



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION
CIRCULAR**

For the Annual General and Special Meeting to be held on October 20, 2021

September 6, 2021

SARAMA RESOURCES LTD.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

to be held October 20, 2021

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of Sarama Resources Ltd. (the “**Company**”) will be held by teleconference on October 20, 2021, at 9:00 a.m. (Vancouver time), for the following purposes:

1. to place before the Meeting the financial statements of the Company for the financial year ended December 31, 2020, together with the report of the auditor thereon;
2. to appoint HLB Mann Judd as auditor for the ensuing year and to authorize the board of directors of the Company to set the remuneration of the auditor;
3. to elect the directors of the Company for the ensuing year;
4. to consider and, if thought advisable, to pass a resolution re-approving the existing stock option plan of the Company in accordance with the policies of the TSX Venture Exchange, as described in the management information circular (the “**Information Circular**”) accompanying this notice of meeting (the “**Notice of Meeting**”); and
5. to transact such other business as may properly come before the Meeting.

The board of directors has fixed the close of business (Vancouver time) on September 1, 2021 as the record date for determining Shareholders who are entitled to receive notice of and to vote at the Meeting. No person who becomes a Shareholder of the Company after the record date will be entitled to vote or act at the Meeting or any adjournment thereof.

This year, to proactively deal with the unprecedented public health impact of the novel coronavirus (“**COVID-19**”) pandemic, and to mitigate risks to the health and safety of our communities, Shareholders, employees and other stakeholders, we will hold our annual general meeting in a virtual only format, which will be conducted via conference call as follows:

+1 855-453-6958

Conference ID: 2289574

Only registered shareholders and duly appointed proxyholders will be able to vote in real time at the Meeting via conference call. Shareholders participating in the Meeting will be required to confirm their identity to the satisfaction of the Company. Shareholders intending to attend the Meeting by telephone are encouraged to contact the Company’s CFO and Company Secretary, Mr. Lui Evangelista at info@saramaresources.com by 9:00 a.m. (Vancouver time) on October 18, 2021.

Accompanying this Notice of Meeting are: (i) the consolidated financial statements of the Company for the fiscal year ended December 31, 2020, together with the auditor’s report thereon, and the related management’s discussion and analysis; (ii) the Information Circular; (iii) a form of proxy or voting instruction form; (iv) a financial statement request form; and (v) a notification regarding the Company’s use of Notice-And-Access (the “**Notice-and-Access Notification**”) (collectively, the “**Meeting Materials**”). The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is deemed to form part of this Notice of Meeting. Copies of any documents to be considered, approved, ratified, and adopted or authorized at the Meeting will be available for

inspection at the registered and records office of the Company at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, with advance notice during normal business hours up to October 20, 2021, being the date of the Meeting.

If you are a registered Shareholder and are unable to attend the Meeting by teleconference, in order for your proxy to be valid and your votes to be counted, you must date, execute, and return the accompanying form of proxy to the Company, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 (Attn: Proxy Department) by not later than 9:00 a.m. (Vancouver time) on October 18, 2021, or if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays and holidays) before the time for holding the adjourned or postponed, meeting. If you are a non-registered Shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or other intermediary. If you are a non-registered Shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting.

The Company reserves the right to take any additional precautionary measures in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak that the Company considers necessary or advisable including changing the time, date or location of the Meeting. Changes to the Meeting time, date or location and/or means of holding the Meeting may be announced by way of news release. Please monitor the Company's news releases for updated information. The Company does not intend to prepare or mail an amended management information circular in the event of changes to the Meeting format.

DATED at Vancouver, British Columbia, September 6, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

SIMON JACKSON
Chairman

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SARAMA RESOURCES LTD.

INFORMATION CIRCULAR

Dated as of September 1, 2021.

SOLICITATION OF PROXIES

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Sarama Resources Ltd. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Shares**”) of the Company to be held on October 20, 2021 at 9:00 a.m. (Vancouver time) by teleconference or at any adjournment or postponement thereof for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”). While it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited by telephone or in person with all of the costs of such solicitation being borne by the Company. All costs of solicitation by directors, officers, and regular employees of the Company will be borne by the Company.

This year, in response to the novel coronavirus (“COVID-19”) pandemic, the Meeting will be held in a virtual only format, which will be conducted via conference call. Shareholders and duly appointed proxyholders can attend the Meeting as follows:

+1 855-453-6958

Conference ID: 2289574

Only registered shareholders and duly appointed proxyholders will be able to vote in real time at the Meeting via conference call. Shareholders participating in the Meeting will be required to confirm their identity to the satisfaction of the Company. Shareholders intending to attend the Meeting by telephone are encouraged to contact the Company’s CFO and Company Secretary, Mr. Lui Evangelista at info@saramaresources.com by 9:00 a.m. (Vancouver time) on October 18, 2021.

The Company reserves the right to take any additional precautionary measures in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic that the Company considers necessary or advisable including changing the time, date or location of the Meeting. The Company will notify Shareholders of any change without sending additional soliciting materials or updating proxy-related materials by:

- issuing a news release announcing the change in the date, time or location;
- filing the news release on SEDAR; and
- informing all the parties involved in the proxy voting infrastructure (such as intermediaries, transfer agents, and proxy service providers) of the change.

The Company continues to closely monitor developments around the outbreak of COVID-19 and is taking every precaution to ensure the safety of its people and communities and is committed to keeping its Shareholders informed.

VOTING OF PROXIES AND APPOINTMENT OF PROXY HOLDER

The form of proxy accompanying this Information Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. As at the date of this Information Circular,

management is not aware of any such amendments or variations, or of other matters to be presented for action at the Meeting.

If the instructions in a proxy given to management are certain, the Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any poll as specified in the proxy with respect to the matter to be acted on. If a choice is not so specified with respect to any such matter, the Shares represented by a proxy given to management are intended to be voted: (i) for the re-approval of the existing stock option plan of the Company, as described under the heading “Approval of the Stock Option Plan” below; (ii) for the election of the nominee directors named in the proxy; and (iii) for the appointment of HLB Mann Judd as the auditor of the Company. The persons named in the enclosed form of proxy are directors or officers of the Company, or counsel to the Company. A registered Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for him or her and on his or her behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy and striking out the names now designated.

A proxy will not be valid for use at the Meeting or any adjournment or postponement thereof unless the form of proxy is completed and delivered to the offices of TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 (Attn: Proxy Department), not later than 9:00 a.m. (Vancouver time) on October 18, 2021, or if the Meeting is adjourned, not later than 48 hours (excluding Saturdays and holidays) before the time for holding the adjourned or postponed meeting. Late proxies may be accepted by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

Registered Shareholders who are unable to attend the Meeting or any postponement or adjournment thereof in person are requested to complete, date, sign and return the enclosed form of proxy or, alternatively, to vote by facsimile, or over the Internet, in each case in accordance with the enclosed instructions.

To vote by facsimile, Shareholders should fax their form of proxy to (416) 595-9593. To vote over the Internet, Shareholders should go to www.voteproxyonline.com. Shareholders will need to enter the 12-digit control number provided on the form of proxy to identify themselves as shareholders on the voting website.

NOTICE-AND-ACCESS

The Company has decided to use the notice and access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the delivery of this Information Circular to Shareholders for the Meeting. Under the Notice-and-Access Provisions, instead of receiving printed copies of the Information Circular, Shareholders will receive a notice (“**Notice-and-Access Notification**”) and collectively with the Notice of Meeting, Information Circular, form of proxy or voting instruction form and the financial statement request form, the “**Meeting Materials**”). with information on the Meeting as well as information on how they may access the Information Circular electronically and how they may vote. The Company will not use the procedures known as “stratification” in relation to the use of Notice-and-Access Provisions meaning that all shareholders will receive a Notice in accordance with the Notice-and-Access Provisions.

