

PURSUIT GOLD CORP.

2023

Notice of Annual General Meeting of Shareholders

ANNUAL

Management Information Circular

GENERAL

MEETING

Place:

**Suite 1170 - 1040 West Georgia Street
Vancouver, British Columbia
Canada, V6E 4H1**

Time:

10:00 a.m. (Pacific Time)

Date:

Wednesday, January 11, 2023

PURSUIT GOLD CORP.
Suite 250 - 999 Seymour Street,
Vancouver, British Columbia, V6B 0M5
Telephone: 604-506-3325

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the "Meeting") of shareholders of Pursuit Gold Corp. (the "Company") will be held at the offices of Lotz & Company at Suite 1170 - 1040 West Georgia Street, Vancouver, British Columbia, Canada on Wednesday, January 11, 2023 at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the audited financial statements of the Company for the financial years ended November 30, 2021 and 2020, together with the independent auditor's report thereon;
2. to appoint Dale Matheson Carr-Hilton Labonte LLP as auditor of the Company for the financial year ending November 30, 2022 and to authorize the directors to fix the auditor's remuneration;
3. to fix the number of directors at four (4) for the ensuing year;
4. to elect the directors for the ensuing year;
5. to consider and, if thought fit, to pass an ordinary resolution ratifying and approving the Company's Stock Option Plan, as more particularly described in the accompanying management information circular; and
6. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the management information circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve each of the foregoing items.

The directors of the Company have fixed December 7, 2022, as the record date for the Meeting (the "Record Date"). Only shareholders of record at the close of business on the Record Date are entitled to vote at the Meeting or any adjournment or postponement thereof.

In light of the ongoing public health concerns related to the COVID-19 pandemic and for the health and safety of our shareholders, employees, advisors and other stakeholders, we strongly encourage Shareholders to vote in advance of the Meeting by proxy instead of attending the Meeting in person.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please exercise your right to vote by completing and returning the accompanying form of proxy and deposit it with Odyssey Trust Company. Proxies must be completed, dated, signed and returned to Odyssey Trust Company, at Suite 350 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2 by 10:00 a.m. (Pacific Time) on January 9, 2023, or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the date to which the Meeting is adjourned or postponed. Internet voting is also available at <https://login.odysseytrust.com/pxlogin>.

Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion and the Chairman of the Meeting is under no obligation to accept or reject any particular late proxy. The Chairman of the Meeting may waive or extend the proxy cut-off without notice.

If you are a non-registered shareholder, please follow the instructions from your bank, broker or other financial intermediary for instructions on how to vote your shares.

DATED at Vancouver, British Columbia, this 7th day of December, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Kostantinos Sakarellos

Kostantinos Sakarellos
Chief Executive Officer and Corporate Secretary

PURSUIT GOLD CORP.
Suite 250 - 999 Seymour Street,
Vancouver, British Columbia, V6B 0M5
Telephone: 604-506-3325

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION AND CIRCULAR DISCLOSURE

Persons Making the Solicitation

This Information Circular is being furnished in connection with the solicitation of proxies by the management of Pursuit Gold Corp. (the "Company") for use at the annual general meeting (the "Meeting") of the holders of common shares in the capital of the Company (the "Shareholders") to be held at the offices of Lotz & Company at Suite 1170 – 1040 West Georgia Street, Vancouver, British Columbia, Canada on Wednesday, January 11, 2023 at 10:00 am (Pacific Time) for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation of proxies will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Company at nominal cost. The Company may reimburse Shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute proxies. All costs of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy are directors or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT THE SHAREHOLDER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER FORM OF PROXY.** The proxy will not be valid unless the completed, dated and signed proxy is received Odyssey Trust Company, at Suite 350 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2 by 10:00 a.m. (Pacific Time) on January 9, 2023, or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the date to which the Meeting is adjourned or postponed. Internet voting is also available at <https://login.odysseytrust.com/pxlogin>.

Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion and the Chairman of the Meeting is under no obligation to accept or reject any particular late proxy. The Chairman of the Meeting may waive or extend the proxy cut-off without notice.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, at Suite 1170-1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

If you are a non-registered Shareholder, please follow the instructions from your bank, broker or other financial intermediary for instructions on how to revoke your voting instructions.

Exercise of Discretion

If the instructions in a proxy are certain, the shares represented thereby will be voted on any poll by the persons named in the proxy and, where a choice with respect to any matter to be acted upon has been specified in the proxy, the shares represented thereby will, on a poll, be voted or withheld from voting in

accordance with the specifications so made. **If you do not provide instructions in your proxy, the persons named in the enclosed proxy will vote your shares FOR the matters to be acted on at the Meeting.**

The persons named in the enclosed proxy will have discretionary authority with respect to any amendments or variations of these matters or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment or other item of business that comes before the Meeting is routine or contested. The persons named in the enclosed proxy will vote on such matters in accordance with their best judgment. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

Advice to Non-Registered (Beneficial) Shareholders

The information set out in this section is important to many Shareholders as a substantial number of Shareholders do not hold their shares in their own name.

Only registered Shareholders or duly appointed proxyholders for registered Shareholders are permitted to vote at the Meeting. Many of the Shareholders of the Company are "non-registered" Shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.

More particularly, a person is not a registered Shareholder in respect of shares of the Company which are held on behalf of that person (the "Non-Registered Holder") but which are registered either (a) in the name of an intermediary (each, an "Intermediary") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans), or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively referred to as the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies (such as Broadridge Investor Communication Solutions) to forward the Meeting Materials to Non-Registered Holders. Generally, if you are a Non-Registered Holder and you have not waived the right to receive the Meeting Materials you will either:

- (a) be given a form of **proxy which has already been signed by the Intermediary** (typically by a facsimile stamped signature) which is restricted to the number of shares beneficially owned by you, but which is otherwise not complete. Because the Intermediary has already signed the proxy, this proxy is not required to be signed by you when submitting it. In this case, if you wish to submit a proxy you should otherwise properly complete the executed proxy provided and deposit it with Odyssey Trust Company, as provided above; or
- (b) more typically, a Non-Registered Holder will be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy", "proxy authorization form" or "voting instruction form") which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page printed form, the voting instruction form will consist of a regular printed proxy accompanied by a page of instructions that contains a removable label containing a bar-

code and other information. In order for the proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the proxy, properly complete and sign the proxy **and return it to the Intermediary or its service company (not the Company or Odyssey Trust Company)** in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares that they beneficially own. If you are a Non-Registered Holder and you wish to vote at the Meeting in person as proxyholder for the shares owned by you, you should strike out the names of the management designated proxyholders named in the proxy authorization form or voting instruction form and insert your name in the blank space provided. **In either case, you should carefully follow the instructions of your Intermediary, including when and where the proxy, proxy authorization or voting instruction form is to be delivered.**

The Meeting Materials are being sent to both registered Shareholders and Non-Registered Holders who have not objected to the Intermediary through which their shares are held disclosing ownership information about themselves to the Company ("NOBOs"). If you are a NOBO, and the Company or its agent has sent these materials 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 on your behalf.

If you are a Non-Registered Holder who has objected to the Intermediary through which your shares are held disclosing ownership information about you to the Company (an "OBO"), you should be aware that the Company does not intend to pay for Intermediaries to forward the Meeting Materials, including proxies or voting information forms, to OBOs and therefore an OBO will not receive the Meeting Materials unless that OBO's Intermediary assumes the cost of delivery.

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

Other than as disclosed elsewhere in this Information Circular, none of the current directors or executive officers, no proposed nominee for election as a director, none of the persons who have been directors or executive officers since the commencement of the last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, with the exception of the ratification and approval of the Company's Stock Option Plan (as defined below).

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of common shares, each share carrying the right to one vote. As at December 7, 2022, 15,654,000 common shares were issued and outstanding.

Only holders of common shares of record at the close of business on December 7, 2022 (the "Record Date"), who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their common shares voted at the Meeting.

