

**ENGOLD MINES LTD.**  
488 – 1090 West Georgia Street.  
Vancouver, British Columbia V6E 3V7

**INFORMATION CIRCULAR**  
(as at November 4, 2022, except as otherwise indicated)

**SOLICITATION OF PROXIES**

This information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management of Engold Mines Ltd. (the "**Company**"). The form of proxy which accompanies this Circular and this Circular are for use at the annual general meeting of the holders of common shares without par value of the Company (the "**Shareholders**") to be held on Friday, December 9, 2022 (the "**Meeting**"), at the time and place and for the purposes set out in the accompanying notice of meeting (the "**Notice of Meeting**") and for any adjournment of the Meeting. The Company will bear the cost of this solicitation. The Company will not reimburse Shareholders, nominees or agents for the cost incurred in obtaining from their principal's authorization to execute forms of proxy. The solicitation will be made by mail but may also be made by telephone.

**VOTING**

**APPOINTMENT AND REVOCATION OF PROXY**

**Registered Shareholders**

**Registered Shareholders may vote their common shares without par value (the "Shares") by attending the Meeting in person or by completing the enclosed proxy.** Registered Shareholders should deliver their completed proxies to Computershare Investor Services Inc., 9<sup>th</sup> Floor - 100 University Avenue, Toronto, Ontario, M5J 2Y1 (by mail, telephone or internet according to the instructions on the proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, otherwise the Shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the proxy are directors and officers of the Company and are proxyholders nominated by management. **A Shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the Shareholder at the Meeting. To exercise this right, a Shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a Shareholder of the Company.**

A registered Shareholder may revoke a proxy by (A) signing a proxy with a later date and delivering it at the place and within the time noted above; (B) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and delivering it to the registered office of the Company, Suite 2200 – 700 West Georgia Street, Vancouver, British Columbia, V7Y-1K8, 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; (C) attending the Meeting or any adjournment thereof and registering with the scrutineer as a Shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or (D) in any other manner provided by law.

**Beneficial Shareholders**

**The information set forth in this section is of significant importance to many Shareholders, as many Shareholders do not hold their Shares in the Company in their own name.** Shareholders holding their Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans or other persons (any one of

which is herein referred to as an "Intermediary") or otherwise not in their own name (such Shareholders herein referred to as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders appearing on the records maintained by the Company's transfer agent as registered Shareholders will be recognized and allowed to vote at the Meeting. If a Shareholder's Shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those Shares are **not** registered in the Shareholder's name and that Shareholder is a Beneficial Shareholder. Such Shares are most likely registered in the name of the Shareholder's broker or an agent of that broker. In Canada the vast majority of such Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "**NOBOs**") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "**OBOs**").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Circular and a request for voting instructions (a "**VIF**"), instead of a proxy (the notice of Meeting, Circular and VIF or proxy are collectively referred to as the "**Meeting Materials**") directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered Shareholder) how to vote the Beneficial Shareholder's Shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered Shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to Shareholders in this Circular and the accompanying instrument of proxy and notice of Meeting are to registered Shareholders unless specifically stated otherwise.

The Meeting Materials are being sent to both registered and non-registered owners of the Company's Shares. If you are a 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 the Company's securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (A) delivering the Meeting Materials to you and (B) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

### **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

If a Shareholder specifies a choice with respect to any matter to be acted upon, the Shares represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such Shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the meeting as stated under the headings in the notice of meeting accompanying this Circular. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a Shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

### **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the financial years ended September 30, 2021, and, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the Shareholders at the Meeting.

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

Anton Novak is a proposed nominee for election as a director of the Company and he is also a proposed control person of the Company. As such, he has a material interest in the resolution approving the creation of a control person of the Company, approval of which will be sought at the Meeting.

Except as disclosed above, 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 and the approval of the stock option plan:

- (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.

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at November 4, 2022, the Company's authorized capital consisted of an unlimited number of Shares and an unlimited number of class "A" preference shares without par value, of which 37,181,546 Shares and Nil class "A" preference shares without par value are issued and outstanding. All Shares carry the right to one vote.