In accordance with NI 54-101, arrangements have been made with intermediaries or their nominees to forward the Meeting Materials to the Objecting Beneficial Shareholders (as defined below) whose Shares are held by or in custody of such intermediaries. Such intermediaries are required to forward the Meeting Materials to Objecting Beneficial Shareholders unless an Objecting Beneficial Shareholder has waived the

right to receive them. The Company does not intend to pay for the delivery of the Meeting Materials to Objecting Beneficial Shareholders. As a result, the Objecting Beneficial Holders will not receive Meeting Materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* unless their intermediary assumes the cost of delivery. The Company is sending the Meeting Materials directly to Non-Objecting Beneficial Shareholders (as defined below), through the services of TSX Trust Company.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from TSX Trust Company by calling 1-866-600-5869. Meeting Materials will be sent to such Shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting. See the accompanying Notice-and-Access Notification sent to Shareholders for information on how to obtain a printed copy of the Information Circular.

As described in the Notice-and-Access Notification mailed to Shareholders, the Company delivers the Meeting Materials to Shareholders by posting the Meeting Materials on its website at www.saramaresources.com. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company's printing and mailing costs. The Meeting Materials will be available on the Company's website as of September 17, 2021, and will remain on the website for one full year. The Meeting Materials will also be available under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com as of September 17, 2021.

REVOCATION OF PROXIES

In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation. To be valid, an instrument of revocation must be received at the registered office of the Company by fax at (604) 691-6120 or by mail or by hand at Cassels Brock & Blackwell LLP, Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, Attention: Gordon Chambers, at any time up to and including the date that is two business days preceding the day of the Meeting or any adjournment or postponement thereof, or provided to the Chairman of the Meeting on the day fixed for the Meeting or any adjournment or postponement thereof by not later than the time fixed for commencement of such Meeting. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

INFORMATION FOR NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many of our Shareholders as a substantial number of Shareholders do not hold their Shares in their own name.

Most shareholders of the Company are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their name but are registered in the name of an intermediary such as a bank, trust company, securities dealer, or broker, trustee or administrator, of a self-administered RRSP, RRIF, or RESP or a clearing agency (such as CDS Clearing and Depositary Services Inc.) of which the intermediary is a participant.

Applicable regulatory policy requires intermediaries/brokers to whom meeting materials have been sent to seek voting instructions from Non-Registered Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed in order to ensure that the Non-Registered Shareholder's Shares are voted at the Meeting. Often, the form of proxy supplied by a broker is identical to that provided to registered shareholders. However, its purpose is limited to instructing the intermediary/broker how to vote on behalf of the Non-

Registered Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from Non-Registered Shareholders to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form (“**VIF**”), instead of the form of proxy. Non-Registered Shareholders are requested to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, Non-Registered Shareholders can call a toll-free telephone number or access Broadridge’s dedicated voting website www.proxyvote.com. The VIF must be returned as directed by Broadridge well in advance of the Meeting in order to have the Shares voted. Non-Registered Shareholders who receive forms of proxies or voting materials from organizations other than Broadridge should complete and return such forms of proxies or voting materials in accordance with the instructions on such materials in order to properly vote their Shares at the Meeting.

Non-Registered Shareholders are not entitled, as such, to vote at the Meeting in person or to deliver a form of proxy. If you are a Non-Registered Shareholder and wish to appoint yourself as proxyholder to vote in person at the Meeting or appoint someone else to attend the Meeting and vote on your behalf, please see the voting instructions you received or contact your intermediary/broker well in advance of the Meeting to determine how you can do so. Non-Registered Shareholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Shares voted at the Meeting.

Note to Non-Objecting Beneficial Shareholders

Beneficial Shareholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own (the “**Objecting Beneficial Shareholders**”) and those who do not object to their identity being made known to the issuers of the securities they own (the “**Non-Objecting Beneficial Shareholders**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their Non-Objecting Beneficial Shareholders from intermediaries via their transfer agent in order to distribute the Meeting Materials directly to such Non-Objecting Beneficial Shareholders. The Company is taking advantage of those provisions of NI 54-101, which permit the Company to send the Meeting Materials directly to Non-Objecting Beneficial Shareholders.

If you are a Non-Objecting Beneficial Shareholder, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding the Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified therein.

A Beneficial Shareholder may revoke a VIF or a waiver of the right to receive materials and to vote which has been given to an intermediary at any time by written notice to the intermediary provided that an intermediary is not required to act on a revocation of a VIF or of a waiver of the right to receive materials and to vote, which is not received by the intermediary at least seven days prior to the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at September 1, 2021, there were 99,826,931 outstanding Shares. Our board of directors (the “**Board**” or the “**Board of Directors**”) has fixed the close of business (Vancouver time) on September 1, 2021, as the record date for the determination of registered Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof (the “**Record Date**”). Each Share outstanding on the Record Date carries the right to one vote. The Company will arrange for the preparation of a list of the registered holders of its Shares on the Record Date. Each Shareholder named in the list will be entitled to one vote at the Meeting for each Share shown opposite such Shareholder’s name.

To the knowledge of our directors and executive officers, and based upon our review of the records maintained by the Company, electronic filings on SEDAR and insider reports filed with the System for Electronic Disclosure by Insiders, as at the date of this Information Circular, the only Shareholders who beneficially own, control or direct, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares as of the Record Date were: (i) Sun Valley Gold LLC and Sun Valley Gold Master Fund, Ltd., which are joint actors and together have control and direction over 15,433,333 Shares, being, 15.5% of the outstanding Shares; and (ii) Silver Lake Resources Limited which has control and direction over 10,706,636 Shares, being 10.7% of the outstanding Shares. The Company consolidated the issued and outstanding Shares on the basis of one post-consolidation Share for every three pre-consolidation Shares on October 7, 2020. The number of Shares provided above are on a post-consolidation basis.

ELECTION OF DIRECTORS

The Shareholders have previously fixed the number of directors of the Company at four. We propose to nominate for election as directors at the Meeting the persons listed in the table below (the “**Nominees**”). Each proposed Nominee has consented to be named in this Information Circular and to serve as director if elected. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with our Articles, or the provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”).

The Nominees will be presented for election at the Meeting as management’s nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director; however, if for any reason any of the Nominees do not stand for election or are unable to serve as such, the Shares represented by properly executed proxies given in favour of management’s Nominee(s) may be voted by the person designated in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table, including the notes thereto, gives information with respect to each Nominee, including their province or state and country of residence, position with the Company, principal occupation, the date of first appointment as a director and the number of Shares beneficially owned, controlled or directed, directly or indirectly, by such person as at the date of this Information Circular.

Name, Position, Province/State and Country of Residence⁽¹⁾	Principal Occupation⁽¹⁾	Director Since	Number of Shares Beneficially Owned, Controlled or Directed⁽²⁾
Andrew Dinning ⁽⁵⁾ Director and Chief Executive Officer Western Australia, Australia	Chief Executive Officer of the Company; formerly Executive Chairman & Chief Executive Officer of the Company.	April 8, 2010	4,443,275
L. Simon Jackson ⁽³⁾⁽⁴⁾ Chairman Western Australia, Australia	Managing Director, Kopore Metals Limited, a mineral exploration company.	April 8, 2010	423,499
Adrian Byass ⁽³⁾⁽⁴⁾⁽⁵⁾ Director Western Australia, Australia	Non-executive Chairman, Galena Mining Ltd, a mine exploration and development company; Non-executive Chairman of Kaiser Reefs Limited, a mineral exploration company; Non-executive Director of Kingwest Resources Limited, a mineral exploration company; Non-executive Chairman of Infinity Lithium Corporation, a mineral exploration and development company.	June 24, 2020	Nil
Steven Zaninovich ⁽³⁾⁽⁵⁾ Director Western Australia, Australia	Non-executive Director, Maximus Resources Ltd, a mineral exploration company; Non-executive Director, Canyon Resources Ltd, a mineral exploration company; Independent mining consultant.	June 24, 2020	152,381

Notes:

- (1) The information as to the residency and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to Shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation and Corporate Governance Committee.
- (5) Member of the Technical Committee.

