



**MANAGEMENT INFORMATION CIRCULAR**

**AND**

**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS OF**

**AURION RESOURCES LTD.**

**TO BE HELD ON July 26, 2023**

**Dated: June 13, 2023**



**NOTICE AND ACCESS NOTIFICATION OF  
ANNUAL GENERAL MEETING OF SHAREHOLDERS  
to be held on July 26, 2023**

Aurion Resources Ltd. (“**Aurion**” or the “**Company**”) has chosen to use the notice and access model for delivery of meeting materials to its shareholders. Under notice and access, shareholders still receive a proxy or voting instruction form enabling them to vote at the shareholders’ meeting. However, instead of receiving a paper copy of the Information Circular, shareholders receive this notice explaining how to access such materials electronically.

Meeting date and location: Wednesday, July 26, 2023 at 12:30 p.m. EDT (2:00 p.m. NDT) at 120 Torbay Road, W220, St. John’s, NL A1A 2G8

**Purpose of Meeting:**

1. To receive and consider the comparative financial statements of the Company for the financial year ended December 31, 2022, together with the report of the auditor thereon; as more particularly described in the Information Circular under the heading “Financial Statements”
2. To set the number of directors at six (6); as more particularly described in the Information Circular under the heading “Setting Number of Directors”.
3. To elect directors for the ensuing year; as more particularly described in the Information Circular under the heading “Election of Directors”
4. To appoint Davidson & Company LLP as auditor of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor as more particularly described in the Information Circular under the heading “Appointment and Remuneration of Auditor”; and
5. To consider and, if thought fit, pass an ordinary resolution approving the stock option plan, as more particularly described in the Information Circular under the heading “Particulars of Matters to be Acted Upon – Continuation of Stock Option Plan”.

The nature of the business to be transacted at the Meeting is described in further detail in the management information circular of the Company dated June 13, 2023 (the “**Information Circular**”).

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed proxy. A proxy will not be valid unless it is deposited by mail to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, ON M5J 2Y1 or by internet ([www.investorvote.com](http://www.investorvote.com)) or telephone voting (1-866-732-VOTE within North America) not less than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or an adjournment thereof.

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

**Notice and Access**

The Company is utilizing the Notice-and-Access Provisions that came into effect on February 11, 2013 under NI 54-101 and NI 51-102 for distribution of this Circular to Shareholders.

The Notice-and-Access Provisions are a set of rules which allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of this Circular, financial statements of the Company for the year ended December 31, 2022 (“Financial Statements”) and management’s discussion and analysis of the Company’s results of operations and financial condition for 2022 (“**MD&A**”) may be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Company’s website at [www.aurionresources.com](http://www.aurionresources.com) under “Investors/AGM Information”.

The Company will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Information Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Circular. Shareholders are reminded to review this Circular before voting.

Although this Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a “notice package” via prepaid mail containing information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Company’s supplementary mailing list for receipt of the Company’s annual and interim financial statements for the 2023 fiscal year.

The Company anticipates that notice-and-access will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about notice-and-access can call the Company’s transfer agent Computershare Trust Company at 1-866-964-0492. Shareholders may also obtain paper copies of the Information Circular, Financial Statements and MD&A free of charge by contacting the Company’s Corporate Secretary at [dmark@aurionresources.ca](mailto:dmark@aurionresources.ca).

Reference is made to the Information Circular of the Company dated June 13, 2023, which contains additional details concerning the matters outlined above.

**SHAREHOLDERS ARE REMINDED TO REVIEW THE INFORMATION CIRCULAR PRIOR TO VOTING. SEE BELOW FOR HOW TO VIEW AND ACCESS OF COPY OF THE INFORMATION CIRCULAR.**

#### **WEBSITES WHERE THE INFORMATION CIRCULAR IS POSTED**

The Information Circular can be viewed online:

- under the Company’s profile at [www.sedar.com](http://www.sedar.com); or
- at the Company’s website at <https://aurionresources.com/corporate/2023-annual-general-meeting/>

#### **HOW TO OBTAIN PAPER COPIES OF THE INFORMATION CIRCULAR**

Shareholders may request paper copies of the Information Circular be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Information Circular was filed on SEDAR.

To request paper copies of the Information Circular before the Meeting, e-mail Diana Mark, Corporate Secretary, at [dmark@aurionresources.ca](mailto:dmark@aurionresources.ca) or telephone Diana Mark at 778-908-2730. The Information Circular will be sent to you within three business days of receiving your request. Requests for paper copies must be received by at least July 10, 2023 in order to receive the Information Circular in advance of the proxy deposit date and Meeting. The Information Circular will be sent to such shareholders within three business days of their request if such requests are made before the Meeting. Those shareholders with existing instructions on their account to receive a paper copy of meeting materials will receive a paper copy of the Information Circular with this notification. Shareholders are able to request to receive copies of the Company’s annual and/or interim financial statements and relevant management’s discussion and analysis on the accompanying return card.

#### **VOTING**

PLEASE NOTE – YOU CANNOT VOTE BY RETURNING THIS NOTICE. To vote your securities you must vote using the methods reflected on your enclosed Proxy or Voting Instruction Form. Your Proxy or Voting Instruction Form must be received by 12:30 pm EST, on July 24, 2023.

PLEASE VIEW THE INFORMATION CIRCULAR PRIOR TO VOTING

**Shareholders with questions about notice and access can call Computershare Trust Company at 1 (866) 964-0492.**

#### **BOARD RECOMMENDATION**

The Board of Directors of Aurion unanimously recommends that Shareholders VOTE FOR all of the proposed resolutions.

