

**NOTICE**  
**and**  
**INFORMATION CIRCULAR**  
**for the**  
**ANNUAL GENERAL MEETING**

**of**

**Alma Gold Inc.**

**to be held on**  
**February 9, 2023**



**ALMA GOLD INC.****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “**Meeting**”) of Alma Gold Inc. (the “**Company**” or the “**Corporation**” or “**Alma**”) will be held at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2, at 10:30 am, on February 9, 2023, for the following purposes:

1. To receive and consider the audited Financial Statements of the Company for the year ended November 30, 2021, together with the auditor’s report thereon.
2. To fix the number of directors of the Company at five (5).
3. To elect the directors for the ensuing year.
4. To appoint an auditor for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To transact such other business as may properly come before the Meeting.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice.

**PLEASE REVIEW THE INFORMATION CIRCULAR CAREFULLY IN FULL PRIOR TO VOTING IN RELATION TO THE RESOLUTIONS BEING PRESENTED, AS THE INFORMATION CIRCULAR HAS BEEN PREPARED TO HELP YOU MAKE AN INFORMED DECISION ON THE MATTERS. THE INFORMATION CIRCULAR IS AVAILABLE AT [www.almagoldinc.com](http://www.almagoldinc.com) AND UNDER THE CORPORATION’S PROFILE ON SEDAR AT [www.sedar.com](http://www.sedar.com).**

If you are a registered shareholder of the Company and are unable to attend the Meeting in person, please complete, date and execute the accompanying form of proxy and deposit it c/o Endeavor Trust Corporation, by any of the following methods: by mail: Suite 702, 777 Hornby Street, Vancouver, BC, V6Z 1S4; by fax: (604) 559-8908; or online: [www.eProxy.ca](http://www.eProxy.ca) not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting.

If you are a non-registered shareholder of the Company and received these materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan, or other similar self-administered savings or investment plan registered under the *Income Tax Act*, or a nominee of any of the foregoing that holds your security on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

**In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by**

**proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at 1-800-319-7310, Participation Code: 77783, followed by the # key.**

DATED at Vancouver, British Columbia as of January 5, 2023.

By Order of the Board of Directors of

**ALMA GOLD INC.**

"Greg Isenor" (signed)

Greg Isenor  
Director, President, CEO and Corporate Secretary

**ALMA GOLD INC.**

c/o Suite 810 – 789 W Pender Street  
Vancouver, British Columbia, Canada V6C 1H2  
Telephone (604) 687-2038  
Facsimile (604) 687-3141

**INFORMATION CIRCULAR****SOLICITATION OF PROXIES**

This information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Alma Gold Inc. (the "**Company**" or the "**Corporation**" or "**Alma**") for use at the annual general meeting of the shareholders (the "**Shareholders**") of the Company (the "**Meeting**") to be held at Suite 810, 789 West Pender Street, Vancouver, British Columbia, on February 9, 2023 at 10:30 a.m. (Vancouver time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders.

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. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to the "**Company**", "**Corporation**", "**Alma**", "**we**" and "**our**" refer to Alma Gold Inc.; "**Common Shares**" means common shares in the authorized share structure of the Company; "**Beneficial Shareholders**" means Shareholders who do not hold Common Shares in their own name and "**Intermediaries**" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of the Beneficial Shareholders.

**Date of Information Circular**

Information contained in this Information Circular is given as at January 5, 2023, unless otherwise indicated.

