



METALS CORP

Suite #1450, 789 West Pender Street, Vancouver, BC, V6C 1H2  
Tel: 604-681-1568 Fax: 604-681-8240 Toll Free: 1-877-377-6222

[www.madorometals.com](http://www.madorometals.com)

TSX-V: MDM OTC: MSTXF

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 21, 2021

AND

## INFORMATION CIRCULAR

*DATED: November 19, 2021*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.*

*If you are a registered Shareholder of the Company and are unable to attend the Meeting virtually, please date and sign the enclosed form of proxy and return it in the envelope provided. All proxies to be valid, must be received by Olympia Trust Company by fax to 1-403-668-8307, by email to [proxy@olympiatrust.com](mailto:proxy@olympiatrust.com), or by mail/hand delivery to Suite 1900, 925 West Georgia Street, Vancouver, BC V6C 3L2, or via internet at <https://css.olympiatrust.com/pxlogin> at least 48 hours prior to the Meeting or any adjournment thereof. If you are not a registered Shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the voting instruction form in accordance with the instructions provided to you by your broker or intermediary.*

# MADORO

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (the "Meeting") of the Shareholders of MADORO METALS CORP. (the "Company") will be held virtually on December 21, 2021 at the hour of 10:00 a.m. Pacific Standard Time, for the following purposes:

1. To receive and consider the report of the directors and the financial statements of the Company, together with the auditor's report thereon for the financial year ended February 28, 2021.
2. To fix the number of directors at five (5).
3. To elect directors for the ensuing year.
4. To appoint the auditor for the ensuing year.
5. To consider and, if thought fit, to pass an ordinary resolution approving and ratifying the Company's Stock Option Plan, subject to regulatory approval, as more fully set forth in the information circular accompanying this notice.
6. To transact such further or other business as may properly come before the Meeting and any adjournments thereof.

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

**To ensure the safety of our shareholders and other stakeholders entitled to attend the Meeting amidst the ongoing COVID-19 pandemic, the Company is conducting a Meeting virtually. Registered shareholders and validly appointed proxyholders may attend the Meeting via Zoom at:**

<https://us06web.zoom.us/j/88949317242?pwd=TW1PQzZmdXJtT0xXbFpCMFFDbmZ4UT09>

**Meeting ID: 889 4931 7242**  
**Passcode: 648830**

The Company's Board of Directors has fixed November 16, 2021 as the record date for the determination of Shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and return it to the Company's transfer agent, Olympia Trust Company by fax to 1-403-668-8307, by email to [proxy@olympiustrust.com](mailto:proxy@olympiustrust.com), or by mail/hand delivery to Suite 1900, 925 West Georgia Street, Vancouver, BC V6C 3L2, or via internet at <https://css.olympiustrust.com/pxlogin> at least 48 hours prior to the Meeting or any adjournment thereof.

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

DATED at Vancouver, BC, this 19<sup>th</sup> day of November, 2021.

BY ORDER OF THE BOARD OF  
MADORO METALS CORP.

*Signed: "Dusan Berka"*

Dusan Berka  
CEO, President and Director



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### INFORMATION CIRCULAR

(As at November 19, 2021, except as indicated)

**MADORO METALS CORP.** (the “Company”) is providing this information circular (the “Information Circular”) and a form of proxy in connection with management’s solicitation of proxies for use at the annual general meeting (the “Meeting”) of the Company to be held virtually at 10:00 a.m. (Pacific Standard Time) on Tuesday, December 21, 2021. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included (if applicable). The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

**To ensure the safety of our shareholders and other stakeholders entitled to attend the Meeting amidst the ongoing COVID-19 pandemic, the Company is conducting a Meeting virtually. Registered shareholders and validly appointed proxyholders may attend the Meeting via Zoom at:**

<https://us06web.zoom.us/j/88949317242?pwd=TWlPQzZmdXJtT0xXbFpCMFFDbmZ4UT09>

**Meeting ID: 889 4931 7242**

**Passcode: 648830**

#### **Date and Currency**

The date of this Information Circular is November 19, 2021. Unless otherwise stated, all amounts herein are in Canadian dollars.

#### **APPOINTMENT OF PROXYHOLDER**

The persons named as proxy holders in the enclosed form of proxy are the Company’s directors or officers. As a Shareholder, you have the right to appoint a person (who need not be a Shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy. A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

#### **VOTING BY PROXY**

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an “X” in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgement.