# MANAGEMENT INFORMATION CIRCULAR

as at June 13, 2023

## MANAGEMENT SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of **Aurion Resources Ltd.** (the “**Company**”) for use at the Annual General Meeting of the shareholders of the Company (the “**Meeting**”) to be held at 120 Torbay Road, W220, St. John’s, NL A1A 2G8 on Wednesday, July 26, 2023 at 12:30 p.m. EDT (2:00 p.m. NDT) and at any adjournments thereof for the purposes set forth in the enclosed Notice of Annual General Meeting (the “**Notice**”).

If you are a Non-Registered Shareholder and have received this Notice of Meeting and accompanying materials through an Intermediary, please complete and return the voting instructions form (“Voting Instruction Form”) provided to you in accordance with the instructions provided therein.

**You may opt to receive important shareholder information electronically, including Annual General Meeting materials, by visiting [www.investorcentre.com](http://www.investorcentre.com) and follow these steps:**

- **Click on “sign up for e-Delivery”**
- **Select the Company from the drop-down list**
- **Enter your Holder Account Number (found on your proxy form) and postal code (or last name if you reside outside of Canada)**
- **Click Submit**

## INTRODUCTION

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the Meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Meeting materials unless their Intermediary assumes the costs of delivery.

#### Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy (the “**Proxy**”) are officers of the Corporation. **A registered shareholder has the right to appoint a person (who need not be a shareholder) other than the persons named as the proxy of the shareholder and may exercise this right either by inserting that person’s name in the blank space provided in the Proxy and striking out the other names or by completing another proper form of proxy.** To be effective, Proxies must be deposited at the office of the Corporation’s registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment thereof.

Proxies given by registered shareholders for use at the Meeting may be revoked at any time before their use. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by depositing an instrument in writing signed by the registered shareholder, or by the registered shareholder’s attorney duly authorized in writing, at the registered office of the Corporation, 130 Saddlehorn Drive, Kaleden, British Columbia V0H 1K0 on or before the last business day preceding the day of the Meeting, or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting, or any adjournment thereof.

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

- i. **Internet:** Vote online at [www.investorvote.com](http://www.investorvote.com) using the Proxy Control Number found in the enclosed Proxy;
- ii. **Mail:** Completing, dating and signing the enclosed Proxy and returning it to the Company’s transfer agent, Computershare, by mail or hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada; or

- iii. **Telephone:** Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the Proxy Control Number.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

**Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.** If you are a Non-Registered Shareholder, see "Voting by Non-Registered Shareholders" below for further information on how to vote your Common Shares.

#### Exercise of Discretion by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein,
- (iii) any other matter that properly comes before the Meeting, and
- (iv) exercise of discretion of proxyholder.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.** Management is not currently aware of any other matters that could come before the Meeting.

#### Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the Voting Instruction Form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The Voting Instruction Form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The Voting Instruction Form sent by Computershare or Broadridge will name the same persons as the Company's Proxy to represent you at the Meeting. As a Non-Registered Shareholder you may not be recognized directly at the Meeting. In order to appoint a proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the Voting Instruction Form. Alternatively, you may provide other written instructions requesting that you or your desired representative be appointed as your proxyholder for your Intermediary. The completed Voting Instruction Form should be returned in accordance with the instructions on the form.

**If you receive a Voting Instruction Form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the Voting Instruction Form must be completed and returned in accordance with its instructions well in advance of the voting deadline in order to have your Common Shares voted at the Meeting.**

#### Voting by Proxy Generally

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by 12:30 p.m. EDT on Monday, July 24, 2022 so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by e-mail to the Company at [dmark@aurionresources.ca](mailto:dmark@aurionresources.ca). Proxies will not be accepted at the Meeting. All Proxies must be submitted to Computershare by 12:30 p.m. EDT on Monday, July 24, 2022 (the “Proxy Deadline”).

Votes received by the Proxy Deadline for each matter set out in the Notice will be tabulated by Computershare and compiled in a Proxy report (the “Proxy Report”) completed by the Scrutineer. The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and Shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

#### Voting and Discretion of Proxies

The common shares (the “Shares”) of the Corporation represented by the Proxies solicited by management of the Corporation pursuant to this Circular will be voted or withheld from voting in accordance with the directions contained therein. **If no directions are given, the Shares will be voted FOR the fixing of the number of directors at six (6), FOR the election of management’s nominees as directors of the Corporation, FOR the appointment of management’s nominee as auditors of the Corporation and authorizing the directors to fix their remuneration and FOR the approval of the stock option plan. The Proxy confers discretionary authority on the persons named therein in respect of amendments or variations to the matters referred to in the Notice and in respect of other matters that may properly come before the Meeting, or any adjournment thereof.**

As at the date of this Circular, management knows of no such amendments or variations or other matters that may properly come before the Meeting but, if any such amendments, variations or other matters are properly brought before the Meeting, the persons named in the Proxies will vote thereon in accordance with their best judgment.

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

Except as disclosed herein, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

#### FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2022, together with the auditor’s report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

#### VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Shares without par value. As at the date of this Circular, 130,006,408 Shares are issued and outstanding. Each Share of the Company carries the right to one vote, and all Shares may be voted at the Meeting.

The record date for the determination of shareholders entitled to receive notice of and vote at the Meeting has been fixed as June 13, 2023. Except as may be otherwise indicated herein and in the Notice, the affirmative vote of a majority of the votes cast at the Meeting is required for approval of each matter set forth in this Circular.

To the knowledge of the directors and senior officers of the Company, no persons or companies beneficially own, or control or direct, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company.

## SETTING NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at six (6). The number of directors will be approved if the affirmative vote of at least a majority of Shares represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at six (6).

## ELECTION OF DIRECTORS

The board of directors ("**Board**") of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders or until their successors are elected or appointed. The management of the Company proposes to nominate the persons listed below (the "**Proposed Nominees**") for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the Proposed Nominees in this Circular.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT, PRIOR TO THE MEETING, ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS.

