



## MANAGEMENT INFORMATION CIRCULAR

as at February 22, 2023

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management **Silver Hammer Mining Corp.** (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of its shareholders to be held on **Wednesday, March 29, 2023** at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our” refer to Silver Hammer Mining Corp., and “common shares” means common shares without par value in the capital of the Company.

The **Meeting will be held in virtual-only format**, which will be conducted via Zoom. Registered Shareholders, as defined below, and validly appointed proxyholders may attend the Meeting at:

<https://us06web.zoom.us/j/83926591075?pwd=d1ZlOEVlVW5pdnk3OUtVQ085MHEvdz09>

**Meeting ID: 839 2659 1075**

**Passcode: 016728**

Registered Shareholders who attend the Meeting will have an opportunity to participate at the Meeting, regardless of their geographic location.

## 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 at nominal cost. The Company will bear all costs of this solicitation.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. 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.** If your common shares are held in physical form (i.e., paper form) and are registered in your name, then you are a registered shareholder (“**Registered Shareholder**”). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a beneficial shareholder (“**Beneficial Shareholder**”). The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.

### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the common shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your common shares will be voted accordingly. The Proxy confers discretionary authority on the persons 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, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.**

### **Registered Shareholders**

If you are a Registered Shareholder and wish to have your common shares voted at the Meeting, you will be required to submit your vote by Proxy. **Due to issues related to the verification of shareholder identity via Zoom, in-person voting will only be permitted if the Company's transfer agent, Endeavor Trust Corporation ("Endeavor Trust") is able to properly verify a shareholder's identity. The Company recommends all shareholders vote their common shares before the proxy cut-off date of 10:00 a.m. (Vancouver Time) on Monday, March 27, 2023 (the "Proxy Deadline").** Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the Proxy and returning it to the Company's transfer agent, Endeavor Trust, in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet or by telephone as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.**

Registered Shareholders electing to submit a Proxy may do so by:

- (a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (b) facsimile to 604.559.8908;
- (c) email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com); or
- (d) voting online at [www.eproxy.ca](http://www.eproxy.ca)

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold common shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of common shares).

These securityholder materials are being 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 has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding 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.

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 common 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).

There are two kinds of beneficial owners - those who object to their information being disclosed to the issuers of securities which they own ("OBOs" for "Objecting Beneficial Owners") and those who do not object to that information being disclosed to the issuers of the securities they own ("NOBOs" for "Non-Objecting Beneficial Owners").

Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "VIF"). These VIFs are to be completed and returned to Endeavor Trust in the envelope provided or by facsimile. In addition, Endeavor Trust provides both telephone and Internet voting as described on the VIF, which contains complete instructions. Endeavor Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with

respect to the shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs, under National Instrument 54-101, the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. As a result, an OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has mailing procedures and provides return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted for the Meeting.

Most 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 voting instruction form (the "**Broadridge VIF**") similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy 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 Broadridge VIF, 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 Broadridge VIF. The completed Broadridge 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 common shares to be represented at the Meeting. If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, 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, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your 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 do so, you should enter your 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 in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend the Meeting and vote your common shares.

### **Voting by Proxy Generally**

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by **10:00 am PT on Monday, March 27, 2023** so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, Canada, V6J 4M6. **Proxies will only be accepted at the Meeting if Endeavor Trust is able to verify a shareholder's identity. The Company encourages all shareholders to vote their common shares before the Proxy Deadline of 10:00 am (Vancouver Time) on Monday, March 27, 2023.**

Votes received by the Proxy Deadline for each matter set out in the notice of meeting will be tabulated in advance of the Meeting by Endeavor Trust and compiled in a proxy report respecting Proxies held by the individuals named in the accompanying Proxy or voting instruction form and an appointee summary respecting Proxies held by non-management proxyholders (collectively, the "**Proxy Report**"). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report.