#### **COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Olympia Trust Company by fax to 1-403-668-8307, by email to [proxy@olympiatrust.com](mailto:proxy@olympiatrust.com), or by mail/hand delivery to Suite 1900, 925 West Georgia Street, Vancouver, BC V6C 3L2, or via internet at <https://css.olympiatrust.com/pxlogin>, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

### IMPORTANT INFORMATION FOR NON-REGISTERED HOLDERS

Only Shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our Shareholders are "non-registered" Shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered Shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered Shareholder. Meeting materials sent to non-registered holders who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions (a "VIF"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered Shareholder (or Nominee) how to vote on behalf of the non-registered Shareholder. VIF's, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

### REVOCAION OF PROXY

If you are a registered Shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke it by either:

- a) signing a proxy bearing a later date; or
- b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered Shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board of Directors (the "Board") to be the close of business on November 16, 2021, a total of 67,926,716 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company no person beneficially owns, directly or indirectly, or exercised control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company.

### STATEMENT OF EXECUTIVE COMPENSATION

The following information is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth compensation for each of Dusan Berka (the “CEO”) and Zahara Kanji (the “CFO”) (together, the “NEOs”) and Robert Archer, David Jones, Brian Ostroff and Mary Ellen Thorburn, directors of the Company, and Paul Smith, former director of the Company, during the year ended February 28, 2021.

#### General

For the purposes of this Statement of Executive Compensation:

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

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

“Named Executive Officer” or “NEO” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with applicable securities laws; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

#### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO and Director, in any capacity, for the two most recently completed financial years ended February 28:

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 (\$)
<b>Dusan Berka</b> <sup>(1)</sup> <i>President, CEO and Director</i>	2021	60,000	Nil	Nil	Nil	Nil	60,000
	2020	50,000	Nil	Nil	Nil	Nil	50,000
<b>Zahara Kanji</b> <sup>(2)</sup> <i>CFO</i>	2021	48,000	Nil	Nil	Nil	18,951 <sup>(3)</sup>	66,951
	2020	42,000	Nil	Nil	Nil	21,613 <sup>(3)</sup>	63,613
<b>David Jones</b> <i>Director, Exploration Manager</i>	2021	13,246	Nil	Nil	Nil	68,354 <sup>(4)</sup>	81,600
	2020	5,755	Nil	Nil	Nil	144,978 <sup>(4)</sup>	150,733
<b>Robert Archer</b> <sup>(5)</sup> <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Mary Ellen Thorburn</b> <sup>(6)</sup> <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brian Ostroff</b> <sup>(7)</sup> <i>Director, Executive</i>	2021	8,250	Nil	Nil	Nil	Nil	8,250
	2020	N/A	N/A	N/A	N/A	N/A	N/A

<i>Chair</i>							
<b>Paul Smith<sup>(8)</sup></b>	2021	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil

## NOTES:

- (1) The Company pays consulting fees to Duster Capital Corp, a company controlled by Mr. Berka, pursuant to an agreement dated October 1, 2011, as amended April 23, 2013 and September 5, 2019. For details, see “Employment, Consulting and Management Agreements”.
- (2) The Company pays consulting fees to Zara Kanji & Associates, a company controlled by Ms. Kanji, pursuant to an agreement dated October 1, 2011, as amended April 23, 2013 and September 5, 2019. For details, see “Employment, Consulting and Management Agreements”.
- (3) Accounting fees paid and accrued to Zara Kanji & Associates.
- (4) Geological fees paid to Paradex, Inc., a company controlled by Mr. Jones.
- (5) Robert Archer was appointed to the Board on June 26, 2019.
- (6) Mary Ellen Thorburn was appointed to the Board on December 30, 2020.
- (7) Brian Ostroff was appointed to the Board on December 30, 2020.
- (8) Paul Smith resigned from the Board on July 27, 2021.

### Stock Options and Other Compensation Securities

During the financial year ended February 28, 2021, no NEOs or Directors of the Company were issued any compensation securities.

### Exercise of Stock Options

During the financial year ended February 28, 2021, no NEOs or Directors of the Company exercised compensation securities.