The following table sets out the names of the Proposed Nominees for election as a director, the province or state and country in which ordinarily resident, the period or periods during which each has served as a director, positions held in the Company, their present principal occupations and number of shares of the Company or shares of any of its subsidiaries beneficially owned by each, or controlled or directed, directly or indirectly as at the date hereof.

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Shares Beneficially Owned <sup>4</sup>
Matti Talikka CEO & Director Ontario, Canada	Chief Executive Officer of Aurion Resources; Previously Director Geometallurgy & Project Evaluation, Outotec Oy	Jan. 15/15	212,000
David Lotan <sup>2</sup> Non-Exec. Chair & Director Ontario, Canada	President of Lotan Holdings Inc., a private investment company focused on natural resource opportunities.	April 20/17	12,076,082 <sup>3</sup>
Dennis Clarke, Director <sup>1,2</sup> Newfoundland & Labrador, Canada	Barrister & Solicitor; Partner, Goodland Buckingham.	Nov. 15/12	300,000
David Loveys, Director <sup>1</sup> Newfoundland & Labrador, Canada	President, D.R. Loveys & Associates Inc.	June 30/10	318,900
Kerry Sparkes, Director <sup>1</sup> Newfoundland & Labrador, Canada	President of Sparrowhawk Consulting Ltd.	December 2/19	91,000
Leily Omoumi, Director <sup>1</sup> Ontario, Canada	Previous Vice President of Corporate Development at Teranga Gold, Senior Analyst at BMO Asset Management	March 3/21	Nil

(1) Member of the Audit Committee (the "**Audit Committee**") of the Company.

(2) Member of the Compensation & Corporate Governance Committee (the "**CCG Committee**") of the Company.

(3) All 12,067,082 Shares of the Company are owned by Lotan Holdings Inc., a private company wholly owned by Mr. Lotan.

(4) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at June 13, 2023, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

## Advance Notice Policy

Effective June 13, 2013, the Board adopted an advance notice policy (the "**Advance Notice Policy**") for the purpose of providing shareholders, directors and management of the Company with a clear framework for nominating directors of the Company in connection with any annual or special meeting of shareholders. The shareholders approved the Advance Notice Policy at the annual meeting held on July 23, 2013.

The purpose of the Advance Notice Policy is to (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of shareholders of the Company. The Advance Notice Policy fixes a deadline by which holders of record of Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Company for any director nominee to be eligible for election at such annual or special meeting of shareholders. A copy of the Advance Notice Policy may be obtained by contacting the Company.

## Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director:

- (a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:
  - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Circular:

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



**"Named Executive Officer" or "NEO"** means each of the following individuals:

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

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

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in two most recently completed financial years ended December 31, 2022:

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Matti Talikka CEO & Director	2022	200,000	150,000	Nil	Nil	Nil	350,000
	2021	200,000	Nil	Nil	Nil	Nil	200,000
David Lotan <sup>1</sup> Non-Exec. Chair & Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Mark Serdan <sup>2</sup> CFO	2022	150,000	100,000	Nil	Nil	Nil	250,000
	2021	150,000	75,000	Nil	Nil	Nil	226,000
Dennis Clarke Director	2022	Nil	Nil	20,000	Nil	Nil	20,000
	2021	Nil	Nil	20,000	Nil	Nil	20,000
David Loveys Director	2022	Nil	Nil	20,000	Nil	Nil	20,000
	2021	Nil	Nil	20,000	Nil	Nil	20,000
Kerry Sparkes Director	2022	Nil	Nil	20,000	Nil	Nil	20,000
	2021	Nil	Nil	20,000	Nil	Nil	20,000
Leily Omoumi Director	2022	Nil	Nil	20,000	Nil	Nil	20,000
	2021	Nil	Nil	15,000	Nil	Nil	15,000
Michael Basha <sup>3</sup> Past President/Past Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	100,000	Nil	Nil	Nil	146,845	246,845

(1) Mr. Lotan chose to not receive any compensation in his role as director and Non-Executive Chair.

(2) Effective January 1, 2018, under the terms of his employment agreement, Mr. Serdan receives an annual salary of \$150,000 for his role as CFO.

(3) Effective January 1, 2018, under the terms of his employment agreement, Mr. Basha received an annual salary of \$200,000 for his role as President. Mr. Basha resigned as CEO on July 28, 2020 and resigned as President and Director on March 31, 2021.

### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the financial year ended December 31, 2022 for services provided, to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Matti Talikka <sup>2</sup> CEO & Director	Stock Options	500,000 (23.75%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	DSUs	49,020 (58.82%)	Mar. 31/22	\$1.02	\$1.00		N/A
	DSUs	73,529 (58.82%)	June 30/22	\$0.68	\$0.67		N/A
	DSUs	119,047 (58.82%)	Sept. 30/22	\$0.42	\$0.47		N/A
	DSUs	86,206 (58.82%)	Dec. 31/22	\$0.58	\$0.60		N/A
	PSUs	300,000 (22.56%)	Nov. 28/22	\$0.50	\$0.45		N/A
David Lotan <sup>3</sup> Director & Non-Executive Chair	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dennis Clarke <sup>4</sup> Director	Stock Options	100,000 (4.75%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	PSUs	150,000 (11.28%)	Nov. 28/22	\$0.50	\$0.45		N/A
David Loveys <sup>5</sup> Director	Stock Options	100,000 (4.75%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	PSUs	150,000 (11.28%)	Nov. 28/22	\$0.50	\$0.45		N/A
Kerry Sparkes <sup>6</sup> Director	Stock Options	100,000 (4.75%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	PSUs	150,000 (11.28%)	Nov. 28/22	\$0.50	\$0.45		N/A
Leily Omoumi <sup>7</sup> Director	Stock Options	100,000 (4.75%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	PSUs	150,000 (11.28%)	Nov. 28/22	\$0.50	\$0.45		N/A
Mark Serdan <sup>8</sup> CFO	Stock Options	300,000 (14.25%)	Jan. 24/22	\$1.35	\$1.26	\$0.60	Jan. 24/27
	DSUs	34,314 (41.18%)	Mar. 31/22	\$1.02	\$1.00		N/A
	DSUs	51,470 (41.18%)	June 30/22	\$0.68	\$0.67		N/A
	DSUs	83,333 (41.18%)	Sept. 30/22	\$0.42	\$0.47		N/A
	DSUs	60,344 (41.18%)	Dec. 31/22	\$0.58	\$0.60		N/A
	PSUs	200,000 (15.04%)	Nov. 28/22	\$0.50	\$0.45		N/A