Voting results respecting matters set out in the notice of meeting will be determined solely based on the voting results set out in the Proxy Report. No ballots will be permitted at the Meeting. All results will be determined by reference to the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

## **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 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 Endeavor Trust at Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the Company's attention at Suite 400 - 1681 Chestnut Street, Vancouver, British Columbia, Canada V6J 4M6, 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.

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

## **Notice to United States Shareholders**

The Company's common shares are not registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and this solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Residents of the United States should be aware that applicable Canadian proxy solicitation rules differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company's shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada, and reconciled to accounting principles generally accepted in the United States.

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

The board of directors (the "**Board**") of the Company has fixed **February 22, 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, there were 46,713,662 common shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the common shares.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company.

## **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.

## SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at five (5). The Board proposes that the number of directors remain at five (5). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at five (5).

## ELECTION OF 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), 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 common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

<b>Name of Nominee; Current Position with the Company, Province and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>Peter A. Ball</b> <sup>(2)(4)</sup> British Columbia, Canada  President, CEO and Director	Self-employed business consultant, CEO and Director of Ariston Capital Corp.	February 15, 2023	20,000 <sup>(5)</sup>
<b>Joness Lang</b> <sup>(3)(4)</sup> Ontario, Canada  <i>Director</i>	Employee and Executive Vice President of Maple Gold Mines Ltd.; President of EBC Consulting Group Ltd.	December 10, 2020	73,000 <sup>(6)</sup>
<b>Alnesh Mohan</b> British Columbia, Canada  <i>CFO, Corporate Secretary and Director</i>	Partner, Quantum Advisory Partners, LLP (a professional services firm providing outsourced CFO, financial advisory, and accounting services), since 2005.	May 14, 2021	175,000
<b>Lawrence Roulston</b> <sup>(2)(3)(4)</sup> British Columbia, Canada  <i>Director</i>	Self-employed business consultant.	September 20, 2021	600,000
<b>Ron Burk</b> <sup>(2)(3)</sup> Ontario, Canada  <i>Director</i>	Geologist and self-employed business consultant.	November 4, 2021	75,000

- (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. Unless otherwise indicated, each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years. The number of common shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.
- (2) Member of audit committee (the "**Audit Committee**") of the Company.
- (3) Member of the compensation committee (the "**Compensation Committee**") of the Company.
- (4) Member of the corporate governance committee (the "**Corporation Governance Committee**") of the Company.
- (5) These common shares are held by Lolgorian Holdings Inc., a company owned and operated by Mr. Ball.
- (6) These common shares are held by EBC Consulting Group Ltd., a company owned and operated by Mr. Lang.

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

To the best of the Company's knowledge, as at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order ("CTO") or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a CTO or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Except as described below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is as at the date of this Circular or has been within 10 years before the date of this 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; or
- (b) has within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

Lawrence Roulston became a director of KBL Mining Ltd. ("KBL") in March 2015, a company listed on the Australian Stock Exchange at the time, as a result of being the director nominee of Quintana Resources Capital ULC (an investor in KBL by way of a streaming transaction which was secured by KBL's Mineral Hill mine). On September 7, 2016, Mr. Roulston resigned his position as director and on September 8, 2016, KBL was placed into voluntary administration and, on September 19, 2016, receivers were appointed.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

## **APPOINTMENT OF AUDITOR**

Manning Elliott LLP, Chartered Professional Accountants ("Manning Elliott") of 1030 W. Georgia Street, #1700, Vancouver, British Columbia V6E 2Y3, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the Board.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 *Audit Committees* ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

## **The Audit Committee's Charter**

The Audit Committee has a charter. A copy of the Audit Charter is attached to the Company's management information circular dated February 23, 2022 which was filed on SEDAR at <https://www.sedar.com/> on March 3, 2022 and is specifically incorporated by reference into, and forms an integral part of, this Circular.