Except as set forth below, no Nominee:

- (a) is, as of the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) was subject to an order that was issued while the Nominee was acting in the capacity of director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the Nominee 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 of director, chief executive officer or chief financial officer; or

- (b) is, at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or an 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 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 Nominee.

For the purposes of paragraph (a) above, “order” means:

- (i) a cease trade order (including a management cease trade order);
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities law;

that was in effect for a period of more than 30 consecutive days.

On October 13, 2014, RB Energy Inc., (“**RB Energy**”), a company of which Mr. Jackson was a director, announced that the board of directors of RB Energy had approved an application for an initial order from the Québec Superior Court (the “**Court**”) to commence proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”). On October 14, 2014, the Court issued a Limited Initial Order and on October 15, 2014, the Court issued an Amended and Restated Initial Order in respect of RB Energy and certain of its subsidiaries under the CCAA. The Toronto Stock Exchange de-listed RB Energy’s common shares effective at the close of business on November 24, 2014, for failure to meet the continued listing requirements of the exchange.

No Nominee has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court, or regulatory body that would likely be considered important to a reasonable securityholder in deciding to vote for a Nominee.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

When used in this section, “**Named Executive Officers**” or “**NEO**”, means our Chairman and Chief Executive Officer (the “**Chairman and CEO**”), our Chief Financial Officer (the “**CFO**”), our Vice President – Exploration, and our Vice President – Corporate Development.

For the financial year ended December 31, 2020, the Named Executive Officers of the Company were as follows: Andrew Dinning, Chairman and CEO; Lui Evangelista, CFO; Paul Schmiede, Vice President – Corporate Development; and Jack Hamilton, Vice President – Exploration.

The Company reports in United States dollars. Unless otherwise noted, all compensation described in this statement is awarded to, earned by, paid to, or payable to an NEO in either Canadian dollars or Australian dollars. Unless otherwise noted, all compensation amounts have been converted into United States dollars at the following Bank of Canada annual average rates:

Fiscal 2020:	C\$1.3415	=	US\$1.00
	A\$1.4507	=	US\$1.00
Fiscal 2019:	C\$1.3269	=	US\$1.00
	A\$1.4379	=	US\$1.00

All references to “C\$”, “\$” or “dollars” in this Information Circular refer to Canadian dollars unless otherwise indicated. References to “US\$” or “U.S. dollars” refer to United States dollars. References to “A\$” refers to Australian dollars.

The securities related information in this Information Circular (including for the period ending December 31, 2020) takes into account the share consolidation of the Company completed on October 7, 2020 and is reflected on a post-consolidation basis.

Table of Compensation Excluding Compensation Securities							
Name and Position	Fiscal Year Ended December 31	Salary, Consulting Fee, Retainer or Commission	Bonus	Committee or Meeting Fees	Value of Perquisites	Value of All Other Compensation	Total Compensation
Andrew Dinning ⁽¹⁾⁽⁵⁾ <i>Chairman and Chief Executive Officer, Director</i>	2020	177,716	Nil	Nil	Nil	17,772	195,488
	2019	191,251	Nil	Nil	Nil	19,125	201,376
Lui Evangelista ⁽⁵⁾ <i>Chief Financial Officer</i>	2020	129,248	Nil	Nil	Nil	12,925	142,173
	2019	139,092	Nil	Nil	Nil	13,909	153,001
Paul Schmiede ⁽⁵⁾ <i>Vice President – Corporate Development</i>	2020	145,404	Nil	Nil	Nil	14,540	159,944
	2019	156,478	Nil	Nil	Nil	15,648	172,126
Jack Hamilton ⁽⁵⁾ <i>Vice President – Exploration</i>	2020	157,240	Nil	Nil	Nil	Nil	157,240
	2019	169,568	Nil	Nil	Nil	Nil	169,568
L. Simon Jackson ⁽³⁾ <i>Director</i>	2020	Nil	Nil	28,127	Nil	2,672	30,798
	2019	Nil	Nil	18,087	Nil	1,718	19,805
Adrian Byass ⁽⁴⁾ <i>Director</i>	2020	Nil	Nil	15,096	Nil	Nil	15,096
Steven Zaninovich ⁽⁴⁾ <i>Director</i>	2020	Nil	Nil	15,096	Nil	Nil	15,096
T. Sean Harvey ⁽²⁾ <i>Former director</i>	2020	Nil	Nil	4,473	Nil	Nil	4,473
	2019	Nil	Nil	18,087	Nil	Nil	18,087
David A. Groves ⁽²⁾ <i>Former director</i>	2020	Nil	Nil	4,473	Nil	Nil	4,473
	2019	Nil	Nil	18,087	Nil	Nil	18,087

Notes:

- (1) Mr. Dinning did not receive any additional compensation for acting in his capacity as a director of the Company. Mr. Dinning ceased to serve as Chairman of the Board on June 24, 2020, concurrent with Mr. Jackson's appointment as Non-executive Chairman of the Board.
- (2) Mr. Harvey and Mr. Groves resigned as directors of the Company on June 24, 2020.
- (3) Mr. Jackson was appointed as Non-executive Chairman of the Board on June 24, 2020.
- (4) Mr Byass and Mr Zaninovich were appointed as directors of the Company on June 24, 2020.
- (5) During the financial year ended December 31, 2020, Messrs. Dinning, Evangelista, Schmiede and Hamilton received \$15,639, \$11,374, \$12,796 and \$12,579, respectively, of their salary in Shares in lieu of cash.

Management Contracts

The management functions of the Company are not performed to any substantial degree by any person or corporation other than the directors and officers of the Company.

Compensation Securities

Set forth in the table below is a summary of all compensation securities granted or issued to each Named Executive Officer and director of the Company during the fiscal year ended December 31, 2020.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class ⁽¹¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price ⁽¹¹⁾	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Andrew Dinning ⁽¹⁾ <i>Director and Chief Executive Officer</i>	Stock Options	1,166,666 (27%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	January 16, 2023
Lui Evangelista ⁽²⁾ <i>Chief Financial Officer</i>	Stock Options	640,000 (15%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	January 16, 2023
Paul Schmiede ⁽³⁾ <i>Vice President – Corporate Development</i>	Stock Options	640,000 (15%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	January 16, 2023
Jack Hamilton ⁽⁴⁾ <i>Vice President – Exploration</i>	Stock Options	640,000 (15%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	January 16, 2023
L. Simon Jackson ⁽⁵⁾ <i>Director</i>	Stock Options	180,000 (4%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	January 16, 2023
Adrian Byass ⁽⁶⁾ <i>Director</i>	Stock Options	250,000 (6%)	June 24, 2020	C\$0.24	C\$0.19	C\$0.28	June 24, 2023

Steven Zaninovich ⁽⁷⁾ <i>Director</i>	Stock Options	250,000 (6%)	June 24, 2020	C\$0.24	C\$0.19	C\$0.28	June 24, 2023
T. Sean Harvey ⁽⁸⁾ <i>Director</i>	Stock Options	Nil	-	-	-	-	-
David A. Groves ⁽⁹⁾ <i>Director</i>	Stock Options	180,000 (4%)	January 16, 2020	C\$0.21	C\$0.19	C\$0.31	June 24, 2021

Notes:

- (1) As of December 31, 2020, Mr. Dinning held an aggregate of 2,166,665 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof.
- (2) As at December 31, 2020, Mr. Evangelista held an aggregate of 1,250,000 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof.
- (3) As of December 31, 2020, Mr. Schmiede held an aggregate of 1,250,000 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof.
- (4) As of December 31, 2020, Mr. Hamilton held an aggregate of 1,250,000 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof.
- (5) As of December 31, 2020, Mr. Jackson held an aggregate of 449,999 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof.
- (6) As of December 31, 2020, Mr. Byass held an aggregate of 250,000 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof. Mr Byass was appointed as a director of the Company on June 24, 2020.
- (7) As of December 31, 2020, Mr. Zaninovich held an aggregate of 250,000 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof. Mr Zaninovich was appointed as a director of the Company on June 24, 2020.
- (8) As of December 31, 2020, Mr. Harvey held an aggregate of 166,666 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof. Mr. Harvey resigned as a director of the Company on June 24, 2020.
- (9) As of December 31, 2020, Mr. Groves held an aggregate of 449,999 stock options, each entitling him to acquire one Share in accordance with the terms and conditions thereof. Mr. Groves resigned as a director of the Company on June 24, 2020.
- (10) 100% of the stock options issued vested immediately upon the date of grant.
- (11) The Company undertook a three for one share consolidation on October 7, 2020, the number of securities and related exercise price (if applicable) is stated on a post-consolidated basis.