- (1) Each stock option entitles the holder to one Share upon exercise or release. Each vested DSU entitles the holder to redeem each DSU for its cash value upon ceasing to be a director, officer or employee of the Company. For further information, see “Stock Option Plans and Other Incentive Plans” below.
- (2) Matti Talikka held a total of 1,050,000 stock options, 845,389 DSUs and 300,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mr. Talikka in 2022 was DSUs - \$200,000 and PSUs - \$150,000. Mr. Talikka was appointed CEO on July 28, 2020.
- (3) David Lotan chose to waive all compensation, including DSUs and stock options eligible to be granted to him.
- (4) Dennis Clarke held a total of 200,000 stock options, 77,460 DSUs and 150,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mr. Clarke in 2022 was DSUs – Nil and PSUs - \$75,000.
- (5) David Loveys held a total of 200,000 stock options, 77,460 DSUs and 150,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mr. Loveys in 2022 was DSUs – Nil and PSUs - \$75,000.
- (6) Kerry Sparkes held a total of 250,000 stock options, 185,200 DSUs and 150,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mr. Sparkes in 2022 was DSUs – Nil and PSUs - \$75,000.
- (7) Leily Omoumi held a total of 200,000 stock options, 243,902 DSUs and 150,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mrs. Omoumi in 2022 was DSUs – Nil and PSUs - \$75,000.
- (8) Mark Serdan held a total of 890,000 stock options, 714,971 DSUs and 200,000 PSUs as at December 31, 2022. The value of the DSUs and PSUs issued to Mr. Serdan in 2022 was DSUs - \$140,000 and PSUs - \$100,000.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price & closing price on date of exercise (\$)	Total value on exercise date (\$)
N/A	N/A	Nil					

## Stock Option and Other Incentive Plans

### Stock Option Plan

The Company's Stock Option Plan dated for reference June 11, 2018 (the "**Current Plan**") is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Current Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares.

The Current Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Current Plan is administered by the directors of the Company. All options expire on a date not later than ten years after the date of grant of such option. There are currently options to purchase 9,280,000 Shares outstanding under the Current Plan and all current outstanding options expire within 5 years of the date of grant.

The Current Plan allows for the purchase of shares issuable in connection with stock options granted under the stock option plan to equal 10% of the Company's issued and outstanding Shares at any given time. For additional information pertaining to the new stock option plan, see the section of this Circular entitled "Particulars of Matters to be Acted Upon - Stock Option Plan".

### Deferred Share Unit Plan

The Company's Deferred Share Unit Plan ("DSU Plan") was adopted by the Board on June 11, 2018. The purpose of the DSU Plan is to advance the interests of the Company by: (i) aligning the interests of Directors, Officers and Employees with the interests of the Shareholders generally; (ii) encouraging Directors, Officers and Employees to remain associated with the Company; and (iii) furnishing Directors, Officers and Employees with an additional incentive in their efforts on behalf of the Company.

The DSU plan is administered by the Directors of the Board through the Compensation Committee and allows for the granting of DSUs to plan participants from time to time pursuant to the terms of the DSU Plan. DSUs granted under the Plan are valued on the date of grant at the market value of the Company's shares (volume weighted average trading price for the 5 trading days immediately preceding the date of grant). DSUs granted under the Plan vest in three equal tranches on each of the first, second and third anniversaries of the grant date and are not eligible for redemption by a participant until the participant is no longer a Director, Officer or Employee of the Company. All DSUs granted under the DSU Plan are settled in cash at the at the market value of the Company's shares at the time of redemption.

As of the record date, there are 2,592,726 DSUs outstanding under the DSU Plan (2,459,914 DSUs outstanding at December 31, 2022).

### Performance Share Unit Plan

The Company's Performance Share Unit Plan ("PSU Plan") was adopted by the Board on November 26, 2022. The purpose of the Company's PSU Plan is to advance the interests of the Company by providing a cash bonus to participants in the event of a change of control of the Company. The PSU plan is administered by the Directors of the Board through the Compensation Committee and allows for the granting of PSUs to plan participants from time to time pursuant to the terms of the PSU Plan. PSUs granted under the Plan are valued on the date of grant at the market value of the Company's shares (volume weighted average trading price for the 5 trading days immediately preceding the date of grant). PSUs granted under the Plan vest in three equal tranches on each of the first, second and third anniversaries of the grant date and are not eligible for redemption by a participant until the participant is no longer a Director, Officer or Employee of the Company. All PSUs granted under the PSU Plan are settled in cash at the at the market value of the Company's shares at the time of redemption.

As of the record date and as December 31, 2022, there are 1,330,000 PSUs outstanding under the PSU Plan.

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

Other than as described below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

On July 28, 2020, the Company entered into an employment agreement (the “Talikka Agreement”) with Matti Talikka whereby the Company would retain Mr. Talikka as Chief Executive Officer. Mr. Talikka is also eligible to receive an annual bonus to be approved by the Board of Directors. He is also eligible to receive Deferred Share Units.

If Mr. Talikka is terminated without cause, he will receive a lump sum payment equal to his annual gross salary plus one month for each additional full year he has been CEO, as well as receiving a pro-rated bonus. Upon a change of control, Mr. Talikka shall receive a lump sum amount equal to two years’ gross salary, inclusive of DSUs granted annually, and any accrued but unused vacation.