### Stock Option Plans and Other Incentive Plans

The Company has adopted a Stock Option Plan (the “Option Plan”) pursuant to which the Board may grant options (the “Options”) to purchase common shares of the Company (the “Shares”) to NEOs, Directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

The purpose of the Option Plan is to attract, retain, and motivate NEOs, Directors, employees and other service providers by providing them with the opportunity, through Options, to acquire an interest in the Company and benefit from the Company’s growth. Under the Option Plan, the maximum number of Shares reserved for issuance, including Options currently outstanding, is equal to 10% of the Shares outstanding from time to time (the “10% Maximum”). The 10% Maximum is an “evergreen” provision, meaning that, following the exercise, termination, cancellation or expiration of any Options, a number of Shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future Option grants.

The number of Shares which may be the subject of Options on a yearly basis to any one person cannot exceed 5% of the number of issued and outstanding Shares at the time of the grant. Options may be granted to any employee, officer, Director, consultant, affiliate or subsidiary of the Company exercisable at a price which is not less than the market price of common shares of the Company on the date of the grant. The Directors of the Company may, by resolution, determine the time period during which any option may be exercised (the “Exercise Period”), provided that the Exercise Period does not contravene any rule or regulation of such exchange on which the Shares may be listed. All Options will terminate on the earliest to occur of (a) the expiry of their term; (b) the date of termination of an optionee’s employment, office or position as Director, if terminated for just cause; (c) 90 days (or such other period of time as permitted by any rule or regulation of such exchange on which the Shares may be listed) following the date of termination of an optionee’s position as a Director or NEO, if terminated for any reason other than the optionee’s disability or death; (d) 30 days following the date of termination of an optionee’s position as a consultant engaged in investor relations activities, if terminated for any reason other than the optionee’s disability, death, or just cause; and (e) the date of any sale, transfer or assignment of the Option.

Options are non-assignable and are subject to early termination in the event of the death of a participant or in the event a participant ceases to be a NEO, Director, employee, consultant, affiliate, or subsidiary of the Company, as the case may be. Subject to the foregoing restrictions, and certain other restrictions set out in the Option Plan, the Board is authorized to provide for the granting of Options and the exercise and method of exercise of options granted under the Option Plan.

The TSX Venture Exchange requires listed companies that have “rolling” stock option plans in place to receive Shareholder approval for such plans on a yearly basis at the company’s annual Shareholders meeting. The last Shareholders meeting was held on December 30, 2020 and approval was granted.

## Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed other than by Directors or NEOs of the Company.

The Company has entered into the following agreements with management:

**Dusan Berka** – By agreement dated October 1, 2011, as amended April 23, 2013 and September 5, 2019, the Company agreed to pay Duster Capital Corp., of which Mr. Berka is the Principal, a management fee of \$5,000 per month plus taxes, effective August 1, 2019. For actual amounts paid to Mr. Berka for the financial year ended February 28, 2021, see “Table of Compensation Excluding Compensation Securities”.

The agreement with Mr. Berka contains certain termination payout clauses upon the occurrence of the following events:

- 1) by the Company, upon giving Mr. Berka thirty days prior written notice, in which case all unpaid compensation up to the date of termination, together with all expenses not previously reimbursed, shall be paid to Mr. Berka, plus a further payment equal to fees for a 1 month period for every year of service by Mr. Berka in excess of one year, subject to a maximum of 12 months, as damages and compensation for loss of office and for the termination of the agreement; or
- 2) by Mr. Berka, immediately upon giving the Company written notice, in its sole discretion, following a Change of Control or Change of Management of the Company (as defined by the policies of the TSX Venture Exchange or any successor hereto) in which case all unpaid compensation up to the date of termination, together with all expenses not previously reimbursed, shall be paid to Mr. Berka, plus a further payment equal to fees for a further twelve (12) months, as damages and compensation for loss of office and for the termination of the agreement.

The agreement is in good standing.

**Zahara Kanji** By agreement dated October 1, 2011, as amended April 23, 2013 and September 5, 2019, the Company agreed to pay Zara Kanji & Associates, of which Ms. Kanji is the Principal, a management fee of \$4,000 per month plus taxes, effective June 1, 2019. For actual amounts paid to Ms. Kanji for the financial year ended February 28, 2020, see “Table of Compensation Excluding Compensation Securities”.

The agreement is in good standing.

## Oversight and Description of Director and NEO Compensation

The Compensation and Nomination Committee of the Company has the responsibility of determining the compensation for the NEOs, directors and other senior management and recommending to the Board for approval. The Compensation and Nomination Committee is comprised of Robert Archer, Brian Ostroff and Mary Ellen Thorburn. Mr. Archer and Ms. Thorburn are considered independent in accordance with National Instrument 52-110 – *Audit Committees* (“NI 52-110”).