No compensation securities were exercised by Named Executive Officers and directors of the Company during the fiscal year ended December 31, 2020.

Stock Option Plans and Other Incentive Plans

Our long term incentive awards consist of stock options granted pursuant to the Company's stock option plan (the "**Stock Option Plan**"). Our Compensation and Corporate Governance Committee believes that granting stock options to executive officers aligns the interests of the executive officers with our Shareholders by linking a component of executive compensation to the longer term performance of our Shares. We emphasize stock options in executive compensation as they allow the NEOs to share in corporate results in a manner that is relatively cost effective despite the effects of treating stock options as a compensation expense. Our Compensation and Corporate Governance Committee provides recommendations to our Board with respect to option grants to NEOs. The number of stock options granted is generally commensurate to the appropriate level of base compensation for each level of responsibility. In order to determine the number of options to grant to an executive officer, our Compensation and Corporate Governance Committee and Board will also consider a number of factors, including position and length of service, recommendations by senior executive officers and previous grants of options to the executive officer.

The Stock Option Plan is administered by our Board, which will designate, from time to time, the recipients of options and the terms and conditions of each grant, in each case in accordance with applicable securities laws and stock exchange requirements. Historically, the exercise price of the options has been above the closing price per Share on the TSX Venture Exchange (the “**TSXV**”) for the last day Shares were traded prior to the date of the grant and the Board of Directors expect this to continue.

The material terms of the Stock Option Plan are set out below in the section “*Approval of the Stock Option Plan – Summary of the Stock Option Plan*”.

Employment, Consulting, and Management Agreements

As of the date of this Information Circular, Andrew Dinning, Chairman and CEO of the Company, was a party to an employment agreement with the Company (the “**Dinning Agreement**”). The Dinning Agreement commenced effective August 29, 2013, and has no fixed term. The Dinning Agreement sets forth certain instances where payments and other obligations arise on his termination of his employment. If the Company terminates Mr. Dinning’s employment without cause, Mr. Dinning will be entitled to two years’ salary, subject to a maximum payment amount of A\$700,000. If such a termination without cause of his employment had occurred on December 31, 2020, it is estimated that Mr. Dinning’s total severance payment would be A\$605,000. The Dinning Agreement provides that, in the event that there is a change of control of the Company and Mr. Dinning elects to terminate the Dinning Agreement, the Company will pay a severance payment equivalent to two years’ salary. If Mr. Dinning elects to terminate the Dinning Agreement due to a change of control, all unvested options would be immediately vested and all vested options will be exercisable for a period of 12 months prior to cancellation. If such a termination of his employment had occurred on December 31, 2020, it is estimated that Mr. Dinning’s total severance payment would be A\$605,000.

As of the date of this Information Circular, Lui Evangelista, the Chief Financial Officer of the Company, was a party to an employment agreement with the Company (the “**Evangelista Agreement**”). The Evangelista Agreement commenced on January 17, 2017, and has no fixed term. The Evangelista Agreement sets forth certain instances where payments and other obligations arise on termination of his employment. In the event of termination without cause, Mr. Evangelista is entitled to three months’ salary. If such a termination without cause of his employment had occurred on December 31, 2020, it is estimated that Mr. Evangelista’s total severance payment would be A\$55,000. In the event that Mr. Evangelista’s role changes following a change of control event and Mr. Evangelista consequently resigns, the Company shall be liable to pay Mr. Evangelista twelve months’ salary. All unvested options would be immediately vested and all vested options will be exercisable for a period of 12 months prior to cancellation. If such a termination of his employment had occurred on December 31, 2020, it is estimated that Mr. Evangelista’s total severance payment would be A\$220,000.

As of the date of this Information Circular, Paul Schmiede, the Vice President – Corporate Development of the Company, was a party to an employment agreement with the Company (the “**Schmiede Agreement**”). The Schmiede Agreement commenced effective October 11, 2013, and has no fixed term. The Schmiede Agreement sets forth certain instances where payments and other obligations arise on termination of his employment. The Schmiede Agreement provides that, in the event that there is a change of control of the Company and Mr. Schmiede elects to terminate the Schmiede Agreement, the Company will pay a severance payment equivalent to one year’s salary. If Mr. Schmiede elects to terminate the Schmiede Agreement due to a change of control, all unvested options will be immediately vested and all vested options will be exercisable for a period of 12 months prior to cancellation. If such a termination of his employment had occurred on December 31, 2020, it is estimated that Mr. Schmiede’s total severance payment would be A\$247,500. If the Company had terminated Mr. Schmiede’s employment without cause, Mr. Schmiede would have been entitled to one year’s salary. If such a termination without cause of his employment had occurred on December 31, 2020, it is estimated that Mr. Schmiede’s total severance

payment would have been A\$247,500. On July 12, 2017, Mr. Schmiede's contract was amended to change the provision for termination without cause. In the event of such a termination, the Company will have the option of paying Mr. Schmeide: (i) one year's salary; or (ii) three months' salary, 1,000,000 Shares, and in the event the termination was associated with a change of control of the Company, the issuance of additional Shares to Mr. Schmiede equal in value to one-half of his annual base salary, each at a price equal to the 20-day volume weighted average trading price of the Shares.

As of the date of this Information Circular, John Hamilton, the Vice President – Exploration of the Company, was a party to an employment agreement with the Company (the "**Hamilton Agreement**"). The Hamilton Agreement commenced on January 1, 2014, and had no fixed term. The Hamilton Agreement sets forth certain instances where payments and other obligations arise on his termination of his employment. The Hamilton Agreement provides that, in the event that there is a change of control of the Company and Mr. Hamilton elects to terminate the Hamilton Agreement, the Company will pay a severance payment equivalent to one year's salary. In accordance with the Stock Option Plan, if Mr. Hamilton's employment is terminated without cause, all vested options are exercisable for a period of 12 months prior to cancellation and unvested options are immediately cancelled. If Mr. Hamilton elects to terminate the Hamilton Agreement due to a change of control, all unvested options will be immediately vested and all vested options will be exercisable for a period of 12 months prior to cancellation. If such a termination of his employment had occurred on December 31, 2020, it is estimated that Mr. Hamilton's total severance payment would be C\$225,000. If the Company terminates Mr. Hamilton's employment without cause, Mr. Hamilton will be entitled to one year's salary. If such a termination without cause of his employment had occurred on December 31, 2020, it is estimated that Mr. Hamilton's total severance payment would have been C\$225,000.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

Director compensation is determined by the Compensation and Corporate Governance Committee on an annual basis. The members of the Compensation and Corporate Governance Committee are Messrs. Harvey and Jackson, each of whom are "independent" for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). The compensation for each of our non-management directors is C\$55,944 (A\$60,500) per year to the Chairman and C\$40,502 (A\$43,800) per year to the other non-management directors. We also reimburse directors for out-of-pocket expenses for attending meetings. Directors are also eligible to participate in our Stock Option Plan. Director compensation values are determined based on the judgement of the Compensation and Corporate Governance Committee, having consideration to the roles and responsibilities of directors.

Elements of Executive Compensation

A combination of fixed and variable compensation is used to motivate executives to achieve overall corporate goals. The compensation of Named Executive Officers for the financial year ended December 31, 2020, included annual compensation in the form of base salary, pension scheme contributions and long term compensation in the form of stock options. The value of each compensation element is determined at the subjective discretion of the Board and the Compensation and Corporate Governance Committee: no specific formulae have been developed to assign a specific weighting to these components. The Company does not use formal peer groups when considering compensation.