On December 1, 2016, the Company entered into an Amended and Restated Employment Agreement (the “**Basha Agreement**”) with Michael Basha whereby the Company agreed to retain Mr. Basha as President and Chief Executive Officer. Mr. Basha resigned as CEO on July 28, 2020 and as President and Director on March 31, 2021. Mr. Basha’s resignation as President and Director was made for personal reasons and other considerations, and the Company and Mr. Basha entered into a negotiated termination agreement in advance of his resignation.

On January 18, 2018, the Company entered into an employment agreement with Mark Serdan (the “Serdan Agreement”), whereby the Company agreed to retain Mr. Serdan as Chief Financial Officer. The Serdan Agreement provides that the Company may terminate the Serdan Agreement at any time without just cause by paying Mr. Serdan a lump sum fee equivalent to three months’ notice or payment in lieu of notice. In the event that Mr. Serdan is terminated or terminates the agreement within one year of a change of control of the Company, he will be entitled to receive two year’s gross salary plus two year’s annual bonus. For the purposes of the Serdan Agreement, change of control is deemed to have occurred when: (a) a person becomes a “control person” (as defined in the Securities Act (Newfoundland and Labrador), (b) a majority of the Directors elected at any annual or special meeting of shareholders of the Company are not individuals nominated by the Company’s then-incumbent board of directors, (c) the Company sells, transfers, leases or otherwise disposes of all or substantially all of its assets, (d) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of the Company. Termination of the Serdan Agreement without just cause or due to a Change of Control would result in a liability to the Company of \$300,000 plus any discretionary bonuses granted.

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

#### ***Compensation of Directors***

Compensation of directors is recommended by the Compensation & Corporate Governance Committee (the “CCG Committee”) to the board of directors. As of December 31, 2022, non-executive directors receive annual fees of \$20,000 each. Long term incentives (stock options and DSUs) are granted from time to time, based on an existing complement of long-term incentives, corporate performance and to be competitive with other companies of similar size and scope.

#### ***Compensation of Named Executive Officers***

The Company’s compensation philosophy for Named Executive Officers follows three underlying principles:

- (a) to provide compensation packages that encourage and motivate performance;
- (b) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
- (c) to align the interests of its executive officers with the long-term interests of the Company and its shareholders through stock related programs.

When determining compensation policies and individual compensation levels for the Company’s executive officers, the Company takes into consideration a variety of factors including management’s understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities; each executive officer’s individual performance during the fiscal year; each executive officer’s experience, skills and level of responsibility; the executive’s historical compensation and performance within the Company; and existing market standards within the mining industry. Management presents its recommendations to the Board of Directors.

## ***Elements of NEO Compensation***

### **Compensation Mix**

In keeping with the Company's philosophy to link executive compensation to corporate performance and to motivate executives to achieve exceptional levels of performance, the Company has adopted a model that includes both base salary and "at-risk" compensation comprised of participation in the Company's Long-Term Incentive Plan (stock options and DSUs), as described below.

#### **Base Salary**

Mr. Talikka receives a base salary of \$200,000.

Mr. Serdan receives a base salary of \$150,000.

Mr. Basha received a base salary of \$200,000. His employment terminated on March 31, 2021.

Directors are also eligible to receive a rate for consulting services when requested by the Company to provide services not normally considered to be within the scope of Directors' duties. The Board considers that this is appropriate for the Company's current stage of development. Base salaries are reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling his or her role and to ensure executive retention.

#### **Long Term Incentive Plan (Stock Options, DSUs and PSUs)**

Long term incentives are performance-based grants of stock options, DSUs and PSUs. The awards are intended to align executive interests with those of shareholders by tying compensation to share performance and to assist in retention through vesting provisions. Grants of stock options, DSUs and PSUs are based on:

- (a) the executive's performance;
- (b) the executive's level of responsibility within the Company;
- (c) the number and exercise price of options previously issued to the executive; and
- (d) the overall aggregate total compensation package provided to the executive.

The value of any long-term stock options allocated is determined using the Black-Scholes model.

The value of any DSUs and PSUs granted is the market price of the Company's shares.

Management makes recommendations to the CCG Committee and the Board concerning the Company's Long-Term Incentive Plan based on the above criteria. Options and DSUs are typically granted on an annual basis in connection with the review of executives' compensation packages. Options and DSUs may also be granted to executives upon hire or promotion and as special recognition for extraordinary performance.

The Company's Board of Directors considers previous grants of options, DSUs and PSUs and the overall number of options, DSUs and PSUs that are outstanding relative to the number of outstanding Shares in determining whether to make any new grants of options, DSUs and PSUs and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the director, officer, employee, or consultant in determining the level of incentive compensation.

### **Benefits and Perquisites**

The Company's NEOs do not receive any benefits or perquisites. For additional details, see "Description of the Long-Term Incentive Plan" below.

### **Material Terms of NEO Agreements**

#### ***Matti Talikka, Director & Chief Executive Officer***

Mr. Talikka was appointed CEO under an employment agreement dated July 28, 2020 (the "**Talikka Agreement**") and receives annual compensation of \$200,000, and a bonus and DSUs to be recommended by the CCG Committee and approved by the Board.

### **Termination and Change of Control Benefits**

The Talikka Agreement provided for the following payments if there is termination without cause:

- a) the Executive's full compensation to the termination date, including expenses and any other amounts owing to the Executive;
- b) a cash payment equal to one year's compensation plus one month for each additional year as CEO;

- c) a pro-rated negotiated bonus to reflect service in the fiscal year in which the termination occurred;
- d) options granted will continue to vest during the severance period.