On a show of hands, every individual who is present as a registered Shareholder or as a duly appointed representative of one or more registered corporate Shareholders will have one vote, and on a poll every registered Shareholder present in person or represented by a validly appointed proxyholder, and every person who is a duly appointed representative of one or more corporate registered Shareholders, will have one vote for each common share registered in the name of the Shareholder on the list of Shareholders, which is available for inspection during normal business hours at Odyssey Trust Company and will be available at the Meeting. Shareholders represented by proxyholders are not entitled to vote on a show of hands.

To the knowledge of the directors and executive officers of the Company, based on public information, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over, common

shares carrying 10% or more of the voting rights attached to all of the issued and outstanding common shares as at the Record Date.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the board of directors of the Company (the "Board of Directors" or the "Board"), or their respective associates or affiliates, are or have been indebted to the Company or its subsidiaries as at the date of this Information Circular or since the beginning of the last completed financial year of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, since the beginning of the Company's last financial year, no "informed person" of the Company (including a director, officer or individual or corporation that beneficially owns or controls 10% or more of the issued and outstanding voting securities of the Company), proposed nominee for election as a director of the Company ("proposed director"), or any associate or affiliate of any informed person or proposed director, has 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. See "*Interest of Certain Persons or Companies in the Matters to be Acted Upon*".

MANAGEMENT CONTRACTS

The management functions of the Company are primarily performed by the directors and executive officers of the Company, and not to any substantial degree by any other person with whom the Company has contracted.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a "Named Executive Officer" or "NEO" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (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 Section 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* ("Form 51-102F6V") under National Instrument 51-102 *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the most recently completed financial year.

For the financial years ended November 30, 2020 and 2021, the Company had two individuals who were Named Executive Officers, namely (i) Kostantinos Sakarellos, who was appointed Chief Executive Officer and Corporate Secretary on October 5, 2020; and (ii) Christina Blacker, who was appointed Chief Financial Officer on October 5, 2020.

Summary Compensation Table

Set out below is a summary of compensation paid or accrued to each Named Executive Officer and directors of the Company during the Company's most recently completed financial years, being November 30, 2020 and November 30, 2021.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Kostantinos Sakarellos ⁽¹⁾ <i>Chief Executive Officer, Corporate Secretary and Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Christina Blacker ⁽²⁾ <i>Chief Financial Officer</i>	2021	33,750 ⁽³⁾	Nil	Nil	Nil	Nil	33,750
	2020	5,000	Nil	Nil	Nil	Nil	5,000
Howard Blank ⁽⁴⁾ <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Richard Rosner ⁽⁵⁾ <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Kenneth Booth ⁽⁶⁾ <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Mr. Sakarellos was appointed as a director on September 14, 2020, as Chief Executive Officer on October 5, 2020, and as Corporate Secretary on December 15, 2021.

(2) Ms. Blacker was appointed as Chief Financial Officer on October 5, 2020.

(3) Ms. Blacker is paid a fee of \$2,500 per month, which commenced in October 2020.

(4) Mr. Blank was appointed a director on October 5, 2020.

(5) Mr. Rosner was appointed as a director on October 5, 2020.

(6) Mr. Booth was appointed as a director on October 5, 2020.

External Management Companies

Of the Company's Named Executive Officers, neither Kostantinos Sakarellos nor Christina Blacker were or are employees of the Company.

The management functions of the Company are primarily performed by the directors and executive officers of the Company.

Stock Options and Other Compensation Securities

The Company's stock option plan (the "Stock Option Plan") was approved by the Board of Directors on May 31, 2021. No compensation securities were granted or issued to any Named Executive Officer or director during the financial year ended November 30, 2021.

Stock Option Plan and Other Incentive Plans

The Stock Option Plan is a 10% "rolling" stock option plan. The underlying purpose of the Stock Option Plan is to advance the interests of the Company and its shareholders by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of the Company's common shares. The Stock Option Plan was approved by the Company's directors on May 31, 2021(see "*Particulars of Matters to be Acted Upon*" below).