Each element of the total targeted compensation is reviewed on an annual basis by the Compensation and Corporate Governance Committee for each Named Executive Officer, to ensure that the incentives are designed and implemented to align compensation with short-term and long-term key corporate objectives and performance by the relevant Named Executive Officer.

Base Salary:

Base salary is the fixed element of compensation that is payable to each Named Executive Officer for performing his or her position-specific duties. The amount of base salary for each Named Executive Officer is determined on an individual basis by the need to attract and retain highly qualified individuals who are able to carry out our business objectives. While base salary is intended to fit into the Company's overall compensation objectives by serving to attract and retain talented executive officers, the size of the Company and the nature and stage of its business also impacts the level of base salary.

The salary of each Named Executive Officer is determined by our Board and our Compensation and Corporate Governance Committee in light of each individual's experience and performance as well as through an assessment of the contribution of each Named Executive Officer to the Company.

It is anticipated that as we continue to grow in size and complexity, compensation will be set with reference to the market for similar jobs in peer group companies and an appropriate portion of total compensation will be variable and linked to the performance of both individual and corporate objectives. It is also anticipated that short-term performance based financial incentives such as bonuses will be implemented and determined through the compensation review process.

Annual Bonus:

Currently, our compensation program does include the award of short-term performance based financial incentives such as bonuses. Named Executive Officers are eligible for annual cash bonuses at the discretion of our Compensation and Corporate Governance Committee.

Pensions:

For the Named Executive Officers who are residents of Australia, we are obligated by Australian law to contribute 9.5% of the base salary to a registered superannuation fund. As part of our compensation program, each Named Executive Officer who is an Australian resident receives 10% of the base salary to his or her superannuation fund, which is 0.5% above what is legally required.

Option Based Awards:

Our long term incentive awards consist of stock options granted pursuant to the Stock Option Plan. Our Compensation and Corporate Governance Committee believes that granting stock options to executive officers aligns the interests of the executive officers with our Shareholders by linking a component of executive compensation to the longer term performance of our Shares. We emphasize stock options in executive compensation as they allow the NEOs to share in corporate results in a manner that is relatively cost effective despite the effects of treating stock options as a compensation expense. Our Compensation and Corporate Governance Committee provides recommendations to our Board with respect to option grants to NEOs. The number of stock options granted is generally commensurate to the appropriate level of base compensation for each level of responsibility. In order to determine the number of options to grant to an executive officer, our Compensation and Corporate Governance Committee and Board will also consider a number of factors, including position and length of service, recommendations by senior executive officers and previous grants of options to the executive officer.

The Stock Option Plan is administered by our Board, which will designate, from time to time, the recipients of options and the terms and conditions of each grant, in each case in accordance with applicable securities laws and stock exchange

requirements. Historically, the exercise price of the options has been above the closing price per Share on the TSX Venture Exchange (the “**TSXV**”) for the last day Shares were traded prior to the date of the grant and the Board of Directors expect this to continue.

Changes Since December 31, 2020

During the Company’s most recently completed financial year ending December 31, 2020, Mr. Andrew Dinning (Director and Chief Executive Officer), Mr. Lui Evangelista (Chief Financial Officer), Mr. Paul Schmiede (Vice President – Corporate Development), and Mr. John Hamilton (Vice President – Exploration) each agreed to receive a portion their respective salaries in Shares, and their respective employment agreements were amended accordingly.

Following receipt of approval from the TSX Venture Exchange, the Company issued an aggregate of 353,967 Shares in lieu of salary for the period from May 1, 2020, to May 31, 2020, at an issue price of C\$0.0659 per Share, an additional 252,809 Shares in lieu of salary for the period from June 1, 2020, to June 30, 2020, at an issue price of C\$0.0937 per Share, and an additional 180,070 Shares in lieu of salary for the period from July 1, 2020, to July 31, 2020, at an issue price of C\$0.1342 per Share.

No other significant changes have been made to the Company’s compensation policies since December 31, 2020.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance in effect as at December 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ (#)	Weighted-average exercise price of outstanding options, warrants and rights (C\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) ⁽²⁾⁽⁴⁾ (#)
Equity Compensation Plans Approved By Shareholders	8,288,333	0.24	721,656
Equity Compensation Plans Not Approved By Shareholders ⁽³⁾	Nil	Nil	Nil
Total	8,288,333	0.24	721,656

Notes:

- (1) Represents Shares issuable under the Stock Option Plan as at December 31, 2020. Additional information can be found under the headings “Director and Named Executive Officer Compensation” and “Approval of the Stock Option Plan”.
- (2) The Company is authorized, under the Stock Option Plan, to issue up to 10% of the number of issued and outstanding Shares on a non-diluted basis at any time. The number of Shares available for future issuance under the Stock Option Plan as at December 31, 2020, includes Shares that have not previously been reserved for an option grant and unexercised options that have expired or were terminated.
- (3) During the Company’s most recently completed financial year on December 31, 2020, the Company received approval from the TSX Venture Exchange to implement a “Shares for Services” program, pursuant to which the Company issued Shares on account of services rendered by certain directors and officers of the Company. Under this program, which is not subject to approval by the Company’s shareholders, the Company has issued an aggregate of 786,846 Shares since it was implemented. Further details are set out above in the section titled “*Director And Named Executive Officer Compensation – Oversight and Description of Director and Named Executive Officer Compensation – Changes Since December 31, 2020*”.
- (4) The number of Shares reserved and remaining for issuance under the Stock Option Plan were adjusted downwards in a proportional amount to the reduction of Shares upon the consolidation that took effect in October 2020.

APPROVAL OF THE STOCK OPTION PLAN

Our Board adopted the Stock Option Plan on May 12, 2011, for the benefit of our executive officers, directors, employees, and consultants (“**Eligible Persons**”). The purpose of the Stock Option Plan is to provide Eligible Persons with an opportunity to purchase Shares and to benefit from the appreciation in the value of such Shares and to provide an increased incentive for those individuals to contribute to our future growth, success and prosperity, thus enhancing the value of our Shares for the benefit of all of our Shareholders and increasing our ability to attract and retain skilled and motivated individuals. Our Board has the authority to determine the directors, executive officers, employees, and consultants to whom options will be granted, the number of options to be granted to each person and the price at which Shares may be purchased pursuant to options granted under the Stock Option Plan, subject to the terms and conditions set forth in the Stock Option Plan.

Pursuant to the policies of the TSXV, all stock option plans that reserve for issuance up to 10% (instead of a fixed number) of a listed company’s shares need to be approved by its Shareholders on an annual basis. The Stock Option Plan must be approved by an ordinary resolution passed by a majority of the votes cast by holders of Shares present or represented by proxy at the Meeting. At the Meeting, the Shareholders will be asked to vote to approve the Stock Option Plan. The Company’s Stock Option Plan was previously approved by Shareholders on September 17, 2020.

Summary of the Stock Option Plan

Maximum Number of Shares

The Stock Option Plan provides that the maximum number of Shares that may be issued under options granted under the Stock Option Plan is equal to 10% of the issued and outstanding Shares. Unless we have received disinterested Shareholder approval, the maximum number of Shares that may be issued to any individual in any twelve month period under the Stock Option Plan may be no more than 5% of the issued and outstanding Shares. This restriction is reduced to 2% in the case of consultants and individuals providing investor relations services.

Exercise Price, Exercise, and Black-out Periods

The exercise price for each option is fixed by our Board at the time of the grant in compliance with the Stock Option Plan, applicable law, and the policies of the TSXV, which state that the exercise price will be no less than the Discounted Market Price (as defined in the TSXV Corporate Finance Manual – Policy 1.1 – *Interpretation*). The exercise price is denominated in Canadian dollars. Options will be exercisable in whole or in part, and from time to time, at any time following the date of grant and prior to the expiry of their term, but provided that if an option expires during a black-out period, or within two days of the expiry of a black-out period, then the option shall remain exercisable until the period ending ten business days after the end of such black-out period. Options cannot be granted for a term exceeding ten years. Options granted shall vest, and become exercisable, according to the terms of the Stock Option Plan and any additional terms of any option agreement, all as determined by our Board in its discretion.