**GENERAL PROXY INFORMATION****Revocability 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:

- (a) executing a proxy bearing a later date; or
- (b) executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the Proxy bearing a later date with Endeavor Trust Corporation, or at the address of the registered offices of the Company at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2, 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 date that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Appointment of Proxyholders**

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors and/or officers of the Company (the "**Management Designees**"). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting other than either of the Management Designees. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy will not be valid unless the completed, signed and dated form of proxy is delivered to the office of **Endeavor Trust Corporation, by any of the following methods: by mail: Suite 702, 777 Hornby Street, Vancouver, BC, V6Z 1S4 or by fax: (604) 559-8908 or online: [www.eproxy.ca](http://www.eproxy.ca)** not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

### **Exercise of Discretion**

The Management Designees named in the 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. The Proxy will confer 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 Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

### **Proxy Voting Options**

If you are a registered Shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, Endeavor Trust Corporation, by any of the following methods: by mail: Suite 702, 777 Hornby Street, Vancouver, BC, V6Z 1S4; or by fax: (604) 559-8908; or online: [www.eproxy.ca](http://www.eproxy.ca) at any time up to and including 10:30 a.m. (Vancouver time) on February 7, 2023.

### **Advice to Beneficial Holders of Common Shares**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common 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 unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Communications Solutions Canada ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form 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 Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend at the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter our own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal Proxy which would enable you, or a person designed by you, to attend at the Meeting and vote your Common Shares.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year 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 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 as disclosed herein.

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

The board of directors (the "**Board**") of the Company has fixed January 5, 2023, 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 Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As of the Record Date, the Company had 13,039,560 Common Shares outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

To the knowledge of the directors and executive officers of the Company, only the following shareholders own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the outstanding voting rights of the Company.

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly <sup>(1)(2)</sup>	Percentage of Outstanding Shares
Greg Isenor	2,200,000 <sup>(3)</sup>	16.87%
CDS & Co.	2,950,532	22.628%

- (1) This information was supplied to the Company from insider reports and beneficial ownership reports filed on SEDI, and from the beneficial shareholders themselves.
- (2) The holdings represent registered and beneficial ownership, and for the purposes hereof, beneficial ownership is presumed where sole voting and dispositive power is declared without disclaiming ownership.
- (3) Greg Isenor owns 1,600,000 Common Shares directly, and controls or is deemed to control indirectly 600,000 Common Shares through G.P. Isenor Company Limited, a private company in which Mr. Isenor is a principal.

#### VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. 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.

#### Recommendation of the Board

The Board unanimously recommends that Shareholders vote in favour of all resolutions.

#### ELECTION OF DIRECTORS

The Board currently consists of six (6) directors. Management proposes to decrease and fix the number of directors of the Company at five (5) and to nominate the persons listed below for election as directors.

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 *Business Corporations Act* (British Columbia) or the Articles of the Company, 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.

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the



number of Common Shares of the Company which each beneficially owns or over which control or direction is exercised:

Nominee Position with the Company and Province/State and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(2)</sup>
<p><b>Greg Isenor</b> Bedford, Nova Scotia, Canada</p> <p>Director, President, CEO and Corporate Secretary</p>	<p>Corporate executive and geologist. President and CEO of Alma Gold Inc. President and CEO of Roscan Gold Corporation until December, 2019 and Executive Vice Chairman of Roscan Gold Corporation until June 2021. President and CEO of Merrex Gold Inc. until February 2017</p>	February 22, 2021	N/A	<p>1,600,000 (direct)<sup>(2)</sup> 600,000 (indirect)<sup>(2)</sup></p>
<p><b>Eugene Hodgson</b> Vancouver, British Columbia, Canada</p> <p>Director</p>	<p>Mr. Hodgson is an accomplished senior executive with over 30 years of public and private sector experience. He also serves as a director of a number of publicly-listed companies, including Red Lake Gold Inc. (CSE:RGLD) and Dixie Gold Inc. (TSXV:DG).</p>	July 24, 2020	Audit	Nil
<p><b>Lauren M. McCrae</b> Port Moody, British Columbia, Canada</p> <p>Director</p>	<p>Ms. McCrae is a market researcher. She is Manager, Experience at the Workers' Compensation Board of British Columbia (WorkSafe BC). She was a former research director at Lux Insights until October 2020.</p>	January 28, 2022	N/A	Nil
<p><b>Paul Ténrière</b> Rothesay, New Brunswick, Canada</p> <p>Director</p>	<p>Mr. Ténrière is a corporate executive and professional geologist. He has been CEO and Director of Metallica Metals Corp. since July 2019; and President of Major Precious Metals Corp. since April 2019. He is Director of Monarca Minerals Inc. since April 2019; and was CEO and Director of Lido Minerals Ltd. until September 2021.</p>	December 13, 2021	Audit	Nil
<p><b>Jean-Marc Gagnon</b> Saint Basile Le Grand, Quebec, Canada</p> <p>Director</p>	<p>See "<i>Details of Directors Not Previously Elected by a Shareholder Vote</i>" below.</p>	January 5, 2023	N/A <sup>(3)</sup>	Nil