Shareholders of record as at November 4, 2022, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, only those persons set forth below beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the common shares of the Company.

Shareholder	Number of Common Shares	Percentage of Common Shares
Anton Novak	14,184,005	38.15%

### ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold 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 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 nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. Shareholders present at the meeting will be asked to approve an ordinary resolution to fix the number of directors to be elected at the meeting at five (5).

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their principal occupations during the past five years, the length of time they have served as directors of the Company and the number of Shares which each beneficially owns, directly or indirectly, or over which control or direction is exercised, directly or indirectly, as at November 4, 2022. The Company has no subsidiaries.

Name, Province or State and Country of Residence and Positions Held in the Company	Principal Occupation During the Past Five Years	Served as Director of the Company Since	Number of Common Shares of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>DAVID H. BRETT</b> <sup>(2)</sup> British Columbia, Canada <i>Director, President, CEO</i>	President & CEO, Engold Mines Ltd, President & CEO, Pacific Bay Minerals Ltd.	October 27, 2014	125,200
<b>DALE REIMER</b> <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Employed by Imperial Metals Corp. and its subsidiaries from 1991 to 2020 (now retired).	October 18, 2004	79,000

Name, Province or State and Country of Residence and Positions Held in the Company	Principal Occupation During the Past Five Years	Served as Director of the Company Since	Number of Common Shares of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>ROLF VAN DRIESUM</b> <sup>(2)</sup> British Columbia, Canada <i>Chairman of the Board and Director</i>	Retired Realtor	August 22, 2014	707,817
<b>JOHN BROWN</b> Alberta, Canada <i>Director</i>	Businessman – St. Albert Ranches Limited in Alberta, and Peritus Equity Management LLC in CA, USA. Former Director of the Company from March 29, 2011 to April 29, 2015.	April 27, 2018	566,300
<b>ANTON NOVAK</b> Prince George, Canada <i>Director</i>	Businessman, Novak Bros. Contracting Ltd. in BC.	Director since July 26, 2021	14,184,005

Notes: <sup>(1)</sup> The information as to Shares beneficially owned or controlled has been provided by the directors themselves.

<sup>(2)</sup> Member of the Company's audit committee.

### Corporate Cease Trade Orders or Bankruptcies

An "Order" means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, any of which was in effect for a period of more than 30 consecutive days.

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director, chief executive officer or chief financial officer of any company, including the Company, that:

- (a) was the subject of an Order while that person was acting in that capacity; or
- (b) was subject to an Order that was issued after the director or proposed director 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 that capacity.

No director or proposed director of the Company is, as at the date of this Circular, or has been within the ten years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### Individual Bankruptcies

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or 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 that individual.

## **Penalties or Sanctions**

No director or proposed director of the Company 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 securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

## **EXECUTIVE COMPENSATION**

### **Named Executive Officers**

During the financial year ended September 30, 2021, the Company had three Named Executive Officers ("**NEOs**"), being Alastair Brownlow the Company's current Chief Financial Officer ("**CFO**"), David H. Brett President and Chief Executive Officer ("**CEO**"), and Rob Shives Vice President of Exploration ("**VP Exploration**").

"Named Executive Officer" means: (a) a CEO, (b) a CFO, (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be an NEO under (c), above, but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### **Compensation Discussion and Analysis**

When entering into employment contracts or arrangements, the compensation to be paid by the Company is determined by the Company's Board of Directors (the "**Board**").

#### ***Compensation Program Objectives***

The objectives of the Company's executive compensation program are as follows:

- (a) to attract, retain and motivate talented executives who create and sustain the Company's continued success;
- (b) to align the interests of the Company's executives with the interests of the Shareholders; and
- (c) to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company is a junior mineral exploration company involved in exploration and development of early-stage mineral properties and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of the NEOs.

#### ***Purpose of the Compensation Program***

The Company's executive compensation program has been designed to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives and for their individual performances.

### ***Elements of Compensation Program***

The executive compensation program consists of a combination of base salary, performance bonus and stock option incentives.