## **Composition of the Audit Committee**

The current members of the Audit Committee are Lawrence Roulston (Chair), Peter Ball and Ron Burk. All members of the Audit Committee are considered to be financially literate. Mr. Ball is the President and CEO of the Company, and, therefore, is not considered an independent member of the Audit Committee. Mr. Roulston and Mr. Burk are not executive officers of the Company and, therefore, considered independent members of the Audit Committee.

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 Company's 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**

The following describes the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member:

**Lawrence Roulston** is a mining professional with over 35 years of diverse hands-on experience. He founded WestBay Capital Advisors, a company providing business advisory and capital markets expertise to the junior and mid-tier sectors of the mining industry. From 2014 to 2016, he was President of Quintana Resources Capital ("Quintana"), which provided resource advisory services for US private investors, focused primarily on streaming transactions. Before Quintana, he was a mining analyst and consultant, as well as the editor of "Resource Opportunities", an independent investment publication focused on the mining industry. Prior to this, Mr. Roulston was an analyst or executive with various companies in the resources industry, both majors and juniors. He has graduate-level training in business and holds a B.Sc. in geology.

**Peter A. Ball** is a mining professional with over 30 years of diverse experience in the mining and finance sectors. He has gained financial literacy through years of experience serving as a director of several publicly traded companies and serving on numerous other Audit Committees. He has demonstrated competencies in the resource industry on an international level, and held various senior management roles with precious and base metals mining companies. He has significant understanding of the mineral exploration business which the Company engages in and has an appreciation for the relevant accounting principles for that business. Mr. Ball has led and assisted in raising over \$250 million in capital in the resource sector, is a graduate of the Haileybury School of Mines, Georgian Business College, UBC's Canadian Securities Course and is a member of CIMM. Mr. Ball is also an independent director of Big Gold Inc. (BG:CSE).

**Ron Burk** is an exploration geologist with over 30 years of experience in the mining industry, primarily focused on identifying and evaluating exploration properties. He has held numerous senior roles, including Vice President Exploration at Centerra Gold Inc. and Vice President of Exploration and Chief Geologist at Silver Standard Resources Inc. (now SSR Mining Inc.), where he contributed to discoveries that resulted in the definition of a world-class silver resource at the Pitarrilla Project in Durango, Mexico and major gold resources forming the Snowfield and Brucejack deposits in northern British Columbia, Canada. Prior to joining Silver Standard in 2004, Mr. Burk had worked since 1989 as an exploration geologist for Teck Resources Ltd. and its predecessors, focused on target generation and property evaluations in the Americas. Mr. Burk is also a technical advisor for the Company.

Each member of the Company's present and proposed Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor, other than Manning Elliott.

### **Reliance on Certain Exemptions**

The Company's auditors, Manning Elliott, have not provided any material non-audit services.

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

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Manning Elliott, to the Company to ensure auditor independence. The following table outlines the fees incurred with Manning Elliott for audit and non-audit services in the last two fiscal years:

<u>Nature of Services</u>	<u>Fees Paid to Auditor in Year Ended September 30, 2022</u>	<u>Fees Paid to Auditor in Year Ended September 30, 2021</u>
Audit Fees <sup>(1)</sup>	\$79,000	\$39,676
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	\$12,700	Nil
All Other Fees <sup>(4)</sup>	<u>Nil</u>	<u>Nil</u>
<b>Total:</b>	<b><u>\$91,700</u></b>	<b><u>\$39,676</u></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 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 NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the year ended September 30, 2022.



## CORPORATE GOVERNANCE

### General

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators have adopted NI 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the Canadian Securities Administrators have implemented NI 58-101, which prescribes certain disclosure by the Company of its 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 Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company’s internal control processes and management information systems. The Board, on recommendation from the Compensation Committee, reviews executive compensation and recommends stock option (“**Options**”) grants.

The non-independent members of the Board are Peter A. Ball, President and CEO of the Company, and Alnesh Mohan, CFO and Corporate Secretary of the Company. The independent members of the Board are Ron Burk, Joness Lang and Lawrence Roulston.

### Other Directorships

Peter A. Ball is a director of Big Gold Inc.