A summary of the material terms of the Stock Option Plan are set out below, which summary is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting and at the Company's head office located at Suite 250 - 999 Seymour Street, Vancouver, British Columbia, V6B 0M5 for 10 business days prior to the Meeting, during business hours. Capitalized terms used in the summary below but not otherwise defined shall have the meanings provided for in the Stock Option Plan.

1. Eligible Participants. Options may be granted under the Stock Option Plan to directors, officers, employees, or a Consultant of the Company and its subsidiaries, (collectively, the "Eligible Persons"). The Board of Directors, in its discretion, determines whether to grant options under the Stock Option Plan to eligible participants.
2. Number of Shares Reserved. The number of common shares in the capital of the Company which may be issued pursuant to options granted under the Stock Option Plan may not exceed 10% of the issued and outstanding common shares of the Company, on a non-diluted basis, at the date the options are granted. In addition, the number of common shares in the capital of the Company which may be issued pursuant to options granted under the Stock Option Plan to any one optionee shall not exceed 5% of the total number of issued and outstanding common shares, on a non-diluted basis, at the date the options are granted (unless otherwise approved by disinterested Shareholders).
3. Term of Options. Subject to the termination and change of control provisions noted below, the terms of any option granted under the Stock Option Plan is determined by the Board and may not exceed 5 years from the date of grant.
4. Exercise Price. The exercise price of options granted under the Stock Option Plan is equal to the greater of the closing market price of the common shares on (i) the trading day prior to the grant date of the options; and (ii) the grant date of the options or, if the common shares are no longer listed on any stock exchange then, the price per common share on the over-the-counter market determined by dividing the aggregate sale price of the common shares sold by the total number of such shares so sold on the applicable market for the last day prior to the grant date.
5. Vesting. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in paragraph 3.3 of the Stock Portion Plan, all Options granted under the Stock Option Plan will vest and become exercisable in full upon grant, except Options granted to Consultants performing Investor Relations Activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three (3) month period. Notwithstanding the foregoing, in the event that a Pre-Existing Plan imposed vesting requirements on a Pre-Existing Option, such vesting requirements must be satisfied before any such Pre-Existing Options will become vested.
6. Termination of Options. If an Optionee ceases to be an Eligible Person, his or her option shall be exercisable as follows:
 - (a) *Death or Disability* - If the Optionee ceases to be an Eligible Person, due to his or her death or disability or, in the case of an Optionee that is a company, the death or disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee will be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or disability; and
 - (ii) the expiry date of the options.
- (b) *Termination for Cause* - If the Optionee, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the optionee, is employed or engaged; any outstanding options held by such optionee on the date of such termination shall be cancelled as of that date.
- (c) *Early Retirement, Voluntary Resignation or Termination Other than For Cause* - If the optionee ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option then held by the optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after the earlier of the expiry date and the date which is 90 days after the optionee ceases to be an Eligible Person.

Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

Employment, Consulting and Management Agreements

The Company entered into a consulting agreement (the "CA") with its Chief Financial Officer, Ms. Blacker, dated March 1, 2021, whereby Ms. Blacker is paid a fee of \$2,500 per month for advisory services. In the event the CA is terminated without cause by the Company, the Company must either provide ninety (90) days prior written notice to Ms. Blacker, or pay Ms. Blacker a lump sum payment equal to \$7,500 in lieu of notice. The CA may be terminated at any time by the Company for just cause, and Ms. Blacker may terminate the CA at any time upon thirty (30) days prior written notice to the Company.

Oversight and Description of Director and Named Executive Officer Compensation

At its present stage of development, the Company does not have any formal objectives, criteria and analysis for determining the compensation of its Named Executive Officers and primarily relies on the discussions and determinations of the Board.

Compensation Philosophy

The Company has taken a forward-looking approach for the compensation for its directors, officers, employees and consultants to ensure that the Company can continue to build and retain a successful and motivated team and, importantly, align the Company's future success with that of Shareholders.

The Company's compensation strategy is to attract and retain talent and experience with focused leadership in the operations, financing and asset management of the Company with the objective of maximizing the value of the Company. The Company compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Company. NEOs are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, the Company's resources, industry practice, and regulatory guidelines regarding executive compensation levels.