Transferability and Cancellation of Options

Options granted pursuant to the Stock Option Plan are non-transferable and non-assignable, other than upon death in accordance with the Stock Option Plan. If a participant ceases to be an Eligible Person, the participant's options will be exercisable as follows: (a) in the event of death, disability or retirement in accordance with our normal retirement policy, options that have vested prior to death, disability or retirement and held by such Eligible Person may continue to be exercised up to one year following the death, disability or retirement, but not beyond the normal expiry of the term of the option; (b) in the event of early retirement, voluntary resignation or termination other than for cause, options that have vested prior to early retirement, voluntary resignation or termination and held by such Eligible Person may continue to be exercised up to one year following the earlier of (i) when employment ceased due to early retirement, voluntary resignation or termination, or (ii) the date of delivery of written notice of early retirement, voluntary resignation or termination, but in both cases not beyond the normal expiry of the term of the option; and (c) in the event of termination for cause, unexercised options, vested or not, are immediately cancelled and thereafter are of no force or effect. In any of these events, if any options at such time are not vested, such options shall be cancelled unless our Board determines otherwise in its discretion.

Amendments and Certain Corporate Events

Our Board may amend the Stock Option Plan or any option issued pursuant to the Stock Option Plan without Shareholder approval in certain circumstances including (i) to change the vesting provisions of the Stock Option Plan or any option, (ii) to change the termination provisions of any option that does not entail an extension beyond the original expiry date, and (iii) to change the Eligible Persons under the Stock Option Plan. Most other amendments to the Stock Option Plan or options granted pursuant to the Stock Option Plan require the approval of Shareholders or the TSXV, or both.

If a bona fide offer is made to our Shareholders to acquire their Shares and the Board becomes aware that more than 50% of the issued Shares have or will become vested in the offeror, then all issued options will

become vested and exercisable. Any such options exercised as a result of the offer must be tendered. If our Board concludes that a change of control has occurred and that the replacement of the majority of the Board is imminent, or our Board becomes aware that any person or corporation not already entitled has become entitled to more than 50% of the issued Shares, then all issued options will become vested and exercisable.

The following table sets forth the number of options to purchase Shares outstanding as at December 31, 2020:

Shares Under Options Granted ⁽³⁾	Exercise or Base Price (C\$/Share)	Grant Date	Expiration Date
2,463,333 ⁽¹⁾	0.33	January 8, 2018	January 8, 2021
1,545,000 ⁽¹⁾	0.18	January 18, 2019	January 18, 2022
3,780,000 ⁽²⁾	0.21	January 16, 2020	January 16, 2023
500,000 ⁽²⁾	0.24	June 24, 2020	June 24, 2023

Notes:

- (1) 50% of stock options issued vest upon the date of grant with the remaining 50% vesting six months after the date of grant.
- (2) 100% of stock options issued vest upon the date of grant.
- (3) The number of Shares reserved for issuance under the Stock Option Plan were adjusted downwards in a proportional amount to the reduction of Shares upon the consolidation that took effect in October 2020.

Shareholder Approval

The policies of the TSXV require that the Stock Option Plan be approved by an ordinary resolution passed by a majority of the votes cast by holders of Shares present or represented by proxy at the Meeting.

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without variation, the ordinary resolution in the form set forth below:

“RESOLVED THAT:

1. Subject to the Company receiving TSX Venture Exchange and any other regulatory approvals, if so required, the Stock Option Plan as described in the management information circular for the Company’s Annual General and Special Meeting to be held on October 20, 2021, is hereby approved and all unallocated entitlements issuable pursuant to the Stock Option Plan are hereby approved and authorized for issuance until the Company’s next annual general meeting.”

The Board of Directors has determined that the approval of the Stock Option Plan is in the best interests of the Company and its Shareholders and recommends that Shareholders vote FOR the resolution approving the Stock Option Plan. Unless directed otherwise, the persons named in the accompanying proxy intend to vote FOR the resolution approving the Stock Option Plan.

APPOINTMENT OF AUDITOR

Shareholders will be asked at the Meeting to approve the appointment of HLB Mann Judd as the Auditor of the Company to hold office until the next annual general meeting of the Company and that the remuneration of the Auditor be fixed by the Board of Directors. HLB Mann Judd was first appointed Auditor of the Company on March 24, 2016.

Unless otherwise instructed, the persons named in the accompanying proxy intend to vote FOR the appointment of HLB Mann Judd as the Auditor of the Company and to authorize the Board of Directors to fix their remuneration.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of our Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by our Board and who are charged with the day to day management of the Company. Our Board is committed to sound corporate governance practices which are both in the interests of our Shareholders and contribute to effective and efficient decision-making. National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. In light of these guidelines, we have instituted our own corporate governance practices, the disclosure of which is set out in accordance with NI 58-101.

Board of Directors

Our Board is responsible for the stewardship and the general supervision of the management of the business and for acting in the best interests of the Company and its Shareholders. Our Board is composed of four directors being Messrs. Jackson, Dinning, Byass, and Zaninovich. Of these directors, Messrs. Jackson, Byass, and Zaninovich are “independent” within the meaning of NI 58-101 as none of them is an executive officer or employee of the Company or party to any material contract with the Company and none of them will receive remuneration from the Company other than directors’ fees and grants of stock options. Mr. Dinning is not independent as he is the CEO of the Company.

The following director nominees are currently directors of other reporting issuers (or the equivalent) in Canada or foreign jurisdictions:

<u>Director</u>	<u>Name of Reporting Issuer</u>
L. Simon Jackson	Kopore Metals Limited (ASX), Cygnus Gold Limited (ASX)
A. Byass	Galena Mining Limited (ASX), Kaiser Reefs Limited (ASX), Kingwest Resources Ltd (ASX), Infinity Lithium Corporation (ASX)
S. Zaninovich	Maximus Resources Ltd (ASX), Canyon Resources Ltd (ASX)

Orientation and Continuing Education

We do not have a formal orientation and education program for new directors. Upon joining our Board, each director is provided with an orientation program regarding the role of our Board, its committees and its directors, and the nature and operation of our current and past business. New directors are also provided with a copy of our Audit Committee Charter and our Compensation and Corporate Governance Committee Charter. Our Board encourages directors to participate in continuing education opportunities in order to ensure that the directors may maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of our business.

Ethical Business Conduct

We have adopted a written Code of Business Conduct and Ethics (the “**Code**”) for our directors, officers and employees. Written copies of the Code may be obtained from us upon request. Our Board promotes compliance by asking employees, officers and directors to verify, from time to time, their understanding and compliance with the Code and employees, officers and directors are required to inform the Compensation and Corporate Governance Committee of any changes in their holdings or matters that might be, or appear to be, non-compliant with the Code. If a director, officer, or employee becomes aware of any potential conflict of interest or a material transaction or relationship (including those involving family

members) that could reasonably be expected to give rise to a conflict of interest, he or she should discuss the matter promptly with a member of the Compensation and Corporate Governance Committee. The Compensation and Corporate Governance Committee shall cause an investigation of any reported violations and shall oversee an appropriate response, including corrective action and preventative measures where required.

Where a director has a conflict of interest, such director shall retire from any meeting of the Board, if required by the Board, while discussion on the applicable material contract or transaction or proposed material contract or transaction is taking place and shall refrain from voting on the subject under consideration, but this shall not prevent the Board from calling him or her into the meeting to answer any questions regarding the matter under discussion nor shall it release the director from his or her obligation to inform the Board.

In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar activities, the Board must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Each director is required to declare the nature and extent of his interest and is not entitled to vote at meetings which involve such conflict.