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.

- (2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by Endeavor Trust Corporation, the registrar and transfer agent of the Company, insider reports filed on SEDI and by the nominees themselves.
- (3) It is anticipated that Mr. Gagnon will be appointed to the audit committee following the Meeting.

#### **DETAILS OF DIRECTORS NOT PREVIOUSLY ELECTED BY A SHAREHOLDER VOTE**

##### **Jean-Marc Gagnon (Age 71) – Director**

Mr. Gagnon has more than 35 years of professional experience in the mining exploration sector. Mr. Gagnon has been involved in the management, evaluation and development of mining exploration projects for gold, mainly in West Africa (Mali, Burkina Faso, Burkina Faso & Guinea). He has exercised his profession as a country manager, exploration manager and consulting geologist for a number of junior mining companies, including Roscan Gold Corporation, Merrex Gold Inc., Frontline Gold Corporation, Jilbey gold Gold Exploration Ltd., Ressources Incanore Ltee, EAG Inc. and Gold Star Resources Ltd.

Highlights of Mr. Gagnon's career include his participation of the development of the Siribaya gold project (Merrex) and Kandiole gold project (Roscan) in Mali, which are both close to feasibility studies, and his participation in the evaluation of the Bissa Hill gold deposit in Burkina Faso, currently under exploitation. Mr. Gagnon has also assisted in project evaluations for gold in Gabon, chrome in Turkey, baritine in Algeria, nickel in Canada and on gold projects in South America (Venezuela, Guyana and Peru), in addition to a prospection campaign for diamonds on glacial moraines in Canada.

Mr. Gagnon graduated from "l'Université du Québec à Chicoutimi" (Qc) as a professional engineer in geology, he holds a master's degree in business administration from Laval University and he has been a member of "l'Ordre des Ingénieurs du Québec" since 1980.

#### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

Except as disclosed below, to the knowledge of the Company, no proposed director is, or has, within the 10 years before the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that,

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days (in this part, an "order");
- (b) was subject to an order that was issued after the proposed director ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer; or
- (c) within a year of ceasing to act in the capacity of a director or executive officer, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Company, no proposed director of the Company was, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Alma Gold Inc.) 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.

To the knowledge of the Company, no proposed director of the Company has, within the 10 years before the date of the 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.

To the knowledge of the Company, no proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any 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 that proposed director.

None of the nominees is to be elected under any arrangement or understanding between such nominee and any other person or company, except as described herein.

None of the nominees, or any associate of such nominees, is, or at any time since the beginning of the most recently completed financial year of Alma has been, indebted to Alma or any of its subsidiaries.

## STATEMENT OF EXECUTIVE COMPENSATION

### Definitions

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

### Named Executive Officer and Director Compensation

The following table summarizes the compensation paid to the directors and NEOs of Alma for the last two completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year Ended November 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Ryan Kalt<sup>(1)</sup></b> Former Corporate Secretary, President, CEO & Director	2021	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
	2020	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<b>Ryan Cheung<sup>(2)</sup></b> Former CFO	2021	\$23,625	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	\$23,625
	2020	\$10,000	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	\$10,000
<b>Nicholas Koo<sup>(3)</sup></b> Former CFO	2021	\$20,000	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	\$20,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Eugene A. Hodgson<sup>(4)</sup></b> Director	2021	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
	2020	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<b>Brian Hearst<sup>(5)</sup></b> Former Director	2021	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
	2020	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<b>Greg Isenor<sup>(6)</sup></b> Director, President, CEO and Corporate Secretary	2021	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Maurice Giroux<sup>(7)</sup></b> Former Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Paul Ténière<sup>(8)</sup></b> Director and CFO	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Lauren McCrae<sup>(9)</sup></b> Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A