Under the Company's compensation policies and practices, NEOs and directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of equity securities offered as compensation.

The Company has not currently identified specific performance goals or benchmarks as such relate to executive compensation. The stage of the Company's development and the size of its specialized management team allow frequent communication and constant management decisions, with the interest of developing Shareholder value as a primary goal.

The Board of Directors believes that the compensation policies and practices of the Company do not encourage executive officers to take unnecessary or excessive risk; however, the Board intends to review from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Implicit in the Board of Directors' mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and Shareholders, and risk implications is one of many considerations which are taken into account in such design.

Compensation Components

The Board of Directors has implemented three levels of compensation to align the interests of the Named Executive Officers with those of the Shareholders. First, NEOs may be paid a monthly salary or consulting fee. Second, the Board of Directors may award NEOs long-term incentives in the form of stock options. Finally, and only in special circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value. The Company does not provide medical, dental, pension or other benefits to NEOs. To date, no specific formulas have been developed to assign a specific weighting to each of these components.

Base Salary

The base compensation, if any, of the Named Executive Officers is reviewed and set annually by the Board of Directors. The salary review for each NEO is based on an assessment of factors such as:

- current competitive market conditions;
- level of responsibility and importance of the position within the Company; and
- particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual.

The Company has not established a formal "peer group" of companies against which to benchmark the Company's executive compensation arrangements. The Board intends to perform an annual assessment of all executive officer compensation levels and then set base salaries or consulting fees of the NEOs in accordance with such assessment.

The base compensation, if any, of the directors of the Company is also reviewed and set annually by the Board of Directors.

Long-Term Compensation – Stock Options

Long-term compensation is paid to NEOs in the form of grants of stock options.

The Company has established its Stock Option Plan to encourage share ownership and entrepreneurship on the part of the directors, senior management, employees and consultants. The Board believes that the Stock Option Plan aligns the interests of Named Executive Officers with the interests of Shareholders by linking a component of executive compensation to the longer-term performance of the Company's common shares.

The Stock Option Plan is administered by the Board, who have full and final authority with respect to the granting of all options thereunder. Accordingly, all options granted to NEOs are approved by the Board. The Company has not set specific target levels for options to NEOs but seeks to be competitive.

The Stock Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time.

In monitoring stock option grants, the Board generally takes into account the following factors: the level of options granted by comparable companies for similar levels of responsibility, prior grants to a proposed optionee, the executive's past performance, anticipated future contribution, the percentage of outstanding equity owned by the executive, the level of vested and unvested options, and on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, and subject to earlier termination in the event of dismissal for cause, early retirement, voluntary resignation or termination other than for cause, or in the event of death or disability, the Board also makes the following determinations:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each stock option; and
- the other material terms and conditions of each stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan. Options granted under the Stock Option Plan are not transferable or assignable.

As of the date of this Information Circular, a total of 500,000 stock options have been granted to the Company's directors and Named Executive Officers pursuant to the Stock Option Plan.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out details of all the Company's equity compensation plans as of November 30, 2021, being the end of the Company's most recently completed financial year. The Company's equity compensation plan consists of its Stock Option Plan, which was approved by the Board on May 31, 2021. Shareholders will be asked at the Meeting to consider, and if thought fit, to approve an ordinary resolution approving and ratifying the Stock Option Plan. For more details about the Company's Stock Option Plan, please see "Stock Option Plan and Other Incentive Plans" above.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans, excluding securities reflected in column (a) (c)
Equity compensation plans approved by security holders	--	--	--
Equity compensation plans not approved by security holders	500,000	\$0.10 ⁽¹⁾	1,065,400 ⁽²⁾
TOTAL	500,000	\$0.10	1,065,400⁽²⁾

Notes:

(1) Consisting of 500,000 stock options, each exercisable for one common share at a price of \$0.10 per share until January 27, 2024.

(2) As of November 30, 2021, the Company had an aggregate of 15,654,000 common shares issued and outstanding.