Alnesh Mohan is a director of DGL Investments No. 1 Inc., HS GovTech Solutions Inc., Premier Diversified Holdings Inc., and VSBLTY Groupe Technologies Corp.

Joness Lang is a director of American Pacific Mining Corp.

Lawrence Roulston is a director of Thunderstruck Resources Ltd., Palladium One Mining Inc., Mountain Boy Minerals Ltd., Enduro Metals Corporation, and Metalla Royalty & Streaming Ltd.

### Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company’s properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

### 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.

### **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 determines compensation for the directors and CEO together with the Compensation Committee.

### **Other Board Committees**

In addition to the Audit Committee, the Board currently has a Compensation Committee and a Corporate Governance Committee.

The members of the Compensation Committee are Jones Lang (Chair), Lawrence Roulston and Ron Burk.

The members of the Corporate Governance Committee are Jones Lang (Chair), Peter Ball and Lawrence Roulston.

### **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.

## **COMPENSATION OF EXECUTIVE OFFICERS**

### **Executive Compensation**

In this section "Named Executive Officer" ("NEO") means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

During the year ended September 30, 2022, the Company had three NEOs: Alnesh Mohan, CFO and Corporate Secretary of the Company, Morgan Lekstrom, the former President and former CEO of the Company and Michael Dake, the former CEO and former Corporate Secretary of the Company.

For greater clarity in reviewing the below Summary Compensation Table for the years ended September 30, 2022 and earlier, Mr. Lekstrom resigned as the President and CEO of the Company on November 23, 2022 and Mr. Dake resigned as the CEO and Corporate Secretary of the Company on October 14, 2021. Also, Peter Ball was subsequently appointed as the President and CEO of the Company on February 15, 2023, replacing Warwick Smith, as interim President and interim CEO, and is therefore excluded from the table.

### **Compensation Discussion and Analysis**

The Board has appointed a Compensation Committee whose responsibility relates to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives.

The Compensation Committee makes recommendations to the Board and the Board then assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company.

The members of the Compensation Committee are Jones Lang (Chair), Lawrence Roulston and Ron Burk, all of whom are considered independent members of the Compensation Committee.

The Compensation Committee possesses the technical understanding needed to determine the value of a candidate's skill set through applied practical analysis and cross-referenced compensation of closely matched executives in similar fields.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

The Company's Compensation Committee Charter and Corporate Governance Committee Charter were filed on SEDAR on February 24, 2023, at [www.sedar.com](http://www.sedar.com).

### **Philosophy and Objectives**

The Company's compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its 10% rolling stock option plan (the "**Option Plan**") which was approved by the Board on September 17, 2021 and by the shareholders of the Company at the annual general meeting held on March 31, 2022.

### **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the issuance of founder's shares and the granting of Options. Options are granted to executives and employees taking into account a number of factors, including the amount and term of Options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of Options granted are determined by the Board in consultation with the Compensation Committee.

Given the evolving nature of the Company's business, the Board, in consultation with the Compensation Committee, continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

### **Option-Based Awards**

The Option Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes Option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All Option grants require approval of the Board.

The Option Plan is administered by the Board and provides that Options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

*See Particulars of Matters to be Acted Upon – Re-Approval of 10% Rolling Stock Option Plan* for further information on the Company's Option Plan.

## Summary Compensation Table

Name and Principal Positions	Year <sup>(1)</sup>	Fees (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
<b>Alnesh Mohan</b> <sup>(2)</sup> CFO & Secretary	2022	\$136,380	Nil	Nil	Nil	Nil	Nil	Nil	\$136,380
	2021	\$72,020	N/A	\$73,047	N/A	N/A	N/A	N/A	\$145,067
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Morgan Lekstrom</b> <sup>(3)</sup> Former President & CEO	2022	\$175,000	Nil	Nil	Nil	Nil	Nil	Nil	\$175,000
	2021	\$65,417	N/A	\$90,691	N/A	N/A	N/A	N/A	\$156,108
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Michael Dake</b> <sup>(4)</sup> Former CEO & Secretary	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	N/A	\$30,230	N/A	N/A	N/A	N/A	\$30,230
	2020	\$10,500	N/A	N/A	N/A	N/A	N/A	N/A	\$10,500

(1) Financial years ended September 30.