If the Executive resigns or is terminated within 12 months after a change of control, he will receive, in addition to any other payments he is entitled to, a lump sum cash payment equal to two times his gross salary, inclusive of DSUs granted annually, and any accrued but unused vacation pay.

The CEO's compensation included base compensation, bonuses and long-term equity incentives. The Board approves the CEO's compensation. The CEO currently receives base salary compensation and bonuses. The Board considers that this is appropriate for the Company's current stage of development. The Board has taken into consideration the Company's understanding of the range of salaries paid to other chief executive officers in the mining industry, as described above under the heading "Compensation Discussion and Analysis". In setting the salary and long-term incentives for the CEO, the Board evaluates the performance of the CEO in light of his impact on the achievement of the Company's goals and objectives.

*Michael Basha, Past President, Past CEO & Past Director*

Mr. Basha was appointed President and CEO under an employment agreement dated December 1, 2016 (the "**Basha Agreement**") and received annual compensation of \$200,000 and a bonus to be recommended by the CCG Committee and approved by the Board. Mr. Basha resigned as CEO on July 28, 2020, and as President and Director on March 31, 2021.

#### **Termination and Change of Control Benefits**

The Basha Agreement provided for the following payments if there is termination without cause:

- e) the Executive's full compensation to the termination date, including expenses and any other amounts owing to the Executive;
- f) a cash payment equal to two years' compensation;
- g) two times the average annual bonus earned by the Consultant;
- h) options, whether vested or unvested, will remain exercisable until the earlier of their expiration date or two years from the termination date.

If the Executive resigns or is terminated within 12 months after a change of control, he will receive, in addition to any other payments he is entitled to, a lump sum cash payment equal to two times his base compensation and two times the average annual bonuses paid for the prior three years. Further, all of the Executive's unvested stock options will be deemed to have vested and all unexercised stock options will remain exercisable until the earlier of ninety days following the date of such termination and the expiry date of such options.

The CEO's compensation included base compensation, bonuses and long-term equity incentives. The Board approves the CEO's compensation. The CEO currently receives base salary compensation and bonuses. The Board considers that this is appropriate for the Company's current stage of development. The Board has taken into consideration the Company's understanding of the range of salaries paid to other chief executive officers in the mining industry, as described above under the heading "Compensation Discussion and Analysis". In setting the salary and long-term incentives for the CEO, the Board evaluates the performance of the CEO in light of his impact on the achievement of the Company's goals and objectives.

*Mark Serdan, Chief Financial Officer*

Mr. Serdan was appointed CFO under an employment agreement dated January 19, 2018 (the "**Employment Agreement**") and receives annual compensation of \$150,000 and a bonus to be recommended by the CCG Committee and approved by the Board.

#### **Termination and Change of Control Benefits**

The Employment Agreement provides for the following payments if there is termination without cause:

- a) the Executive's full compensation to the termination date, including expenses and any other amounts owing to the Executive;
- b) a cash payment equal to two years' compensation;
- c) two times the annual bonus of the previous year (including cash and equity incentive units) earned by the Executive;

- d) options, whether vested or unvested, will remain exercisable until the earlier of their expiration date or one year from the termination date.

If the Executive resigns or is terminated within 12 months after a change of control, he will receive, in addition to any other payments he is entitled to, a lump sum cash payment equal to two times his base compensation and two times the average annual bonuses paid for the prior three years. Further, all of the Executive's unvested stock options will be deemed to have vested and all unexercised stock options will remain exercisable until the earlier of ninety days following the date of such termination and the expiry date of such options.

The CFO's compensation includes base compensation, bonuses and long-term equity incentives. The Board approves the CFO's compensation. The CFO currently receives base salary compensation and bonuses. The Board considers that this is appropriate for the Company's current stage of development. The Board has taken into consideration the Company's understanding of the range of salaries paid to other chief executive officers in the mining industry, as described above under the heading "Compensation Discussion and Analysis". In setting the salary and long-term incentives for the CFO, the Board evaluates the performance of the CFO in light of his impact on the achievement of the Company's goals and objectives.

### Compensation & Corporate Governance Committee

The Company has a CCG Committee consisting of David Lotan and Dennis Clarke. Mr. Clarke is an independent director as defined under applicable Canadian securities laws.

### Pension Plan Benefits

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

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to the Company's current Plan, being the Company's only equity compensation plan in effect:

#### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	9,280,000 options	\$1.12	3,720,640 options
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>9,280,000 options</b>		<b>3,720,649</b>

### STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, ("**NI 58-101**") of the Canadian Securities Administrators requires each reporting issuer to disclose its corporate governance practices on an annual basis.

Set out below is a description of the Company's approach to corporate governance.

#### Board of Directors

NI 58-101 defines "independence" with reference to the definition of independence contained in National Instrument 52-110-Audit Committees ("**NI 52-110**"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

As of June 13, 2023, the Board consisted of six (6) directors: David Lotan, Matti Talikka, Dennis Clarke, David Loveys, Kerry Sparkes and Leily Omoumi. Of the current Board the following members are independent: Dennis Clarke, Kerry Sparkes, David Loveys and Leily Omoumi. The following members are not independent: Matti Talikka and David Lotan

### **Other Directorships**

The following directors of the Company hold directorships in other reporting issuers as set out below:

<b>Name of Director</b>	<b>Name of Other Reporting Issuer</b>
David Lotan	Chibougamau Independent Mines Inc.; Fox River Resources Corp.
David Loveys	SolGold Canada Inc.

### **Orientation and Continuing Education**

The Company does not provide a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with the Company, the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

### **Ethical Business Conduct**

The Board has adopted a formal written Code of Business Conduct. The Code of Business Conduct allows the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained.

### **Nomination of Directors**

The Board selects new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and senior executives. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

### **Other Board Committees**

The Company has an Audit Committee (please refer to the “Audit Committee” section) and a Compensation & Corporate Governance Committee.