<b>Jean-Marc Gagnon<sup>(10)</sup></b> Director	2021	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A	N/A	N/A	N/A	N/A	N/A

## Notes:

- (1) Mr. Kalt resigned as President, Corporate Secretary and CEO of the Company on November 30, 2021. Mr. Kalt resigned as a Director on December 8, 2021. Mr. Kalt held 33,250 stock options as of November 30, 2021, that were issued pursuant to a contractual obligation of the plan of arrangement with Red Lake Gold Inc. that completed on October 29, 2020.
- (2) Mr. Cheung was appointed as the CFO of the Company on July 24, 2020 and served in the same capacity until April 6, 2021. Mr. Cheung was paid \$23,625 in professional fees and held nil stock options as of November 30, 2021.
- (3) Mr. Koo was appointed as the CFO on the Company on April 6, 2021 and resigned as CFO on December 8, 2021. During the year ended November 30, 2021, Mr. Koo was paid \$20,000 in professional fees and was not issued any stock options.
- (4) Mr. Hodgson was appointed as a director of the Company on July 24, 2020. Mr. Hodgson held 38,000 stock options as of November 30, 2021, that were issued pursuant to a contractual obligation of the plan of arrangement with Red Lake Gold Inc. that completed on October 29, 2020.
- (5) Mr. Hearst was appointed as a director of the Company on July 24, 2020. Mr. Hearst resigned as a director on December 13, 2021. Mr. Hearst held 38,000 stock options as of November 30, 2021, that were issued pursuant to a contractual obligation of the plan of arrangement with Red Lake Gold Inc. that completed on October 29, 2020.
- (6) Mr. Isenor was appointed as a director of the Company on February 22, 2021, subsequent to the period ended November 30, 2020. Mr. Isenor was appointed as President, Corporate Secretary and CEO of the Company on December 1, 2021. During the year ended November 30, 2021, Mr. Isenor was not issued any stock options.
- (7) Mr. Giroux was appointed as a director of the Company on December 13, 2021, being subsequent to the period ended November 30, 2021. Mr. Giroux is not standing for re-election at the Meeting.
- (8) Mr. Teniere was appointed as a director of the Company on December 13, 2021, being subsequent to the period ended November 30, 2021.
- (9) Ms. McCrae was appointed as a director of the Company on January 28, 2022, being subsequent to the period ended November 30, 2021.
- (10) Mr. Gagnon was appointed as a director of the Company on January 5, 2023, being subsequent to the period ended November 30, 2021.

Other than as set forth in the foregoing table, the named executive officers and directors have not received during the most recently completed financial year, compensation pursuant to any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments, any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors, or any arrangement for the compensation of directors for services as consultants or experts.

### Stock Options and Other Compensation Securities

The Company did not issue compensation securities to named executive officers or directors in the fiscal year ending November 30, 2021.

## Stock Option Plans and Other Incentive Plans

The purpose of the Company's stock and incentive option plan (the "**Alma Option Plan**") is to provide certain directors, officers, and key employees, and certain other persons who provide services to the Company and any subsidiaries, with an opportunity to purchase common shares of the Company and benefit from any appreciation in the value of the Company's common shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the common shares for the benefit of all the Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The Alma Option Plan provides for a floating maximum limit of 10% of the outstanding common shares, as permitted by the policies of the Canadian Securities Exchange ("CSE"). As at January 5, 2023, this represents up to 1,303,956 common shares available under the Alma Option Plan, of which 643,700 are issued under the Alma Option Plan and 660,256 are reserved and available for issuance under the Alma Option Plan.