(3) As of the date of this Information Circular, the Company has an aggregate of 15,654,000 common shares issued and outstanding and has granted an aggregate of 500,000 stock options. Accordingly, as of the date of this Information Circular there are 1,065,400 securities remaining available for future issuance under the Stock Option Plan.

CORPORATE GOVERNANCE DISCLOSURE

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") of the Canadian Securities Administrators requires the Company to annually disclose certain information regarding its corporate governance practices. That information is disclosed below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. The Board is comprised of four directors: Kostantinos Sakarellos, Richard Rosner, Howard Blank and Kenneth Booth. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Kostantinos Sakarellos is not independent as he is the Chief Executive Officer of the Company.

Descriptions of Roles

The Board of Directors has not established written descriptions of the positions of the Chief Executive Officer, Chief Financial Officer or Chairman of any of the committees of the Board (except as may be set out in a charter applicable to a committee) as it feels they are unnecessary and would not improve the function and performance of the Board, Chief Executive Officer, Chief Financial Officer or any committee.

Other Directorships

The following table sets out the directors and proposed directors of the Company who are currently directors of other reporting issuers:

Name of Director	Name of Other Reporting Issuer
Howard Blank	Icarus Capital Corp.
Kenneth Booth	Gitennes Exploration Inc. Angkor Resources Corp. Gander Gold Corporation Heliostar Metals Ltd. Lithium Chile Inc.
Kostantinos Sakarellos	N/A
Richard Rosner	N/A

Orientation and Continuing Education

New Board members receive an orientation package, which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

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 view 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.

Assessments

Due to the minimal size of the Board, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees. Nevertheless, their effectiveness is subjectively measured on an ongoing basis by each director and committee member based on their assessment of the performance of the Board, or the audit committee of the Board (the "Audit Committee"), or the individual directors and committee members compared to their expectation of performance.

Compensation

The Board is responsible for determining compensation for the directors of the Company to ensure it reflects the responsibilities and risks of being a director of a public company. The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The Board intends to compensate directors primarily through the grant of Options and reimbursement of expenses incurred by such persons acting as directors of the Company.

Other Board Committees

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

AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* ("NI 52-110") of the Canadian Securities Administrators requires the Company's Audit Committee to meet certain requirements. It also requires the Company to disclose in this Information Circular certain information regarding the Audit Committee. That information is disclosed below.

Overview

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110 and Form 52-110F2 *Disclosure by Venture Issuers* requires the Company, as a venture issuer, to disclose certain information relating to the Audit Committee and its relationship with the Company's independent auditors. Howard Blank is the Chair of the Audit Committee.

Composition of the Audit Committee

Unless an issuer is a "venture issuer" (an issuer, the securities of which are not listed or quoted on any of the Toronto Stock Exchange, a market in the USA other than the over-the-counter market, or a market outside of Canada and the USA) as of the end of its last financial year, NI 52-110 requires each of the members of the audit committee to be independent and financially literate. Since the Company is a "venture issuer" (its securities are listed on the Canadian Securities Exchange, but are not listed or quoted on any other exchange or market) it is exempt from this requirement.

The Audit Committee is currently comprised of the following members: Howard Blank (Chair), Richard Rosner, and Kostantinos Sakarellos. Each member of the Audit Committee is considered to be "financially literate" as defined by NI 52-110 in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements. Two of the three current members of the Audit Committee, Howard Blank and Richard Rosner, are independent, while the third member, Kostantinos Sakarellos, is not considered independent as he is an executive officer of the Company. To be considered to be independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Company. A material relationship is a relationship which could, in the view of the Board reasonably interfere with the exercise of a member's independent judgment.

The members of the Audit Committee are elected by the Board of Directors at its first meeting following the annual Shareholders' meeting. Unless a Chairman is elected by the full Board, the members of the Committee designate a Chairman by a majority vote of the full Committee membership.

Relevant Education and Experience

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his 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.

For a summary of the experience and education of the Audit Committee members see "Directors and Executive Officers".

Audit Committee Charter

The Company has adopted a Charter for the Audit Committee which sets out the committee's mandate, organization, powers and responsibilities, a copy of which is attached hereto as Appendix "A".