### **Assessments**

The Board relies on experts such as financial advisors and external legal counsel and forms special committees on an ad hoc basis as necessary. Based on the Company’s size, its stage of development and the limited number of individuals on the Board, the Board considers an external formal assessment process to be inappropriate at this time. The entire Board is responsible for selecting new directors and assessing current directors. A proposed director’s credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director’s nomination and in camera sessions are available at every Board meeting.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS**

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company’s financial statements and the independence and performance of the Company’s external auditor, acting as a liaison between the Board and the Company’s external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

### **The Audit Committee’s Charter**

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee’s mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached as Schedule “A” to this Circular.



## Composition of the Audit Committee

The following are members of the Audit Committee as at June 13, 2023:

	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>	Relevant Education and Experience
Dennis Clarke, Chair	Y	Y	Barrister & Solicitor specializing in corporate law. Partner with Goodland Buckingham.
David Loveys	Y	Y	CPA/CA, former CFO of the Company. President of D. R. Loveys & Associates Inc. a financial consulting firm. Extensive experience as a director and officer of publicly traded mineral exploration companies.
Kerry Sparkes	Y	Y	Over 30 years' experience in mineral exploration, has acted as a director, officer and audit committee member of several junior mining companies, and has significant experience reviewing financial information as part of his professional activities.
Leily Omoumi	Y	Y	Seasoned mining capital markets, investment management and M&A professional with a background in engineering consulting. Formerly VP corporate development at Teranga Gold, senior analyst at BMO Asset Management, and research analyst at Scotia Capital.

(1) A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the CEO, is deemed to have a material relationship with the Company.

(2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

Each audit committee member has gained financial literacy through their years of experience serving as directors of several mining and mineral exploration companies as financial industry executives and serving on numerous other audit committees. In these positions, each member would be responsible for receiving financial information relating to their company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Company and its operating results. Each member has significant understanding of the mineral exploration business which the Company engages in and has an appreciation for the relevant accounting principles for that business.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

## Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading “External Auditors Service Fees (By Category)”.

### External Auditor Service Fees (By Category)

The table below sets out all fees billed by the Company’s external auditor in each of the last two fiscal years. In the table “Audit Fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s financial statements for the fiscal year. “Audit-Related Fees” are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax Fees” are fees billed by the Company’s external auditors for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the external auditor for products and services not included in the foregoing categories:

Financial Year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2022	\$85,000	Nil	\$2,200	Nil
December 31, 2021	\$70,000	Nil	Nil	Nil

## INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at December 31, 2022 there was no indebtedness outstanding with any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

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

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

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Company.

## APPOINTMENT AND REMUNERATION OF AUDITOR

Management of the Company proposes to nominate Davidson & Company LLP, Chartered Accountants, of Vancouver, British Columbia as auditors of the Company to hold office until the next Annual General Meeting of Shareholders, at a remuneration to be fixed by the directors.

## MANAGEMENT CONTRACTS

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### Continuation of Stock Option Plan

The Board proposes to continue its 10% rolling plan (the “**Plan**”), subject to shareholder and regulatory approval. The Plan is consistent with the requirements of the TSX Venture Exchange (the “**Exchange**”) and provides as follows:

- (a) the maximum aggregate number of Shares that can be issued pursuant to the exercise of options granted under the Current Plan, the Plan or otherwise, is 10% of the Company’s current issued and outstanding share capital (on a non-diluted basis);
- (b) stock options granted under the Plan will have an expiry date not to exceed ten years from the date of grant;
- (c) any stock options granted that expire or terminate for any reason without having been exercised will again be available under the Plan;
- (d) stock options will vest as required by the Exchange and as may be determined by the administrator of the Plan, or in the absence of such body, the Board;
- (e) the minimum exercise price of any stock options issued under the Plan will be determined by the Board at the time of grant, subject to the requirements of the Exchange;
- (f) stock options granted will expire 90 days after an optionee ceases to be involved with the Company, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Company;
- (i) the Company cannot grant options to any one consultant in any 12-month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding Shares of the Company;
- (j) the Company cannot grant options in any 12-month period to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Company and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three-month period;
- (k) in connection with the exercise of an option, as a condition to such exercise the Company may require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option; and
- (l) if a change of control, as described in the Plan, occurs, all unvested options shall immediately become vested and may thereon be exercised in whole or in part by the option holder, subject to any required approval by the Exchange.

The above summary is subject to the full text of the Plan which will be available for review at the Meeting. The Plan, and any material amendments thereto, must be approved by a majority of the votes cast by shareholders. The Plan is subject to approval by the Exchange. If the Plan is approved by shareholders, a total 9,280,000 Shares will be reserved for issuance pursuant to the exercise of options to be granted pursuant to the Plan.

All options to acquire Shares of the Company previously issued by the Company to directors, officers, employees and consultants of the Company and currently outstanding shall be deemed to have been granted and issued under the Plan and otherwise be governed by the terms and conditions of the Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such options.

At the Meeting, shareholders will be asked to pass the following resolution:

“IT IS RESOLVED, as an ordinary resolution that the 10% rolling stock option plan is hereby approved and confirmed and the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to this resolution.”

### Recommendation of the Directors

The Board of Directors of the Company has reviewed the proposed resolution and concluded that it is fair and reasonable to the Shareholders and in the best interests of the Company.

**The Board of Directors of the Company recommends that Shareholders vote in favour of the resolution to approve the continuation of the Stock Option Plan of the Company.**

Shareholder approval of the Option Plan is required by the terms of the Option Plan and the rules of the Exchange.

**ADDITIONAL INFORMATION**

Additional information concerning the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.aurionresources.com](http://www.aurionresources.com).