### ***Purpose of Each Element of the Executive Compensation Program***

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration. In addition to a fixed base salary, each NEO is eligible to receive a performance-based bonus meant to motivate the NEO to achieve short-term goals. The pre-established, quantitative target(s) used to determine performance bonuses are set each fiscal year. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year. Stock options are generally awarded to NEOs on an annual basis based on performance measured against set objectives. The granting of stock options upon hire aligns NEOs' rewards with an increase in Shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Company's performance and in the value of the Shareholders' investments.

### ***Determination of the Amount of Each Element of the Executive Compensation Program, Compensation Risk and Compensation Governance***

Compensation of the NEOs of the Company is reviewed annually by the Board of Directors which approves the compensation of the NEOs. The Company does not presently have a compensation committee and the Company has not retained any compensation advisor or compensation consultant in respect of its compensation policies.

The Board of Directors reviews from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Implicit is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, are designed in a manner which is in the best interests of the Company and the Shareholders and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that the majority of the Company's executive compensation will consist of options granted under the Company's stock option plan (the "**Plan**"). Such compensation is both "long term" and "at risk" and, accordingly, is directly linked to the achievement of long term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and the Shareholders is limited.

The other two elements of compensation, base salary and performance bonuses, represent the remaining portion of an executive's total compensation. While neither salary nor bonus are "long term" or "at risk", as noted above, these components of compensation are not anticipated to form a significant part of total compensation and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and the Shareholders that would be beneficial to them from the standpoint of their short term compensation when their long term compensation might be put at risk from their actions.

Due to the small size of the Company, and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which, financial and other information of the Company are reviewed, and which includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

NEOs and directors of the Company are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds

that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### ***Performance Bonuses***

Given the size and nature of the Company's operations, the Company does not offer the NEOs performance bonuses.

### ***Stock Options***

The Company has established the Plan under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved Shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price.

The Board makes these determinations subject to the provisions of the Plan and, where applicable, the policies of the TSX Venture Exchange (the "**Exchange**"). Previous grants of option-based awards are taken into account when considering new grants.

### ***Link to Overall Compensation Objectives***

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program. The granting of stock options has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

### ***Purchase of Financial Instruments***

At the date of this Information Circular, the Company does not have a policy regarding the purchase of financial instruments by NEOs such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of the Company's equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### ***Option-Based Awards***

The Board is responsible for granting options to the executive officers. Stock option grants are designed to reward executive officers for success on a similar basis as the Shareholders, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the executive officers. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the executive officers of the Company and to closely align the personal interest of such persons to the interest of the Shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant.

## **SUMMARY COMPENSATION TABLE**

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

Name and Principal Position	Year ended Sept. 30	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
David H. Brett, CEO	2021	120,000	Nil	Nil	Nil	Nil	Nil	Nil	120,000
	2020	120,000	Nil	19,360	Nil	Nil	Nil	Nil	139,360
	2019	120,000	Nil	55,833	Nil	Nil	Nil	Nil	175,883
Alastair Brownlow, CFO	2021	Nil	Nil	Nil	Nil	Nil	Nil	48,000 <sup>(2)</sup>	48,000
	2020	Nil	Nil	7,599	Nil	Nil	Nil	48,000 <sup>(2)</sup>	55,599
	2019	Nil	Nil	15,183	Nil	Nil	Nil	48,000 <sup>(2)</sup>	63,183
Rob Shives, VP Exploration	2021	Nil	Nil	Nil	Nil	Nil	Nil	135,290 <sup>(3)</sup>	135,290
	2020	Nil	Nil	13,249	Nil	Nil	Nil	150,200 <sup>(3)</sup>	163,449
	2019	Nil	Nil	33,530	Nil	Nil	Nil	138,000 <sup>(3)</sup>	243,814

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Shares and expected life of the options.
- (2) Represents monthly fees for the provision of accounting and management services paid to Red Fern Consulting Ltd., a Company of which Alastair Brownlow is an employee.
- (3) Paid to GamX Inc., a Company controlled by Rob Shives.