(2) Mr. Mohan has served as CFO of the Company since May 14, 2021 and Corporate Secretary of the Company since October 14, 2021. Fees are paid to Quantum Advisory Partners LLP, an accounting firm in which Mr. Mohan is an incorporated partner in respect of CFO services, accounting support services and transactional support fees.

(3) Mr. Lekstrom served as President of the Company from June 24, 2021 to November 23, 2022 and CEO of the Company from October 14, 2021 to November 23, 2022.

(4) Mr. Dake served as CEO and Corporate Secretary of the Company from May 2, 2017 to October 14, 2021.

## Incentive Plan Awards

The following table sets out all Option-based awards outstanding as at September 30, 2022 for each NEO. There were no share-based awards granted to any of the NEOs:

Name and Principal Positions	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Morgan Lekstrom	300,000	0.62	June 16, 2026	Nil
Alnesh Mohan	200,000	0.62	June 16, 2026	Nil
Michael Dake	Nil	N/A	N/A	Nil

## Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year ended September 30, 2022 for Options awarded under the Option Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period.

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Morgan Lekstrom	Nil	Nil	Nil
Alnesh Mohan	Nil	Nil	Nil
Michael Dake	Nil	Nil	Nil

## Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

## Director Compensation

During the most recently completed financial year ended September 30, 2022, the directors who were not NEOs received the following compensation for services provided to the Company:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Joness Lang <sup>(1)</sup>	Nil	N/A	N/A	N/A	N/A	N/A	Nil
Lawrence Roulston <sup>(2)</sup>	Nil	N/A	N/A	N/A	N/A	N/A	Nil
Ron Burk <sup>(3)</sup>	Nil	N/A	N/A	N/A	N/A	N/A	Nil
David Grandy <sup>(4)</sup>	Nil	N/A	N/A	N/A	N/A	N/A	Nil

(1) Mr. Lang has served as a director of the Company since December 10, 2020.

(2) Mr. Roulston has served as a director of the Company since September 20, 2021.

(3) Mr. Burk has served as a director of the Company since November 4, 2021.

(4) Mr. Grandy served as a director of the Company from May 2, 2017 to October 7, 2021.

## Outstanding Option-Based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended September 30, 2022, including awards granted before the most recently completed financial year.

Name	Option-based Awards				
	Year	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Joness Lang	2022	200,000	0.62	June 16, 2026	N/A
Lawrence Roulston	2022	300,000	0.62	June 16, 2026	Nil
Ron Burk	2022	200,000	0.62	June 16, 2026	Nil
David Grandy	2022	Nil	N/A	N/A	Nil

## Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year.

The Company has its Option Plan for the granting of Options to its directors, officers, employees and consultants. The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

## Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year ended September 30, 2022:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Joness Lang	Nil	Nil	Nil
Lawrence Roulston	Nil	Nil	Nil
Ron Burk	Nil	Nil	Nil

<b>Name</b>	<b>Option-based awards - Value vested during the year (\$)</b>	<b>Share-based awards - Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation Value earned during the year (\$)</b>
David Grandy	Nil	Nil	Nil

### **Securities Authorized for Issuance under Equity Compensation Plans**

The following table sets out equity compensation plan information as at September 30, 2022:

	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by securityholders	2,400,000	0.62	2,271,366
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total:</b>	<b>2,400,000</b>		<b>2,271,366</b>

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

No individual who is or who at any time during the last financial year was a director or executive officer or employee of the Company, a proposed nominee for election as a director of the Company or an associate of any such director, officer or proposed nominee is, or at any time since the beginning of the last completed financial year has been, indebted to the Company or any of its subsidiaries and no indebtedness of any such individual to another entity is, or has at any time since the beginning of such year been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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

Except as disclosed herein, since the commencement of the Company's last completed financial year, no informed person of the Company, nominee for election as a director of the Company, or any associate or affiliate of an informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

### **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**

#### **Re-Approval of 10% Rolling Stock Option Plan**

As at the date of this Circular, the Company's only incentive plan is its Option Plan dated September 17, 2021.