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on an exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or on an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting

services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chair of the Audit Committee deems is necessary, and the Chair will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

External Auditor Service Fees

The following table sets out the fees paid by the Company to its auditor in the financial years ended November 30, 2020 and 2021.

Financial Year Ended	Audit Fees (\$)⁽¹⁾	Audit Related Fees (\$)⁽²⁾	Tax Fees (\$)⁽³⁾	All Other Fees (\$)⁽⁴⁾
2020	7,000	Nil	650	Nil
2021	30,674	Nil	1,100	Nil

Notes:

- (1) The aggregate fees billed by the Company's independent auditors for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice, and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Venture Issuer Exemption

Since the Company is a "venture issuer" it relies on the exemption contained in Section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in "Composition of the Audit Committee" above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Company's Annual Information Form, if any, and this Information Circular).

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The audited financial statements of the Company for the financial years ended November 30, 2021 and 2020, and the independent auditor's report thereon, and the management's discussion and analysis ("MD&A") for the financial years ended November 30, 2021 and 2020, will be placed before the Meeting for consideration by the Shareholders. The Board has approved the financial statements of the Company, the independent auditor's report thereon, and the MD&A, as such no Shareholders' vote needs to be taken thereon at the meeting. The financial statements and MD&A are available on the Company's SEDAR profile at www.sedar.com.

Appointment and Remuneration of Auditor

Shareholders will be asked at the Meeting to approve the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Suite 1500 – 1140 West Pender Street, Vancouver, British Columbia, as auditor of the Company to hold office until the next annual general meeting of Shareholders at a remuneration to be fixed by the directors. Dale Matheson Carr-Hilton Labonte LLP was appointed as the Company's auditor on February 2, 2021. Dale Matheson Carr-Hilton Labonte LLP is independent of the Company, in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

In the absence of instructions to the contrary, a properly executed and returned proxy will be voted "FOR" the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as auditor of the Company until the next annual general meeting of Shareholders and to authorize the directors to fix the auditor's remuneration.

Number of Directors

Shareholders will be asked at the Meeting to approve an ordinary resolution to set the number of directors of the Company at four (4) for the ensuing year. The Board of Directors recommends a vote "FOR" the approval of the resolution setting the number of directors at four (4). **In the absence of instructions to the contrary, a properly executed and returned proxy will be voted "FOR" the approval of the resolution setting the number of directors at four (4).**

Election of Directors

The directors of the Company are elected at each annual general meeting of Shareholders and each elected director holds office until the next annual general meeting of Shareholders or until his successor is elected or appointed or unless he becomes disqualified under the *Business Corporations Act* (British Columbia) to act as a director.

Each of the persons named in the following table are proposed for nomination for election as a director of the Company. The Board of Directors recommends a vote "FOR" each of the nominees listed below. **In the absence of instructions to the contrary, a properly executed and returned proxy will be voted "FOR" the proposed directors set out below.** Management does not contemplate that any of the proposed directors will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of Shareholders or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the articles of the Company or the provisions of the *Business Corporations Act* (British Columbia).

The following table sets out the name of each proposed director, the province or state and country in which they are ordinarily resident, all offices of the Company now held by them, their principal occupation, the period of time for which they have been a director of the Company, and the number of common shares of the Company beneficially owned by them, directly or indirectly, or over which they exercise control or direction, as of the date of this Information Circular:

Name, province or state and country of residence and positions, current and former, if any, held in the Company	Date became a director	Principal occupation during past five years	Number of common shares beneficially owned or controlled or directed, directly or indirectly ⁽¹⁾
Kostantinos Sakarellos ⁽²⁾ <i>Chief Executive Officer, Corporate Secretary and Director</i> British Columbia, Canada	October 5, 2020	Self employed businessman; Director for Vanity Capital Inc. from September 2008 to May 2017.	1,100,000
Howard Blank ⁽²⁾ <i>Director</i> British Columbia, Canada	October 5, 2020	CEO of Point Blank Entertainment; Director for Philanthropic Organizations.	Nil
Richard Rosner ⁽²⁾ <i>Director</i> ⁽²⁾ British Columbia, Canada	October 5, 2020	President of ILAH Clothing Inc.	600,000
Kenneth Booth <i>Director</i> Nova Scotia, Canada	October 5, 2020	Self-employed financial consultant. Principal, Highwood Advisory Services Inc., since 1999.	7,500

Notes:

(1) The information as to the number of common shares beneficially owned or controlled by each nominee, not being within the knowledge of the Company, has been furnished by the respective proposed directors themselves. Unless otherwise indicated, such shares are held directly.