Compensation and Nomination of Directors

Our Compensation and Corporate Governance Committee is responsible for, among other things, determining director compensation, approving officer compensation, approving the Company's compensation policy with respect to base salary, short-term and long-term incentives, benefits, and other perquisites, identifying and recommending potential candidates for the Board, evaluating the performance of the Board, committees, and directors, and developing and monitoring the effectiveness of the Company's approach to corporate governance. Our Compensation and Corporate Governance Committee is also responsible for succession planning for senior management.

Our Compensation and Corporate Governance Committee meets frequently, but not less than twice annually. Our Compensation and Corporate Governance Committee reviews the skills, areas of expertise, backgrounds, independence and qualifications of the members of the Board. While there are no explicit criteria for Board membership, the Compensation and Corporate Governance Committee attempts to attract and maintain directors with relevant business knowledge in areas such as geology, mining, accounting, finance and capital markets. As required, our Compensation and Corporate Governance Committee shall identify and, if advisable, recommend to the Board for approval, potential candidates for nomination or appointment to the Board having regard to the results of their review. Our Compensation and Corporate Governance Committee is responsible for recommending the slate of nominees for election by the Shareholders at the annual meeting.

Further details regarding compensation for the Company's CEO is set out under "*Oversight and Description of Director and Named Executive Officer Compensation – Elements of Executive Compensation*".

Other Board Committees

During 2014, the Board formed a Technical Committee. The function of the Technical Committee is to assist both the board and management through the review of the Company's technical programs.

Assessments

The Board undergoes regular informal assessments designed to determine the effectiveness of the Board, the committees of the Board, and the individual directors. This ad-hoc process, led by the Chairman encourages candid feedback on the effectiveness and contribution of individual directors, the committees, Board and management.

AUDIT COMMITTEE

The primary function of the audit committee of the Board (the “**Audit Committee**”) is to assist the Board in fulfilling its financial reporting and controls responsibilities to our Shareholders. In accordance with National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), information with respect to our Audit Committee is contained below. The full text of the Audit Committee Charter, as passed unanimously by our Board, is attached to this Information Circular as Appendix “A”.

Composition of the Audit Committee

The Audit Committee is composed of Messrs. L. Simon Jackson (Chairman), Adrian Byass, and Steven Zaninovich, all of whom are financially literate. Messrs. Jackson, Byass, and Zaninovich are independent directors.

Relevant Education and Experience

The education and experience of each of Messrs. Jackson, Byass, and Zaninovich that is relevant to the performance of his responsibilities as an audit committee member is set out below.

L. Simon Jackson, FCA, B.Com

Mr. Jackson is an experienced mining executive. He is currently Managing Director of Kopore Metals Limited, an ASX listed copper exploration company focussed on the Kalahari copper belt. He was previously Managing Director and CEO of Beadell Resources Ltd, an ASX listed gold producer with operations in Brazil, from November 2015 to July 2018. Prior to this he was President and CEO of Orca Gold Inc., an African gold exploration company from April 2013 to December 2014. From October 2011 until April 2013, Mr. Jackson served as President of Sirocco Mining Inc. Mr. Jackson was the CFO (May 2004 to September 2007) and then Vice President - Corporate Development (September 2007 to September 2010) of Red Back Mining Inc. (“**Red Back**”). Red Back operated gold mines in Ghana and Mauritania producing over 400,000 ounces of gold per year. While at Red Back, Mr. Jackson was a key member of the senior management team who oversaw the financing, development and construction of that company’s mines and Red Back’s aggressive merger and acquisition activity which culminated in the friendly takeover of Red Back by Kinross Gold Corporation in September 2010. Mr. Jackson is the Chairman of the Audit Committee and has been a director of multiple ASX and TSX listed companies. Mr. Jackson is a Fellow of the Institute of Chartered Accountants in Australia and has a Bachelor of Commerce from the University of Western Australia.

Adrian Byass, FSEG, MAIG, B.Sc (Hons)(Geology), B.Econ

Mr. Byass has more than 25 years’ experience in the mining industry ranging from production in gold and nickel mines through to the evaluation and development of mining projects with listed and unlisted entities in several countries. He has held a number of Executive and Non-Executive Board roles on both ASX and AIM listed companies. Mr Byass holds a Bachelor of Science (Geology), Bachelor of Economics, and is a

Member of the Australian Institute of Geoscientists and a Fellow of the Society of Economic Geology and is a Competent Person for the reporting of mineral resources (JORC 2012).

Steven Zaninovich, B Eng (Civil)

Mr. Zaninovich has over 25 years construction, maintenance, operations, project development and business development experience, primarily focused on the basic industry (mining) sector and for the last 10 years has held senior executive and board positions with various mining companies. He currently runs his own consultancy business to the mining industry, with a focus on feasibility studies, project development, operational readiness and corporate development opportunities. Previously, he was VP of Major Projects at Teranga Gold Corporation for a 12 month period after their takeover of Gryphon Minerals Ltd where he was COO for over 4 years. Mr. Zaninovich is a degree qualified engineer and currently sits on the board of directors of two other mining companies. He served on the audit committee of Gryphon Minerals Ltd (2011-12) and Centaurus Metals Ltd (2013-14).

Audit Committee Oversight

At no time since the commencement of our most recently completed financial year did our Board decline to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

At no time since the commencement of our most recently completed financial year did we rely on (a) the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), (b) the exemption in subsection 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*), (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures for Non-Audit Services

As at the date of this Information Circular, the Audit Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

External Auditor Service Fees

The aggregate fees billed for services rendered by our external auditor for the two fiscal years up to and including December 31, 2020, are:

Fees	Fiscal 2019	Fiscal 2020
Audit Fees For audit of our annual financial statements	\$20,045	\$19,592
Audit Related Fees Fees not included in Audit Fees that are billed by HLB Mann Judd for assurance and related services that are reasonably related to the performance of the audit review of our financial statements	Nil	Nil
Tax Fees Fees billed by HLB Mann Judd for professional services rendered for tax compliance, tax advice and tax planning	\$1,391	\$1,378
All Other Fees Fees billed by HLB Mann Judd for products and services not included in the foregoing categories	Nil	Nil

Exemption

In respect of the financial year ended December 31, 2020, we are relying upon the exemption in Section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 5 (*Reporting Obligations*) of NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is no indebtedness owing to the Company from any of our executive officer or directors or our former director or any subsidiary of ours or any associate of such person, including indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us or a subsidiary of ours.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year, or in any proposed transaction which in either case, has or will materially affect the Company.

Applicable securities legislation defines, "informed person" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

The management functions of the Company are not performed to any substantial degree by any person or corporation other than the directors and officers of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's most recently completed financial year, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted at the Meeting, exclusive of the election of directors, the approval of the Stock Option Plan, and of any interest arising from the ownership of Shares where the Shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of Shares.

OTHER MATTERS

Our management is not aware of any other matters that will be brought before the Meeting other than those set forth in the Notice of Meeting. Should any other matters properly come before the Meeting, the Shares represented by the proxies solicited hereby will be voted on those matters in accordance with the best judgment of the persons voting such proxies.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available under the Company's profile on SEDAR at www.sedar.com. The Company's financial information is provided in the Company's audited consolidated financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on SEDAR at the website noted above. Shareholders of the Company may request copies of the Company's audited financial statements and related management discussion and analysis and of the New Articles by contacting the Company's CFO and Company Secretary, Mr. Lui Evangelista at info@samaresources.com.

APPROVAL OF THE BOARD OF DIRECTORS

The contents and sending of this Information Circular have been approved by the Board.

DATED at Vancouver, British Columbia, September 6, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

SIMON JACKSON
Chairman

APPENDIX A

AUDIT COMMITTEE CHARTER

SARAMA RESOURCES LTD.

(the “Company”)

1. Overall Purpose/Objectives

The Audit Committee (the “Committee”) will assist the board of directors of the Company (the “Board”) in fulfilling its financial reporting and controls responsibilities. The Committee will oversee the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor and enhance the independence of the auditors. The external auditor shall report directly to the Committee. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company’s business, operations and risks.