The Option Plan was established to provide incentive to directors, officers and employees and consultants. As a 10% rolling plan the aggregate number of common shares issuable as Options under the Option Plan may be up to 10% of the Company's issued and outstanding common shares on the date on which an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding under the Option Plan. The purpose of the Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of common shares of the Company. The Option Plan is administered by the Board and Options are granted at the discretion of the Board to eligible optionees (an "Optionee").

### ***Eligible Optionees***

To be eligible to receive a grant of Options under the Option Plan, regulatory authorities require an Optionee to be either a director, officer, employee, consultant or an employee of a company providing management or other services to the Company or a subsidiary at the time the Option is granted. Options may be granted only to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an Option grant.

### ***Definitions***

“**Black Out Period**” means the period during which the relevant Optionee is prohibited from exercising an Option due to trading restrictions imposed by the Company pursuant to any policy of the Company respecting restrictions on trading that is in effect at that time.

### ***Material Terms of the Option Plan***

The following is a summary of the material terms of the Option Plan:

- (a) persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of Options under the Option Plan;
- (b) all Options granted under the Option Plan expire on a date not later than 10 years after the issuance of such Options. However, should the expiry date for an Option fall within a trading Blackout Period (as defined in the Option Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), within 9 business days following the expiration of a Blackout Period;
- (c) for Options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) an Option will expire 90 days after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company, subject to adjustment at the discretion of the Company;
- (e) if an Optionee dies, any vested Option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee’s Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) the exercise price of the common shares subject to each Option shall be determined by the Board, subject to applicable approval of the Canadian Securities Exchange (the “**Exchange**”), at the time any Option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange;
- (h) vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Company or its affiliates during the vesting period; and
- (i) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Option Plan with respect to all Option Plan shares in respect of Options which have not yet been granted under the Option Plan.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Option Plan may be made by the Board without further shareholder approval. Accordingly, the Board proposes that the Option Plan also provide the following:

The Board may, without shareholder approval:

- (i) change the vesting provisions of an Option granted under the Option Plan, if applicable;
- (ii) change the termination provision of an Option granted under the Option Plan if it does not entail an extension beyond the original expiry date of such Option;
- (iii) make such amendments to the Option Plan as are necessary or desirable to reflect changes to securities laws applicable to the Company;
- (iv) make such amendments as may otherwise be permitted by regulatory authorities; and
- (v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the Exchange, make such amendments as may be required by the policies of such senior stock exchange or stock market.

### ***Shareholder Approval***

At the Meeting, the Company's shareholders will be asked to consider and vote on the ordinary resolution to re-approve the Option Plan, with or without variation, as follows:

#### **“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The Stock Option Plan dated September 17, 2021 (the “**Option Plan**”) as more particularly described in the management information circular of the Company dated February 22, 2023, be ratified and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Option Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.
3. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

**The Board recommends that shareholders vote in favour of the Option Plan. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the foregoing ordinary resolution.**

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy. A copy of the Option Plan will be available for inspection at the Company's registered and records offices at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6.

### **ADDITIONAL INFORMATION**

The audited financial statements of the Company for the year ended September 30, 2022 and the related management's discussion and analysis (the “**Financial Materials**”) were filed on SEDAR on January 30, 2023 at [www.sedar.com](http://www.sedar.com), and will be placed before the Meeting.

Shareholders may request copies of the Financial Materials without charge from the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6, telephone: 604.737.2303; fax: 604.737.1140.

### **OTHER MATTERS**

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