Financial information relating to the Company is provided in the Company's audited financial statements and the management discussion and analysis ("MD&A") for the year ended December 31, 2022. Shareholders may download the financial statements and MD&A from SEDAR ([www.sedar.com](http://www.sedar.com)) or contact the Company directly to request copies of the financial statements and MD&A by: mail to #W220, 120 Torbay Road, St. John's, Newfoundland A1A 2G8; or e-mail to [dmark@aurionresources.ca](mailto:dmark@aurionresources.ca). Additional financial information concerning the Company may be obtained by any shareholder free of charge through the Company's website at [www.aurionresources.com](http://www.aurionresources.com) or by contacting the Corporate Secretary at 778-908-2730.

DATED at Vancouver, British Columbia this 13<sup>th</sup> day of June, 2022.

**BY ORDER OF THE BOARD**

*/s/ "Matti Talikka"*

Chief Executive Officer & Director

**Schedule "A"**  
**to the Information Circular of Aurion Resources Ltd.**

**AUDIT COMMITTEE CHARTER**

**A. Composition and Process**

1. The audit committee of the Company (the "Audit Committee") shall be composed of a minimum of three members of the board of directors of the Company (the "Board of Directors"), a majority of whom are independent. An independent director, as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") is a director who has no direct or indirect material relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a members' independent judgment or as otherwise determined to be independent in accordance with NI 52-110.
2. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.
3. The chairperson of the Audit Committee (the "Chairperson") shall be appointed by the Board of Directors for a one-year term and may serve any number of consecutive terms.
4. Members of the Audit Committee must be financially literate which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity comparable to the accounting issues presented in the Company's financial statements.
5. The Chairperson shall, in consultation with management, establish the agenda for the meetings to ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The Audit Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.
6. The Audit Committee shall meet at least four times per year and may call special meetings as required. A quorum at meetings of the Audit Committee shall be its Chairperson and one of its other members or the Chairman of the Board of Directors. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference if this is deemed appropriate.
7. The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies to the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer.
8. The Audit Committee reviews, prior to their presentation to the Board of Directors and their release, all material financial information required by securities legislation and policies.
9. The Audit Committee enquires about potential claims, assessments and other contingent liabilities.
10. The Audit Committee periodically reviews with management, depreciation and amortization policies, loss provisions and other accounting policies for appropriateness and consistency.
11. The Charter of the Audit Committee shall be reviewed by the Board of Directors on an annual basis.

**B. Authority**

12. The Audit Committee is appointed by the Board of Directors pursuant to provisions of the *Business Corporations Act* (British Columbia) and the bylaws of the Company.
13. Primary responsibility for the Company's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board of Directors. The Audit Committee is a standing committee of the Board of Directors established to assist it in fulfilling its responsibilities in this regard. The Audit Committee shall have responsibility for overseeing management reporting on internal controls. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.
14. In fulfilling its responsibilities, the Audit Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
15. The Audit Committee shall have direct communication channels with the external auditor to discuss and review specific issues, as appropriate.

16. The Audit Committee shall have the authority to engage independent counsel and other advisors as it determined necessary to carry out its duties.
17. The Audit Committee shall establish the compensation to be paid to any advisor employed by the Audit Committee and such compensation shall be paid by the Company as directed by the Audit Committee.

### **C. Relationship with External Auditor**

18. An external auditor must report directly to the Audit Committee
19. The Audit Committee is directly responsible for overseeing the work of the external auditor including the resolution of disagreement between management and the external auditor regarding financial reporting.
20. The Audit Committee shall implement structures and procedures to ensure that it meets with the external auditor on at least an annual basis in the absence of management.

### **D. Accounting Systems, Internal Controls and Procedures**

21. The Audit Committee shall obtain reasonable assurance from discussions with and/or reports from management, and reports from external auditors that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Company and its subsidiaries and affiliates.
22. The Audit Committee shall review to ensure to its satisfaction that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and will periodically assess the adequacy of those procedures.
23. The Audit Committee shall direct the external auditor's examinations to particular areas.
24. The Audit Committee shall review control weaknesses identified by the external auditor, together with management's response.
25. The Audit Committee shall review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.
26. In order to preserve the independence of the external auditor the Audit Committee will:
  - (a) Recommend to the Board of Directors the external auditor to be nominated; and
  - (b) Recommend to the Board of Directors the compensation of the external auditor's engagement.
27. The Audit Committee shall review and pre-approve any engagements for non-audit services to be provided by the external auditor or its affiliates together with estimated fees, and consider the impact on the independence of the external auditor.
28. The Audit Committee shall review with management and with the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimated and judgments of management that may be material to financial reporting.
29. The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employee of the present and most recent former external auditor of the Company.
30. The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
31. The Audit Committee shall on an annual basis, prior to public disclosure of its annual financial statements, ensure that the external auditor has entered into a participation agreement and has not had its participant status terminated, or if its participant status was terminated, has been reinstated in accordance with the Canadian Public Accountability Board ("CPAB") bylaws and is in compliance with any restriction or sanction imposed by CPAB.

### **E. Statutory and Regulatory Responsibilities**

32. The Audit Committee shall review the annual audited financial statements and related management's discussion and analysis ("MD&A"), including any letter to shareholders and related press releases, and

recommend their approval to the Board of Directors, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimated with management and the external auditor.

33. The Audit Committee shall review the quarterly interim financial statements and related MD&A including any letter to shareholders and related press releases and approve them on behalf of the Board of Directors.
34. The Audit Committee shall review any documents containing financial information extracted or derived from the Company's financial statements prior to the public disclosure of the information.

#### **F. Reporting**

35. The Audit Committee shall report, through the Chairperson of the Audit Committee, to the Board of Directors following each meeting on the major discussions and decisions made by the Audit Committee.
36. The Audit Committee shall report annually to the Board of Directors on the Audit Committee's responsibilities and how it has discharged them.
37. The Audit Committee shall review the Audit Committee's Charter annually and recommend the approval of any proposed amendments to the Board of Directors.