### INCENTIVE PLAN AWARDS

#### Outstanding Option-Based Awards as at September 30, 2021

The following table sets forth the outstanding option-based awards held by the NEOs of the Company as at September 30, 2021.

Name	Option-based Awards			
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$) <sup>(1)</sup>	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>
David H. Brett, CEO	32,000	1.00	March 17, 2023	Nil
Alastair Brownlow, CFO	15,000	1.00	March 17, 2023	Nil
Rob Shives, VP Exploration	32,000	1.00	March 17, 2023	Nil

Notes:

- (1) "In-the-Money Options" means the excess of the market value of the Shares on September 30, 2021, over the exercise price of the options. The market price for the Shares on September 30, 2021, was \$0.30.

## Incentive Plan Awards – Value Vested or Earned

### Value Vested or Earned for Incentive Plan Awards during the Year Ended September 30, 2021

The following table sets forth details of those stock options that were exercised by the NEOs during the financial year ended September 30, 2021, and the value vested or earned for all incentive plan awards during that year by the NEOs.

Name	Option-Based Awards – Value Vested During the Year <sup>(1)</sup> (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
David H. Brett CEO	Nil	N/A	N/A
Alastair Brownlow, CFO	Nil	N/A	N/A
Rob Shives, VP Exploration	Nil	N/A	N/A

Note:

(1) The aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date is calculated by determining the difference between the market price of the underlying securities on the vesting date and the exercise price of the options under the option-based award multiplied by the number of options outstanding on the vesting date.

### TERMINATION AND CHANGE OF CONTROL BENEFITS

On March 1, 2017, the Company entered into an Executive Employment Agreement (the “Employment Agreement”) with David H. Brett, CEO, whereby the Corporation may terminate the Employment Agreement without cause by giving notice in writing equal to 5 months for each year of employment to a maximum notice period of 21 months or by paying the equivalent termination pay in lieu of notice. In such event, all options granted shall immediately vest and be exercisable until the end of the notice period plus 90 days.

In the event of termination without cause following a change of control, the Company will provide notice in writing equal to 24 months or pay the equivalent pay in lieu of notice. In such event, all options granted shall immediately vest and be exercisable until the end of the notice period plus 180 days or the original expiry date, whichever is earlier.

The CEO has the option (the “Option”) to terminate the Employment Agreement and resign from all offices and directorships in the event:

- (a) There is a change in control and the CEO has not sold such securities of the Company as may be owned to the acquirer; or
- (b) There is a change in control and the CEO has not voted such securities of the Company as may be owned by him in favour of such change in control.

In the event the Option is exercised, the CEO may receive a severance payment equal to 5 months for each year employed, up to a maximum of 21 months and all options shall immediately vest and become exercisable.

The Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to the NEOs at, following or in connection with any termination (whether voluntary, involuntary

or constructive), resignation, retirement a change in control of the Company or a change in the NEOs' responsibilities.

## DIRECTOR COMPENSATION

### Summary Compensation Table – Year Ended September 30, 2021

Set out below is a summary of compensation paid or accrued during the financial year ended September 30, 2021, to the Company's directors, other than any NEO previously disclosed.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Dale Reimer	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Anton Novak	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rolf van Driesum	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Brown	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Shares and expected life of the options.

### Narrative Discussion

No compensation was paid by the Company to the directors in their capacity as such or as consultants or experts during the Company's two most recently completed financial years.

## INCENTIVE PLAN AWARDS

### Outstanding Option-Based Awards as at September 30, 2021

The following table sets forth details of all outstanding option-based awards held by directors of the Company, other than any NEO previously disclosed, as at September 30, 2021.

Name	Option-based Awards			
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>
Anton Novak	Nil	Nil	N/A	Nil
Dale Reimer	32,000	1.00	March 17, 2023	Nil
Rolf van Driesum	32,000	1.00	March 17, 2023	Nil
John Brown	32,000	1.00	March 17, 2023	Nil

(1) "In-the-Money Options" means the excess of the market value of the Shares on September 30, 2021, over the exercise price of the options. The market price for the Shares on September 30, 2021, was \$0.30.