The Company’s compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the level of that executive’s level of responsibility. In general, the Company’s NEOs may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or
- Bonuses.

The objective and reason for this system of compensation is to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. The Compensation and Nomination Committee relies on the general experience of its members in setting base salary amounts.

Stock option grants are designed to reward the NEOs and directors for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Compensation and Nomination Committee of the work planned during the year and the work achieved during the year. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

Pension Disclosure

#### **Pension Disclosure**

The Company has no pension plans that provide for payments or benefits to any NEO at, following or in connection with retirement. The Company also does not have any deferred compensation plans relating to any NEO.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year ended February 28, 2021:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	2,893,000	\$0.11	3,193,921
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>2,893,000</b>	<b>\$0.11</b>	<b>3,193,921</b>

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

As at the date hereof, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company which is owing to the Company or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company,

in relation to a securities purchase program or other program.

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

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

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



Other than as described below, no informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

The Company was a party to the following material transactions with informed persons:

On August 10, 2020, the Company entered into agreements with Paradex Inc. and Minerra Zalamera S.A. DE C.V., of which David Jones, a director of the Company, is President of each vending company, to amend the Rama de Oro, Magdalena and Yautepec option agreements by extending the due date on the exploration expenditures on the projects. The Rama de Oro expenditures of US \$350,000 were extended from May 9, 2020 to May 9, 2022 and the Magdalena and Yautepec expenditures in the aggregate amount of US \$310,000, were extended from June 1, 2021 to December 1, 2021. In consideration of the extension, the Company paid an aggregate US \$12,500 to the vendor.

### **MANAGEMENT CONTRACTS**

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

### **CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and, therefore, these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

#### **Independence of Members of Board**

The Company's Board consists of five Directors, two of whom are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"). Dusan Berka and Brian Ostroff are not independent as executive officers of the Company. David Jones is not independent as Exploration Manager of the Company. Robert Archer and Mary Ellen Thorburn are independent.

#### **Management Supervision by Board**

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further, supervision is performed through the Audit Committee which is composed of a majority of independent Directors.

#### **Risk Management**

The Board is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

#### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

#### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to Shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

### **Nomination of Directors**

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

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

### **Compensation**

The Compensation and Nomination Committee is responsible for recommending to the Board for approval, the compensation paid to directors and executive officers and establishing and reviewing incentive plans for directors, officers and management. For further details, see "Oversight and Description of Director and NEO Compensation".

### **Other Board Committees**

In addition to the Audit Committee and the Compensation and Nomination Committee, the Company has a Disclosure Committee and a Technical Committee.

The Disclosure Committee is comprised of three directors: Mary Ellen Thorburn, Dusan Berka and Brian Ostroff. The Disclosure Committee is responsible for carrying out the mandate set out in the Disclosure, Confidentiality and Insider Trading Policy (the "DCIT Policy"). The purpose of the DCIT Policy is to ensure that communications to the investing public about the Company are made in accordance with all applicable legal and regulatory requirements, including National Instrument 51-201, "Disclosure Standards".

The Technical Committee is comprised of three directors: Robert Archer, David Jones and Dusan Berka. The Technical Committee is responsible for monitoring the work carried out on the Company's exploration projects.

### **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

### **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances Shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

## **AUDIT COMMITTEE**

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

The Company's Audit Committee (the "Committee") is governed by an Audit Committee Charter, the text of which is attached as Schedule "A" to this Information Circular.

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

The following are the members of the Committee:

Mary Ellen Thorburn	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Robert Archer	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Brian Ostroff	Non-Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

NOTES:

<sup>(1)</sup> As defined by NI 52-110

### **Audit Committee Member Education and Experience**

**Mary Ellen Thorburn** – Ms. Thorburn has over 15 years of experience as a senior financial executive of various public companies, including Great Panther Mining Limited, Eco Oro Minerals Corp., Taseko Mines Limited and Barrick Gold Corporation.

Ms. Thorburn holds the designations of Chartered Professional Accountant and Chartered Financial Analyst. She also holds a Bachelor of Business Administration from Wilfrid Laurier University.

**Robert Archer** – Mr. Archer was Chair of the Audit Committee for Altair Resources Inc. from 2006 to 2014 and Prize Mining Corporation from August 2018 to December 2018.

**Brian Ostroff** – Brian Ostroff is a Partner at Windermere Capital, a fund focused on investments in the small/mid cap mining exploration sector. As well, Brian sits on the audit committee of Arianne Phosphate where, he also serves as President.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

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

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors" on the Audit Committee Charter attached as Schedule "A".