Under the Alma Option Plan, the option price must not be less than the exercise price permitted by the CSE. The current policies of the CSE state that the option price must not be less than the greater of (i) the closing price of the common shares listed on the CSE on the day immediately preceding the date of grant, and (ii) the date of grant. Any amendment to the Plan requires the approval of the CSE and may require shareholder approval.

The material terms of the Alma Option Plan are as follows:

1. The exercise price of Stock Options granted under the Stock Option Plan will be determined by the board of directors, but will not be less than the greater of the closing market prices of the Shares on the CSE on (a) the trading day prior to the date of grant of the options; and (b) the date of grant of the Stock Options.
2. The terms of a Stock Option may not be amended once issued. If a Stock Option is cancelled prior to its expiry date, the Issuer must post notice of the cancellation and shall not grant new Stock Options to the same person until 30 days have elapsed from the date of cancellation.
3. The term of any Stock Option cannot exceed ten (10) years from the date of grant.
4. The maximum number of Shares issuable under the Stock Option Plan shall not exceed 10% of the number of Shares issued and outstanding as of each award date, inclusive of all Shares reserved for issuance pursuant to previously granted stock options.
5. Stock Options vest as the board of directors of the Company may determine upon the award of the Stock Options.
6. The expiry date of a Stock Option shall be the earlier of the date fixed by the Company's board of directors on the award date, and:
  - a) in the event of the death of the option holder while he or she is a director or employee (other than an employee performing investor relations activities), 12 months from the date of death of the option holder, or while he or she is a consultant or an employee performing investor relations activities, 30 days from the date of death of the option holder;
  - b) in the event that the option holder holds his or her option as a director and such option holder ceases to be a director of the Company other than by reason of death, 90 days following the date the option holder ceases to be a director (provided however that if the option holder continues to be engaged by the Company as an employee or consultant, the expiry date shall remain unchanged), unless the option holder ceases to be a director as a result of ceasing to meet the qualifications set forth in section 124 of the BCBCA or a special resolution passed by the shareholders of the Company pursuant to section 128(3) of the BCBCA, in which case the expiry date will be the date that the option holder ceases to be a director of the Company;

c) in the event that the option holder holds his or her option as an employee or consultant of the Company (other than an employee or consultant performing investor relations activities) and such option holder ceases to be an employee or consultant of the Company other than by reason of death, 30 days following the date the option holder ceases to be an employee or consultant, unless the option holder ceases to be such as a result of termination for cause or an order of the British Columbia Securities Commission, the Exchange or any regulatory body having jurisdiction to so order, in which case the expiry date shall be the date the option holder ceases to be an employee or consultant of the Company; and

d) in the event that the option holder holds his or her option as an employee or consultant of the Company who provides investor relations activities on behalf of the Company, and such option holder ceases to be an employee or consultant of the Company other than by reason of death, the expiry date shall be the date the option holder ceases to be an employee or consultant of the Company. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Alma Option Plan or may terminate the Alma Option Plan at any time.

The decision to grant options is made by the Board as a whole, and a grant is approved by directors' resolutions or at a meeting of the Board. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

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

The Company has not entered into any material employment contracts, consulting contracts, management contracts or service contracts.

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

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the executive officers of the Company. The Company, at this time, does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with Alma's ability to pay compensation and its results of operation for the period. The Company does not use a peer group to determine compensation. The Company presently has two NEOs, Greg Isenor and James Henning. Mr. Isenor has served as Director of the Company since February 22, 2021, and served as CEO of the Company since December 1, 2021. Mr. Henning has served as the CFO of the Company since December 15, 2021 when he replaced Nicholas Koo who served as CFO from April 6, 2021 until December 8, 2021. Mr. Koo replaced Ryan Cheung who was CFO of the Company from July 24, 2020 to April 6, 2021.

Alma's executive compensation is currently comprised of a base fee or salary. Base fees or salaries are intended to provide current compensation and a short-term incentive for the NEO to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the NEO.