## Incentive Plan Awards

### Value Vested or Earned for Incentive Plan Awards during the Year Ended September 30, 2021

The following table sets forth details of those stock options that were exercised by the directors, other than any NEO previously disclosed, during the financial year ended September 30, 2021, and the value vested or earned for all incentive plan awards during the financial year ended September 30, 2021, by each director.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Anton Novak	Nil	N/A	N/A
Dale Reimer	Nil	N/A	N/A
Rolf van Driesum	Nil	N/A	N/A
John Brown	Nil	N/A	N/A

Notes:

(1) The aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date is calculated by determining the difference between the market price of the underlying securities on the vesting date and the exercise price of the options under the option-based award multiplied by the number of options outstanding on the vesting date.

## EQUITY COMPENSATION PLAN INFORMATION

### Securities Authorized for Issuance as at September 30, 2021

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at September 30, 2021.

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 the securityholders	363,000	N/A	1,320,077
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
<b>Total</b>	363,000	N/A	1,320,077

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company are or have been indebted to the Company since the beginning of the Company's financial year ended September 30, 2021.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Unless otherwise disclosed by the Company during the course of the year or as disclosed in this Circular, no informed person, proposed director or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

## MANAGEMENT CONTRACTS

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

## APPOINTMENT OF AUDITOR

### Auditor

The management of the Company intends to nominate Davidson & Company LLP, Chartered Accountants, of 1200 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G6 for re-appointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of Davidson & Company LLP, Chartered Accountants, as the auditor of the Company to hold office for the ensuing year at remuneration to be fixed by the directors.

## AUDIT COMMITTEE

### General

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.

### Audit Committee Charter

The text of the audit committee's charter is attached as to this Circular.

### Composition

As the Shares are listed on the Exchange, it is categorized as a venture issuer. As a result, the Company is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) of National Instrument 52-110 ("**NI 52-110**").

The audit committee consists of the following three (3) directors. Also indicated is whether they are "independent" and "financially literate".

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Rolf Van Driesum	Yes	Yes
Dale Reimer	Yes	Yes
David H. Brett	No	Yes

Notes:

(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 President, 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**

Based on their business and educational experiences, each audit committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Mr. Van Driesum became a member of the Board of EnGold in 2014. Mr. Van Driesum, BA, retired from a successful career in commercial and residential real estate in 2020. His practice focused on Prince George and the interior of BC. He remains active in community work and board roles with non-profit organizations.

Mr. Reimer became a Director of the Board of EnGold in 2004. He has 30 years experience in the mining industry, the last 20 of which have been with companies owned by Imperial Metals (III - TSX). Mr. Reimer is formerly the General Manager at Imperial Metal's Mount Polley Mine.

Mr. Brett, who joined EnGold as President, CEO and a Director in 2014, has 40 years of experience in the mining industry and public company management. David is the former President & CEO of Toronto Stock Exchange listed Cusac Gold Mines Ltd, a BC gold producer and explorer that completed a merger in 2008, the current CEO of TSX Venture-listed explorer Pacific Bay Minerals Ltd., and former CEO and director of TSX Venture listed Inomin Mines Inc. Mr. Brett, MBA (SFU), BA (UBC), also founded enterprise software company Knexa Solutions Ltd.

### **Audit Committee Oversight**

Since the beginning of the Company's financial year ended September 30, 2021, the audit committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board of the Company.

### **Reliance on Certain Exemptions**

Since the beginning of the Company's financial year ended September 30, 2021, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

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

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

## Audit Fees

The following table sets forth the fees paid by the Company to its auditors for services rendered in the Company's financial years ended September 30, 2020, and September 30, 2021:

	<u>2021</u>	<u>2020</u>
Audit fees <sup>(1)</sup>	\$22,775	\$20,244
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax fees <sup>(3)</sup>	\$2,500	\$4,700
All other fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>\$25,275</b>	<b>\$24,944</b>

Notes:

- (1) Aggregate fees billed by the Company's auditor (or accrued) for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. These include the filing of the corporate tax return and the preparation of a Québec enterprise number application for the Company's operations in Quebec.
- (4) Aggregate fees billed by the Company's auditor (or accrued) for professional services and not included above. These would include matters relating to the Company's Part XII.6 tax liability related to flow-through common shares of the Company, and the preparation and filing of information slips relating to the issue of flow-through common shares of the Company during the year.

## Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive but have been used by the Company in adopting its corporate governance practices. The Company's approach to corporate governance is set out below.

### Board of Directors

Management is nominating five (5) individuals to the Board, four of whom are current directors of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to management, evaluate management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to management and will keep management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Guidelines suggest that the Board of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. The "material relationship" is defined as a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a director's independent judgement. Of the nominees, David Brett is not considered to be "independent" within the meaning of NI 52-110 by virtue of his position as an executive officer of the Company. Dale Reimer, John Brown, Rolf van Driesum and Anton Novak are considered by the Board to be "independent" within the meaning of NI 52-110. Following this Meeting, the Board will have a majority of independent directors, it is the objective of the Company to strive to attain a majority of independent Board members.

The Board recommends nominees to the Shareholders for election as directors and, immediately following each annual general meeting, the Board appoints an audit committee.

The Board will meet not less than four times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the Chair, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly.

### **Directorships**

The directors of the Company are also directors of the following other reporting issuers:

<b>Current Director</b>	<b>Other Directorships of other Reporting Issuers</b>
David Brett	Pacific Bay Minerals Ltd.

### **Orientation and Continuing Education**

The Board does not have any formal policies with respect to the orientation of new directors nor does it take any measures to provide continuing education for the directors. At this stage of the Company's development the Board does not feel it necessary to have such policies or programs in place.

### **Ethical Business Conduct**

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination and Assessment**

The Board has not adopted a formal process for nominating new directors and expects that when the time comes to appoint new directors to the Board that the nominees would be recruited by the current Board members, and the recruitment process would involve both formal and informal discussions among Board members and the Chairman of the Board. The Board monitors, but does not formally assess, the performance of individual Board members and their contributions.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time.

### **Compensation**

The Company does not have a compensation committee as the Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO of the Company and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of Shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

### **Other Board Committees**

At the present time, the only standing committee is the audit committee. The written charter of the audit committee, as required by NI 52-110, is attached as **SCHEDULE A** to this Circular.

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

### **Incentive Share Option Plan**

The Company wishes to renew the existing stock option plan (the "**Plan**") of the Company.

A copy of the Plan will be available at the Meeting.

Under the Plan, the Board may from time to time grant to eligible participants options to purchase from the Company such number of Shares as the Board shall designate. Some of the significant terms of the Plan are as follows:

1. The maximum aggregate number of Shares that may be issued upon the exercise of stock options granted under the Plan will not exceed 5% of the Company's issued and outstanding Share capital at any time. The exercise price of stock options, as determined by the Board in its sole discretion, will not be less than the last closing price of the Company's Shares traded through the facilities of the Exchange prior to the grant of the stock option, less allowable discounts, in accordance with the policies of the Exchange or such other price as may be required or permitted by the Exchange, or if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading.
2. The Board will not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding Shares or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding Shares.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of Shares in respect of the expired or terminated option will again be available for the purposes of the Plan. All options granted under the Plan may not have an expiry date exceeding five years from the date on which the Board grants and announces the granting of the option.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted will expire on a date stipulated by the Board at

the time of grant and, in any event, must terminate within a reasonable time following the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Plan.

5. The Company shall have the authority to deduct and withhold from remuneration, or require the optionee to remit to the Company, the amount of any taxes or other required source withholdings which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of Shares upon the exercise of options. If the remuneration payable in the pay period that includes the exercise of options is insufficient, and the optionee has not provided sufficient cash in respect of the required source withholding, the Company shall have the authority and discretion to engage a broker or other agent to sell, on the open market at the optionee's risk and expense, that number of Shares required to pay for the source withholding and the broker's fee, subject to any restriction on resale imposed by securities legislation. The Company shall provide the optionee with the balance of Shares received on exercise after such sale, along with any cash balance after application of the cash received to the source withholding by the Company and the broker's fee.
6. The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

As at November 4, 2022, options to purchase 363,000 Shares are outstanding under the Plan. The maximum aggregate number of options that may be granted under the current Plan, as at November 4, 2022, is 1,859,077 being 5% of the Company's issued and outstanding Share capital.