### **External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
February 28, 2021	23,000	Nil	Nil	Nil
February 29, 2020	20,244	Nil	Nil	Nil

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

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

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. Presentation and Receipt of Financial Statements**

The audited financial statements of the Company for the period ended February 28 2021, together with the auditor's report thereon will be presented to Shareholders at the Meeting. The financial statements, auditor's report and management's discussion and analysis for the financial year ended February 28, 2021 are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## 2. Number of Directors

The Articles of the Company provide for a Board of no fewer than three Directors and no greater than a number as fixed or changed from time to time by majority approval of the Shareholders. At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of Directors of the Company for the ensuing year at five (5). The number of Directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of Directors at five (5). Management recommends the approval of the resolution to set the number of Directors of the Company at five (5).

## 3. Election of Directors

At present, the Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such Director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy.

Pursuant to the Advance Notice Policy of the Company adopted by the Board on September 23, 2013, any additional Director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy. As of the date of this information circular, the Company has not received notice of a nomination in compliance with the Advance Notice Policy.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as Directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years	Previous Service as a Director	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>Dusan Berka, P.Eng.</b> <sup>(4)(5)</sup> BC, Canada <i>President, Chief Executive Officer, and Director</i>	Professional Engineer; President and CEO of the Company; Presently Director of various companies.	December 5, 2003 to present	2,843,000
<b>Robert Archer</b> <sup>(2)(3)(4)(5)</sup> BC, Canada <i>Director</i>	President & CEO of Great Panther Mining Limited until August 2017; Continuing as Director of GPR until June 2020; Director of Prize Mining corporation from March 2018-December 2018. Director of Newrange Gold Corp. since March 2018, as CEO since Jan 2019 and also as President since Oct 2021.	June 26, 2019 to present	500,000
<b>David Jones</b> <sup>(5)</sup> Arizona, USA <i>Director</i>	Consulting exploration Geologist.	August 8, 2018 to present	6,020,000
<b>Brian Ostroff</b> <sup>(2)(3)(4)</sup> Quebec, Canada <i>Director, Executive Chair</i>	Partner at Windermere Capital (Canada) Inc.; President of Arianne Phosphate Inc.	December 30, 2020 to present	4,828,000
<b>Mary Ellen Thorburn</b> <sup>(2)(3)(4)</sup> BC, Canada <i>Director</i>	Self-employed finance consultant from January 2018 to present; VP Finance of Great Panther Mining Limited from May 2014 to June 2017.	December 30, 2020 to present	Nil

### NOTES:

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 19, 2021.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation and Nomination Committee.
- (4) Member of the Disclosure Committee.
- (5) Member of the Technical Committee.

**Management recommends the approval of each of the nominees listed above for election as Directors of the Company for the ensuing year.**

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") of any company (including the Company) that:

- (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar 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; or
- (ii) was subject to a cease trade or similar 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 after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to 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
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The following proposed Directors hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Dusan Berka	Aguila American Gold Ltd. Eloro Resources Ltd. Patriot Battery Metals Inc.
Robert Archer	Newrange Gold Corp.
David Jones	Minaurum Gold Inc.
Brian Ostroff	Ariane Phosphate Inc.
Mary Ellen Thorburn	N/A

#### 4. Appointment of Auditor

Davidson & Company, LLP, of Vancouver, BC, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Davidson & Company, LLP, of Vancouver, BC as the auditors of the Company to hold office for the ensuing year. Davidson & Company, LLP, have been the auditors of the Company since February 5, 2014.

#### 5. Approval and Ratification of Stock Option Plan

The Stock Option Plan is a “rolling” stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued Shares of the Company. The TSX Venture Exchange requires listed companies that have “rolling” stock option plans in place to receive Shareholder approval for such plans on a yearly basis at the company’s annual Shareholders meeting. Accordingly, at the Meeting, Shareholders will be asked to ratify, confirm and approve the Stock Option Plan.

The purpose of the Stock Option Plan is to advance the interests of the Company and the Shareholders by attracting, retaining and motivating Directors, officers, employees, consultants and management company employees of high calibre and potential, and to encourage and enable such persons to acquire an ownership interest in the Company. As of the date hereof, there is an aggregate of 2,893,000 stock options outstanding under the Stock Option Plan, which is equal to 4.3%<sup>(1)</sup> of the issued share capital of the Company, leaving a total 3,899,672 options available for grant under the Stock Option Plan.