Compensation is designed to achieve the following key objectives:

- (a) to support our overall business strategy and objectives;
- (b) to provide market competitive compensation that is substantially performance-based;
- (c) to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- (d) to align executive compensation with corporate performance and therefore Shareholders' interests.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No person who is, or at any time during the two most recently completed financial years was, a director or executive officer of Alma, a proposed nominee for election as a director of Alma, or an associate of any of the

foregoing individuals, has been indebted to Alma at any time since the commencement of Alma's last completed financial year.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An "informed person" means: (a) director, proposed director or executive officer of Alma; (b) person or company who beneficially owns, directly or indirectly, Alma Shares or who exercises control or direction of Alma Shares, or a combination of both carrying more than ten percent of the voting rights attached to the outstanding Alma Shares (an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of Alma's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Alma, except with an interest arising from the ownership of Alma Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 Audit Committees of the Canadian Securities Administrators ("CSA") ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "Audit Committee") and its relationship with its independent auditors, as set forth in the following.

#### Audit Committee Charter

Alma has adopted an audit committee charter (the "Charter") of the Audit Committee of the Board, which is attached as Schedule "A" to this Circular.

#### Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Audit Committee:

Audit Committee Members		
Eugene Hodgson	Independent	Financially literate
Maurice Giroux	Independent	Financially literate
Paul Ténrière	Independent	Financially literate

#### Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each member that is relevant to the performance of his responsibilities as a member of the Audit Committee is as follows:

Eugene Hodgson has over 30 years of public and private sector experience, including having served on a significant number of publicly-traded company boards.

Maurice Giroux has over 25 years of experience in junior resource public companies, with both international and domestic operations. He has served as a director and senior executive officer in several publicly traded companies.

Paul Ténrière has over 20 years of experience in the mining and oil and gas industries and over two years of public company experience. He currently serves as an executive and a director of other publicly listed companies including as a President and Chief Executive Officer.



### Audit Committee Oversight

Since the commencement of Alma's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in sections 2.4 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### Exemption in Section 6.1 of NI 52-110

Alma is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

### External Auditor Service Fees

In the following table, "audit fees" are fees billed by Alma's external auditor for services provided in auditing Alma's annual financial statements for the subject year. "Audit-Related Fees" are fees not included in audit fees that are billed by the Auditor for assurance and related services that are reasonably related to the performance of the audit review of Alma's financial statements. "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the Auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Auditor in the last two fiscal years, by category, are as set out in the table below.

Financial Year Ended November 30	Audit Fees (\$) <sup>(1)</sup>	Audit-Related Fees (\$) <sup>(2)</sup>	Tax Fees (\$) <sup>(3)</sup>	All Other Fees (\$) <sup>(4)</sup>
2021	\$7,000	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
2020	\$7,084	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided 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 the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

## CORPORATE GOVERNANCE

National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 Corporate Governance Guidelines (“**NP 58-201**”).

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The CSA have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of their corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The independent members of the Board of Directors of the Company are Eugene Hodgson, Maurice Giroux, Lauren McCrae, Paul Ténrière and Jean-Marc Gagnon. The non-independent director is Greg Isenor.

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are, however, able to meet at any time without any the non-independent directors being present. Further supervision is performed through the Audit Committee who may meet with the Company’s auditors without management being in attendance.

### Directorships

The current directors of Alma and each of the individuals to be nominated for election as a director of Alma at the Meeting may serve as a director or officer of one or more other reporting issuers as at the date of this Notice of Meeting and Circular, as well as pursue independent economic opportunities. However, directors of the Company are required in their position of service by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any conflicts of interest with appropriate voting abstention.

To the best knowledge of the Company, there are no known existing or potential conflicts of interest among the Company and our promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

The participation of the directors in other reporting issuers as at the date of this Information Circular is as follows:

Name of Director	Names of Other Reporting Issuers of which the Director is a Director
Eugene Hodgson	St. Anthony Gold Corp. Dixie Gold Inc. Red Lake Gold Inc. Spartan Acquisition Corp. Rover Metals Corp. Genesis Acquisition Group. Royal Lifescience Corp. ESG Global Impact Capital Inc.
Greg Isenor	Sylla Gold Corp.

