suitable as employees, eligible consultants, officers and directors of the Company to carry out all aspects of the Company's business plans in the best interests of the shareholders.

The RSU Plan shall be administered by the Board and restricted share units (the "**RSUs**") may be awarded to employees, eligible consultants, directors and officers of the Company.

The RSUs are subject to vesting schedules established at the time of the grant of the RSUs by the Board. Once vested, RSU holders are entitled to receive the equivalent number of underlying common shares or cash equal to the greater of (i) the average weighted closing price of the Company's shares traded for the past five days, or (ii) the closing price of the previous trading day as more particularly described in the RSU Plan (the "**Market Value**") or any combination thereof as determined by the Company.

Vested RSUs may be settled through the issuance of common shares from treasury (subject to the disinterested shareholder approval of the RSU Plan being sought at this Meeting), in cash or in any combination of the foregoing (at determined by the Company). If settled in cash, the amount shall be equal to the number of common shares in respect of which an RSU holder is entitled multiplied by the Market Value of a common share on the Trigger Date, which shall be the third anniversary of the date the RSUs are granted or an earlier date approved by the Compensation Committee as more particularly described in the RSU Plan (the "**Trigger Date**").

The Trigger Date shall be no later than the expiry date of such RSUs. The Board shall determine the expiry date of RSUs at the time such RSUs are granted, and the maximum term of an expiry date shall be one year after a RSU holder ceases to be an employee, director or eligible consultant of the Company (the "**Expiry Date**").

Any RSUs granted by the Company in accordance with the RSU Plan, and any common shares which may be reserved, set aside and available for issuance regarding such RSUs shall not exceed **1,000,000** common shares of

the Company. The maximum amount of common shares issuable to Insiders (as defined by the Exchange) under the RSU Plan, together with any common shares issuable to any other security based compensation arrangement of the Company shall not exceed **1,000,000** common shares of the Company, nor will any common shares issued to Insiders whether through the RSU Plan or together with any other security based compensation arrangement with the Company within any one year period exceed 10% of the issued common shares of the Company. **To the extent that the Company decides not to grant any or all RSUs, the Company may instead grant stock option under the Stock Option Plan.**

The maximum amount of common shares issuable under the RSU Plan, together with any other security-based compensation arrangement with the Company in a one year period to all Eligible Persons shall not exceed 2% of the issued and outstanding common shares of the Company and to any one Eligible Person shall not exceed 1% of the issued and outstanding common shares of the Company.

RSUs which have not vested on a participant's termination date shall be terminated and forfeited unless otherwise determined by the Compensation Committee. In the event a RSU holder ceased to be an employee of the Company as a result of termination of employment without cause, the Company shall have the sole discretion (unless otherwise provided in a grant agreement) to determine if all or a portion of the RSUs held by the RSU holder may be permitted to continue to vest in accordance with any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Company in its sole discretion. All forfeited RSUs are available for future grants.

Disinterested shareholder approval shall mean that all directors, officers and any other eligible participants under the RSU Plan shall abstain from voting and shall not otherwise be included in the vote regarding the RSU Plan.

RSUs cannot be assigned or transferred other than by will or the laws of descent and distribution.

Upon receiving disinterested shareholder approval of the RSU Plan, the Board in its sole discretion may, without notice, and without disinterested shareholder approval amend the RSU Plan or any provisions thereof in such manner as the Board determines, including but not limiting to amendments to the terms and conditions of the RSU Plan to ensure that the RSU Plan complies with applicable regulatory requirements any amendments that are of a "housekeeping" nature.

All other amendments to the RSU Plan are subject the prior approval of shareholders and the Exchange.

The Company has received conditional approval of the treasury based aspects of the RSU Plan, which is subject to disinterested shareholder approval.

Shareholders are asked to passed the following resolution:

"BE IT RESOLVED THAT:

1. proposed 15% Stock Option Plan of the Company be and is hereby approved;
2. the Directors be and are hereby authorized to make modifications to the Stock Option Plan in accordance with applicable stock exchange rules and policies; and
3. the RSU Plan substantially in the form as circulated to the Board, be and is hereby approved on an disinterested basis;
4. the Company will have the ability to issue RSUs which may be settled into common shares;

5. the Directors be and are hereby authorized to make modifications to the RSU Plan in accordance with applicable stock exchange rules and policies; and
6. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution.”

Management has recommended that you vote **FOR** the Company's adoption of the Stock Option Plan containing among other things, the RSU Plan and provisions consistent with the current policies of the Exchange.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is included in the Company's audited comparative financial statements for the years ended August 31, 2021 and the prior fiscal year, the auditor's report and related management discussion and analysis. Copies of such statements and the Company's most current interim financial statements and related management discussion and analysis, and additional copies of this proxy circular, may be obtained from SEDAR at [www.sedar.com](http://www.sedar.com) and upon request from the Company's Secretary at the address of the Company.

#### **OTHER MATTERS**

The Directors are not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular.

**DATED February 28, 2022.**

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Cole McClay”*

**Cole McClay  
CEO and Director**