The following information 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, a complete copy is available from the Company on request and will be available at the Meeting.

1. The Board shall establish the exercise price at the time each option is granted, and the exercise price will not be less than the minimum prevailing price permitted by the TSX Venture Exchange Policies.

2. All options granted under the Stock Option Plan may not have an expiry date exceeding 10 years from the date on which the option is granted.
3. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares of the Company.
4. Options granted to Insiders as a group in any 12-month period cannot exceed 10% of the total number of issued Shares of the Company.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares of the Company.
6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12-month period cannot exceed more than 2% of the issued Shares of the Company.
7. Options granted to optionees performing investor relations activities will vest in stages over 12 months with 20% of the options vesting on the date of grant and 20% each three months thereafter.
8. If a Director, employee or consultant of the Company is terminated for cause, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a Director, employee, or consultant by reason of termination for cause.
9. If an option holder ceases to be a Director, employee or consultant of the Company (other than by reason of death, disability or termination of services for cause), as the case may be, then any option granted to the option holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days following the date that the option holder ceases to be a Director, employee or service provider of the Company.
10. If the engagement of an option holder engaged in investor relations activities as a consultant is terminated for any reason other than cause, disability or death, any option granted to such option holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the effective date of the option holder ceasing to be a consultant.
11. If an option holder ceases to be a Director, employee or consultant as a result of death or disability, then any option granted to the option holder that had vested and was exercisable on the date of death or disability shall be exercisable until the earlier of the expiry date and 365 days after the date of death or disability.
12. Stock options granted to Directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with 20% of the options vesting on the date of grant and 20% each three months thereafter.
13. The Stock Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible party, including themselves.
14. Options granted under the Stock Option Plan shall not be assignable or transferable by an option holder.
15. The Board may from time to time, subject to regulatory or Shareholder approval, if required under the policies of the TSX Venture Exchange, amend or revise the terms of the Stock Option Plan.

**NOTES:**

- (1) Based on the current issued and outstanding as of November 19, 2021 of 67,926,716.

The Stock Option Plan provides that other terms and conditions may be attached to a particular stock option at the discretion of the Board.

At the Meeting, Shareholders will be asked to approve the following ordinary resolution (the “Stock Option Plan Resolution”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Stock Option Plan Resolution:

“BE IT RESOLVED, as an ordinary resolution of the Shareholders of the Company, that:

1. The Company’s Stock Option Plan (the “Stock Option Plan”) as set forth in the Information Circular dated November 19, 2021, including the reservation for issuance under the Stock Option Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Stock Option Plan by the TSX Venture Exchange (the “TSXV”);

2. The Board be authorized in its absolute discretion to administer the Stock Option Plan and amend or modify the Stock Option Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. 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 or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Stock Option Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Stock Option Plan.”

It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Stock Option Plan Resolution.

Management of the Company recommends that Shareholders vote in favour of the Stock Option Plan Resolution.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite #1450, 789 West Pender Street, Vancouver, BC, V6C 1H2 to request copies of the Company’s financial statements and MD&A.

Financial information is provided in the Company’s comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **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 form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

#### **APPROVAL OF THE BOARD**

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

DATED this 19<sup>th</sup> day of November, 2021.

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

*Signed: “Dusan Berka”*

Dusan Berka,  
CEO, President & Director

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

#### I. Mandate

The primary function of the Audit Committee (the "Committee") is to assist the 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.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### II. Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom 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.

At least one member 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 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.

#### III. Meetings

The Committee shall meet at 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 Chief Financial Officer and the external auditors in separate sessions.

#### IV. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

##### *Documents/Reports Review*

1. Review and update this Charter annually.
2. 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**

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the Shareholders of the Company.
4. 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.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.



6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval.
8. 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.
9. 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.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. 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:
  - i. 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;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. 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**

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. 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.
16. 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.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

26. Review any related-party transactions.

## V. Annual Work Plan

	Spring	Fall
Review audit plan and year-end statements template	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review accounting systems and procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review auditors' letter of recommendation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review financial and accounting human resources	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Committee's charter and membership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review and recommend year-end financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review MD&A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review external auditors' work, independence and fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Recommend auditors for the ensuing year	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Risk Management Performance	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review and reassess the adequacy of the Code of Ethics for Financial Reporting Officers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review any proposed prospectus filings or similar filings		