Directors, officers, management company employees and consultants of the Company or an affiliate of the Company, as well as employees of the Company or any subsidiary of the Company will be eligible to participate in the Plan. The purpose of the Plan is to provide the participants with an opportunity to purchase Shares and to benefit from the appreciation thereof. This will provide an increased incentive for the participants to contribute to the future success and prosperity of the Company, thus enhancing the value of the Shares for the benefit of all the Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain individuals of exceptional skill.

Accordingly, the Shareholders will be asked at the Meeting to pass an ordinary resolution in the following terms:

**RESOLVED THAT**, the Company's stock option plan (the "**Plan**"), as described in the Company's Information Circular dated November 4, 2022, be approved and the Board of Directors of the Company be granted the discretion pursuant to the Plan to grant stock options to eligible participants, as the Board of Directors of the Company sees fit. Such grants shall be made under the terms of the Plan and within the rules and policies of the TSX Venture Exchange which are in effect at the time of granting and the exercise of any options granted pursuant to such authorization is hereby approved.

An ordinary resolution requires the approval of a simple majority (50% plus one vote) of the votes cast by those Shareholders of the Company, who, being entitled to, vote in person or by proxy at an annual general meeting of the Company.

**Management of the Company recommends that the Shareholders of the Company vote in favour of the approval of the Plan, and the persons named in the enclosed form of proxy intend to vote for such approval at the Meeting unless otherwise directed by the Shareholders appointing them.**

## **OTHER MATTERS**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the notice of meeting, but if any other matters do arise, the persons named in the proxy intend to vote on any poll, in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters ratified in the notice of meeting and other matters which may properly come before the Meeting or any adjournment.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided by the Company's comparative annual financial statements dated September 30, 2021, copies of which, together with the respective Management's Discussion and Analysis thereon, is available for review on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any Shareholder free of charge by contacting the Company at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

DATED at Vancouver, British Columbia, the 4th day of November, 2022.

**ON BEHALF OF THE BOARD OF ENGOLD MINES LTD.**

*(signed) "Rolf van Driesum"*

Rolf van Driesum, Chairman of the Board

**SCHEDULE A**  
**ENGOLD MINES LTD.**

---

**Audit Committee Charter**

---

The Audit Committee is a committee of the Board to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Audit Committee will:

- (a) review and report to the Board of EnGold Mines Ltd. ("**ENGOLD**") on the following before they are published:
  - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of EnGold;
  - (ii) the auditors report, if any, prepared in relation to those financial statements,
- (b) review EnGold's annual and interim earnings press releases before EnGold publicly discloses this information,
- (c) satisfy itself that adequate procedures are in place for the review of EnGold's public disclosure of financial information extracted or derived from EnGold's financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the Board:
  - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for EnGold; and
  - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for EnGold, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of EnGold,
- (h) establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by EnGold regarding accounting, internal accounting controls, or auditing matters;
  - (ii) the confidential, anonymous submission by employees of EnGold of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to EnGold or its subsidiary entities by EnGold's external auditor,

- (j) review and approve EnGold's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of EnGold,
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109,
- (l) review and recommend to the Board any changes to accounting policies;
- (m) review the opportunities and risks inherent in EnGold's financial management and the effectiveness of the controls thereon; and
- (n) review major transactions (acquisitions, divestitures and funding).

### **Composition of the Committee**

The committee will be composed of three directors from EnGold's Board the majority of whom will be independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each committee member will have no direct or indirect relationship with EnGold which, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

### **Authority**

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

### **Reporting**

The reporting obligations of the committee will include:

1. reporting to the Board on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors meeting; and
2. reviewing, and reporting to the Board on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by EnGold.