(2) Denotes a member of the Audit Committee.

Unless otherwise stated, each of the above-named nominees has held the principal occupation or employment indicated for the past five years, which information, not being within the knowledge of the Company, has been furnished by the respective proposed director themselves.

Other than as disclosed herein, no proposed director of the Company is, as of the date of this Information Circular or was within ten years before the date thereof, a director, Chief Executive Officer or Chief Financial Officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or Chief Executive Officer or Chief Financial Officer was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

No proposed director of the Company:

- (a) is, as of the date of this Information Circular or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial 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 ten years of the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions

No proposed director of the Company 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 regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The foregoing, not being within the knowledge of the Company, has been furnished by the respective proposed directors themselves.

Ratification and Approval of Stock Option Plan

The Stock Option Plan is described under "*Executive Compensation – Stock Option Plan*".

Following approval of the Stock Option Plan by the Shareholders any options granted pursuant to the Stock Option Plan will not require further Shareholder or, if applicable, Canadian Securities Exchange approval, unless the exercise price is reduced, the maximum number of common shares that may be issued to insiders

within any one year period or that are issuable to insiders at any time is increased, or the expiry date is extended for an option held by an insider of the Company.

Shareholders will be asked at the Meeting to consider, and if thought fit, to approve an ordinary resolution ratifying and approving the Stock Option Plan as follows:

"BE IT RESOLVED THAT:

1. The Company's Stock Option Plan (the "Plan") be and is hereby ratified, confirmed and approved; and
2. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal of the Company or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan as may be required by an applicable stock exchange or applicable securities regulatory authorities and to complete all transactions in connection with the implementation of the Plan."

The Stock Option Plan requires approval by a majority of the votes cast by Shareholders present in person or by proxy at the Meeting.

The Board of Directors recommends a vote "FOR" the approval of the resolution ratifying and approving the Stock Option Plan. **In the absence of instructions to the contrary, a properly executed and returned proxy will be voted "FOR" the approval of the resolution ratifying and approving the Stock Option Plan.**

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed proxy to vote the shares represented thereby in accordance with their best judgement on such matter, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available on SEDAR at www.sedar.com under "Issuer Profiles – Pursuit Gold Corp.". The Company's financial information is provided in the Company's financial statements and related management's discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above. Shareholders of the Company may request copies of the Company's financial statements and related management's discussion and analysis for the financial years ended November 30, 2021 and 2020, by contacting the Company by mail at Suite 250 - 999 Seymour Street, Vancouver, British Columbia, V6B 0M5, Attention: Chief Executive Officer or by telephone: 604-973-0579.

DATED this 7th day of December, 2022.

ON BEHALF OF PURSUIT GOLD CORP.

/s/Kostantinos Sakarellos

Kostantinos Sakarellos
Chief Executive Officer and Corporate Secretary

APPENDIX "A"

AUDIT COMMITTEE CHARTER

See attached.

AUDIT COMMITTEE CHARTER

The following Audit Committee Charter was adopted by the Audit Committee and the Board of Directors of Pursuit Gold Corp. (the "**Company**")

Mandate

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

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

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

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

Meetings

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

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- review and update this Audit Committee Charter annually; and
- review the Company's financial statements, MD&A, and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the

Company to its external auditors during the fiscal year in which the non-audit services are provided,

- such services were not recognized by the Company at the time of the engagement to be non-audit services, and
- such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

Financial Reporting Processes

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

Other

- review any related-party transactions;

- engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee.