

## CORPORATE GOVERNANCE DISCLOSURE

Set forth below is a description of the Company's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to NI 58-101.

### Board of Directors

The Board discharges its responsibility for overseeing the management of the Company's business by delegating to the Company's senior officers the responsibility for day-to-day management of the Company. The Board discharges its responsibilities both directly and through its Audit Committee. In addition to the Audit Committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. Each of the standing committees of the Board has its own charter. The charter sets forth the responsibilities of each committee, procedures of the committee and how the committee will report to the Board.

Directors must fulfill their responsibilities consistent with their fiduciary duty to the Company, in compliance with all applicable laws and regulations.

In discharging its mandate, the Board is responsible for the oversight and review of the development of, among other things; the strategic planning process of the Company; identifying the principal risks of the business and ensuring implementation of appropriate systems to manage these risks; succession planning, including appointing, training and monitoring senior management; a communications policy for the Company to facilitate communications with investors and other interested parties; and the integrity of the Company's internal control and management information systems.

In addition to those matters which, by law, must be approved by the Board, approval by the Board is required for; the Company's annual business plan and budget; major acquisitions or dispositions by the Company; and transactions that are outside the Company's existing business.

The Board's determination as to each director's independence is made in accordance with the guidelines set forth in NI 58-101. The Board considers Patrick Sapphire and Tai Ruan Chiang to be independent directors.

The Board does not consider Li Cunkou and Tan Tee Ween to be independent directors by virtue of being the current Executive Chairman and Chief Executive Officer and the former Interim Chief Executive Officer of the Company, respectively. The Board also does not consider Zhang Yiwen and Ricky Ng to be independent directors by virtue of being executive directors (working directors), who are directly involved in the operation of the Company.

### Directorships

Certain members of the Board are also members of the board of directors of other public companies. The Board has not adopted a director interlock policy, but is keeping informed of other public directorships held by its members.

The following table sets out the directors of the Company that are directors of other reporting issuers:

<b>Name of Director, Officer or Promoter</b>	<b>Name of Reporting Issuer</b>	<b>Exchange</b>	<b>Position</b>	<b>Term</b>
Patrick Sapphire	Mandala Capital Inc	TSXV	Director and Officer	March 5, 2021 to Present
	Aurum Lake Mining Corp	TSXV	Director and Officer	January 12, 2022 to Present

### Orientation and Continuing Education

The CEO and/or the CFO are responsible for providing an orientation for new directors. Director orientation and ongoing training includes presentations by senior management to familiarize directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its

principal officers and its internal and independent auditors. On occasions where it is considered advisable, the Board provides individual directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board ensures that each director is up to date with current information regarding the business of the Company, the role the director is expected to fulfill and basic procedures and operations of the Board. The Board members are given access to management and other employees and advisors, who can answer any questions that may arise. Regular technical presentations are made to the directors to keep them informed of the Company's operations.

### **Ethical Business Conduct**

The Board has adopted a "Whistleblower Policy" wherein employees, consultants and external stakeholders of the Company are provided with a mechanism by which they can raise concerns in a confidential, anonymous process.

### **Nomination of Directors**

The Board does not have a nominating committee. The Board considers its size each year when it passes a resolution determining the number of directors to be appointed at each annual general meeting of shareholders. The Board determined that the configuration of six (6) directors is the appropriate number of directors, taking into account the number required to carry out duties effectively while maintaining a diversity of views and experience. The Board evaluates new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board, including both formal and informal discussions among Board members, the Executive Chairman and CEO. The Board monitors, but does not formally assess the performance of individual Board members or committee members or their contributions.

### **Compensation**

The process by which the Board determines the compensation of the Company's directors is as follows:

The Board has the responsibility in respect of directors' compensation. The Board conducts a periodic review of directors' compensation and compensation data for directors of reporting issuers of comparative size to the Company.

The Company may grant options to the directors in recognition of the time and effort that such directors devote to the Company. To date, the Company has not granted any options to the directors.

The compensation of the Board is described in the Executive Compensation Statement.

The process by which the Board determines the compensation of the Company's officers is described in this Statement of Execution Compensation under the heading "*Director and Named Executive Officer Compensation*".

### **Other Board of Directors Committees**

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

### **Assessments**

The Board does not conduct any formal evaluation of the performance and effectiveness of the members of the Board. The Board as a whole or any committee of the Board, however, considers the effectiveness and contribution of the Board, its members and the Audit Committee on an ongoing basis. The directors and the independent directors of the Company are free to discuss specific situations from time to time among themselves and/or with the CEO and, if need be, steps are taken to remedy the situation, which steps may include a request for resignation. Furthermore, the management and directors of the Company will continue to communicate with Shareholders on an ongoing basis, and Shareholders will be regularly consulted on the effectiveness of Board members and the Board as a whole.