	Roscan Gold Corporation
Paul Ténrière	Metallica Metals Corp.

### **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's operations and on director responsibilities.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussions with all Board members.

The Board does not provide any continuing education but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills as required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by Alma's governing corporate legislation and the common law of Canada 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 Alma.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The Board is not compensated for acting as directors, except for being granted incentive stock options pursuant to the policies of the CSE and the Alma Option Plan. The Board acts as a whole to determine and approve the final stock grants and compensation amounts.

### **Other Board Committees**

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

### **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

The Audit Committee provides an open avenue of communication between management, the Company's independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;

- (b) the Company's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Company's independent auditors.

The Audit Committee also performs any other activities consistent with the Audit Committee Charter, the Company's Articles and governing laws as the Audit Committee or Board deems necessary or appropriate. See "*Audit Committee Disclosure*".

### **APPOINTMENT OF AUDITOR**

Shareholders are being asked to approve an ordinary resolution re-appointing A Chan & Company LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the close of the next annual general meeting of the shareholders, at a remuneration to be fixed by the board of directors. In order to be effective, the ordinary resolution requires the approval of the majority of the votes cast at the Meeting in respect of the resolution. **In the absence of instructions to the contrary, the enclosed proxy will be voted FOR the appointment of A Chan & Company LLP as auditors of the Company and to authorize the board of directors to fix their remuneration.**

### **MANAGEMENT CONTRACTS**

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 executive officers of the Company.

#### **Other Matters**

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

#### **Additional Information**

Additional information relating to the Company is available through the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at (604) 687-2038 to request copies of the Company's financial statements and MD&A.

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis for the most recently completed financial year ended November 30, 2021, which are filed on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### **APPROVAL AND CERTIFICATION**

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

Dated at Vancouver, British Columbia, this 5<sup>th</sup> day of January, 2023.

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

*/S/ "Greg Isenor"*

Greg Isenor  
President, CEO and Corporate Secretary

## **SCHEDULE A**

### **ALMA GOLD INC.** (the "Company")

#### **AUDIT COMMITTEE CHARTER**

##### **1. Mandate and Purpose of the Committee**

The Audit Committee (the "Committee") of the board of directors (the "Board") of Alma Gold Inc. (the "Company") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company's financial statements;
- (b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- (c) the qualifications, independence and performance of the Company's auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company's internal audit function;
- (f) consideration and approval of certain related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

##### **2. Authority**

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

##### **3. Composition and Expertise**

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. The majority of the Committee's members must not be officers or employees of the Company or an affiliate of the Company.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chairman of the Committee. If the Chairman of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

##### **4. Meetings**

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chairman shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice

of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee who are not officers or employees of the Company or an affiliate of the Company shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

## 5. **Committee and Charter Review**

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Canadian Securities Exchange and shall recommend changes to the Board thereon.

## 6. **Reporting to the Board**

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

## 7. **Duties and Responsibilities**

### (a) **Financial Reporting**

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, any auditor's report thereon, MD&A and related news releases, before they are published.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) **Auditor**

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

**(e) Risk and Uncertainty**

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

**(f) Controls and Control Deviations**

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

**(g) Compliance with Laws and Regulations**

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

**(h) Related Party Transactions**

All transactions between the Company and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the *Securities Act* (British Columbia), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.



## 8. **Non-Audit Services**

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

## 9. **Submission Systems and Treatment of Complaints**

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chairman of the Audit Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

## 10. **Procedure For Reporting Of Fraud Or Control Weaknesses**

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chairman of the Audit Committee. Should a new Chairman be appointed prior to the updating of this document, the current Chairman will ensure that the whistleblower is able to reach the new Chairman in a timely manner. In the event that the Chairman of the Audit Committee cannot be reached, the whistleblower should contact the Chairman of the Board.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

## 11. **Hiring Policies**

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.