2. Authority

- 2.1. The Board authorizes the Committee to seek any information it requires directly from any employee or from any external party, to obtain outside legal or professional advice, to ensure the attendance of Company officers at meetings, as the Committee deems appropriate to fulfill its responsibilities. The Committee shall have full access to all of the Company’s books, records and facilities.
- 2.2. The Committee shall receive appropriate funding, as determined by the Committee, for payment of compensation to the external auditors and to any legal or other advisers employed by the Committee, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- 2.3. The Committee may adopt policies and procedures for carrying out its responsibilities.

3. Composition, Procedures and Organization

- 3.1. The Committee will be comprised of at least three members of the Board.
- 3.2. Except as permitted by all applicable legal and regulatory requirements:
 - (a) each member of the Committee shall be “independent” as defined in accordance with Canadian National Instrument 52-110 – *Audit Committees* (or any replacement or supplementary instrument or rule); and
 - (b) each member of the Committee shall be “financially literate” as defined in accordance with Canadian National Instrument 52-110 – *Audit Committees* (or any replacement or supplementary instrument or rule), which generally means that a member will 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 reasonably be expected to be raised by the Company's financial statements.

- 3.3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the Shareholders, will appoint the members of the Committee for the ensuing year. The Board may at any time fill any vacancy in the Committee.
- 3.4. The Committee shall elect from its members a Chairman. The Secretary shall be elected from its members, or shall be the Secretary, or the Assistant or Associate Secretary, of the Company.
- 3.5. Any member of the Committee may be removed or replaced at any time by the Board. A member shall cease to be a member of the Committee upon ceasing to be a director of the Company.
- 3.6. Meetings shall be held not less than quarterly. Special meetings shall be convened as required. The external auditors may convene a meeting if they consider that it is necessary.
- 3.7. The times and places where meetings of the Committee shall be held and the procedures at such meetings shall be as determined, from time to time, by the Committee.
- 3.8. Notice of each meeting of the Committee shall be given to each member of the Committee. Subject to the following, notice of a meeting shall be given orally or by letter, electronic mail, facsimile transmission or telephone not less than 48 hours before the time fixed for the meeting. Notice of regular meetings need state only the day of the week or month, the place and the hour at which such meetings will be held and need not be given for each meeting. Members may waive notice of any meeting.
- 3.9. The Committee will invite the external auditors, management and such other persons to its meetings as it deems appropriate. However, any such invited persons may not vote at any meetings of the Committee.
- 3.10. A meeting of the Committee may be held by telephone or by means of such other electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting.
- 3.11. The majority of the Committee shall constitute a quorum for the purposes of conducting the business of the Committee. Notwithstanding any vacancy on the Committee, a quorum may exercise all of the powers of the Committee.
- 3.12. Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present or by consent resolution in writing signed by each member of the Committee. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.
- 3.13. A record of the minutes of, and the attendance at, each meeting of the Committee shall be kept. The approved minutes of the Committee shall be circulated to the Board forthwith.
- 3.14. The Committee shall report to the Board on all proceedings and deliberations of the Committee at the first subsequent meeting of the Board, and at such other times and in such manner as the Board or the Articles of the Company may require or as the Committee in its discretion may consider advisable.

- 3.15. The Committee will have access to such officers and employees of the Company and to such information respecting the Company, as it considers necessary or advisable in order to perform its duties and responsibilities.

4. **Roles and Responsibilities**

The roles and responsibilities of the Committee are as follows.

- 4.1. Oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.
- 4.2. Review the terms of reference and effectiveness of any internal audit process, and the working relationship between internal financial personnel and the external auditor.
- 4.3. Review the annual financial statements and the results of the audit with management and the external auditors prior to the release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods. Recommend the audited financial statements to the Board for approval.
- 4.4. Review the interim financial statements with management prior to the release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods. Recommend the interim financial statements to the Board for approval.
- 4.5. Assess the fairness of the financial statements and disclosures, and obtain explanations from management on whether:
 - (a) actual financial results for the financial period varied significantly from budgeted or projected results;
 - (b) generally accepted accounting principles have been consistently applied;
 - (c) there are any actual or proposed changes in accounting or financial reporting practices; and
 - (d) there are any significant, complex and/or unusual events or transactions such as related party transactions or those involving derivative instruments and consider the adequacy of disclosure thereof.
- 4.6. Review all public disclosure referencing, containing or incorporating by reference the audited or unaudited financial statements, results or information before its public release and approval by the Board, including management's discussion and analysis, financial information contained in any prospectus, private placement offering document, annual report, annual information form, takeover bid circular, and any annual and interim earnings news releases, and determine whether they are complete and consistent with the information known to Committee members.
- 4.7. Determine whether the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- 4.8. Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

- 4.9. Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- 4.10. Ascertain whether any significant financial reporting issues were discussed by management and the external auditor during the fiscal period and the method of resolution.
- 4.11. Review and resolve any significant disagreement between management and the external auditors in connection with the preparation of the financial statements.
- 4.12. Recommend to the Board the selection of the firm of external auditors to be proposed for election as the external auditors of the Company.
- 4.13. Review and approve the proposed audit plan and the external auditors' proposed audit scope and approach with the external auditor and management and ensure no unjustifiable restriction or limitations have been placed on the scope.
- 4.14. Explicitly approve, in advance, all audit and non-audit engagements of the external auditors; provided, however, that non-audit engagements may be approved pursuant to a pre-approval policy established by the Committee that: (i) is detailed as to the services that may be pre-approved, (ii) does not permit delegation of approval authority to the Company's management, and (iii) requires that the delegatee or management inform the Committee of each service approved and performed under the policy. Approval for minor non-audit services is subject to applicable securities laws.
- 4.15. If it so elects, delegate to one or more members of the Committee the authority to grant such pre-approvals. The delegatee's decisions regarding approval of services shall be reported by such delegatee to the full Committee at each regular Committee meeting.
- 4.16. Subject to the grant by the Shareholders of the authority to do so, if required, review the appropriateness and reasonableness of the compensation to be paid to the external auditors and make a recommendation to the Board regarding such compensation.
- 4.17. Oversee and enhance the independence of the external auditors. Obtain from the external auditors a formal written statement delineating all relationships between the external auditors and the Company. Actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that impact the objectivity and independence of the external auditor.
- 4.18. 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.
- 4.19. Review the performance of the external auditors, and in the event of a proposed change of auditor, review all issues relating to the change, including the information to be included in any notice of change of auditor as required under applicable securities laws, and the planned steps for an orderly transition.
- 4.20. Review the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow-up to any identified weakness.
- 4.21. Review with management its philosophy with respect to controlling corporate assets and information systems, the staffing of key functions and its plans for enhancements.

- 4.22. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- 4.23. Review the evaluation of internal controls and management information systems by the external auditor, and, if applicable, the internal audit process, together with management's response to any identified weaknesses and obtain reasonable assurance that the accounting systems are reliable and that the system of internal controls is effectively designed and implemented.
- 4.24. Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- 4.25. Satisfy itself that adequate controls and procedures are in place to allow the Chief Executive Officer and the Chief Financial Officer to certify financial statements and other disclosure documents as required by securities laws.
- 4.26. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements, reviewing with management and the external auditor where appropriate.
- 4.27. Review any legal matters which could significantly impact the financial statements as reported on by the Company's legal counsel and meet with outside counsel whenever deemed appropriate.
- 4.28. Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
- 4.29. Establish a procedure for the:
 - (a) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, and
 - (b) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- 4.30. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.
- 4.31. Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- 4.32. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- 4.33. Review and assess the adequacy of insurance coverage, including directors' and officers' liability coverage.
- 4.34. Perform other functions as requested by the full Board.

4.35. If it deems necessary, institute special investigations and, if it deems appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

5. **General**

In addition to the foregoing, the Committee will:

- (a) assess the Committee's performance of the duties specified in this charter and report its finding(s) to the Board;
- (b) review and assess the adequacy of this charter at least annually and recommend any proposed changes to the Board for approval; and
- (c) perform such other duties as may be assigned to it by the Board from time to time or as may be required by any applicable stock exchanges, regulatory authorities or legislation.

