

**PROSPER GOLD CORP.**  
**Suite 330 – 890 Pender Street West**  
**Vancouver, British Columbia V6C 1J9**

**INFORMATION CIRCULAR**  
**AS AT May 31<sup>st</sup>, 2022**

This information circular (the “**Information Circular**”) accompanies the notice of the annual general meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of PROSPER GOLD CORP. (hereinafter called the “**Company**”) to be held at 5849 Dale Avenue, Summerland, British Columbia, on the 8<sup>th</sup> day of July, 2022 at the hour of 11:00 am and is furnished in connection with a solicitation of proxies by the board of directors of the Company (the “**Board**”) for use at that Meeting and at any adjournment thereof. The solicitation will be by mail. Proxies may also be solicited personally or by telephone by regular employees of the Company. The Company does not reimburse Shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by agents. The cost of solicitation will be borne by the Company.

**GENERAL PROXY INFORMATION**

**Appointment of Proxyholder**

A duly completed form of proxy will constitute the person(s) named in the enclosed form of proxy as the Shareholder’s proxyholder. The person(s) whose name(s) are printed in the enclosed form of proxy for the Meeting are officers or directors of the Company (the “**Management Proxyholders**”).

**A Shareholder has the right to appoint a person or company other than a Management Proxyholder to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the name of the desired representative in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.**

**Voting By Proxy**

Common shares of the Company (the “**Shares**”) represented by properly executed proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the Shareholder on any ballot that may be called for.

**If no choice is specified and one of the Management Proxyholders is appointed by a Shareholder as proxyholder, such person will vote in favour of the matters proposed at the Meeting and for all other matters proposed by management at the Meeting.**

**The enclosed form of proxy confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**Completion and Return Of Proxy**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Attention: Proxy Department, 8<sup>th</sup> floor, 100 University Ave, Toronto, Ontario, M5Y 2Y1, or by fax at 1-866-249-7775 (within in North America) or 416-263-9524 (outside North America) (the “**Transfer Agent**”), not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies deposited subsequently.

## Non-Registered Holders

**Only registered Shareholders (“Registered Shareholders”) or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are “non-registered” Shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares.** More particularly, a person is not a Registered Shareholder in respect of Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “OBOs”.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has elected to send the notice of meeting, this Information Circular and the proxy (collectively, the “**Meeting Materials**”) directly to the NOBOs. The Company will not be mailing materials to the OBOs. The Company does not intend to pay for Intermediaries to forward to OBOs the Meeting Materials, and an OBO will not receive the Meeting Materials unless the OBO’s Intermediary assumes the cost of delivery.

*The Meeting Materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary 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 (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.*

Meeting Materials sent to Non-Registered Holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a “**VIF**”). This form is similar to the proxy provided to registered shareholders of the Company. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Shareholder. VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

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

## Revocability Of Proxy

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation by any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the Registered Shareholder or by his attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the

chairman of the Meeting on the day of the Meeting. **Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least seven (7) days before the Meeting, arrange for their respective Intermediaries to revoke the proxy on their behalf.**

### **Voting Securities And Principal Holders Of Voting Securities**

The Company is authorized to issue an unlimited number of Shares without par value. As at the date hereof, there are **23,996,476** Shares issued and outstanding. Each Shareholder is entitled to one vote for each Share registered in his name on the list of Shareholders, which is available for inspection during normal business hours at the office of the Transfer Agent and at the Meeting.

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

The directors have determined that all Shareholders of record as of the 31<sup>st</sup> day of May, 2022 (the “**Record Date**”) will be entitled to receive notice of and to vote at the Meeting.

### **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of this Information Circular:

- (a) “**Chief Executive Officer**” or “**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) “**Chief Financial Officer**” or “**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year; and
- (c) “**Named Executive Officer**” or “**NEO**” means each of the following individuals:
  - (i) a CEO;
  - (ii) a CFO;
  - (iii) 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 for that financial year; and
  - (iv) each individual who would be an NEO under paragraph (iii) 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.

#### **1. Named Executive Officers**

During the fiscal year ended October 31, 2021 the Company had four Named Executive Officers, namely:

- (a) Peter Bernier, the President and Chief Executive Officer of the Company;
- (b) James Hedalen, the Chief Operating Officer of the Company;
- (c) Rory Ritchie, the Vice President of Exploration of the Company; and
- (d) Sharon Lee, the Chief Financial Officer of the Company.

## 2. Compensation Discussion and Analysis

### Philosophy and Objectives

The Company is a junior resource company. The compensation program for the senior management of the Company is designed with an aim to ensure the level and form of compensation achieves certain objectives, including:

- a) attracting and retaining qualified executives;
- b) motivating the short and long-term performance of these executives; and
- c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company employs a combination of base salary, bonuses and equity participation through its amended and restated stock option plan (the "**Stock Option Plan**") and the restricted share unit plan (the "**RSU Plan**", and together with the Stock Option Plan, the "**Equity Based Compensation Plans**").

### Base Salary

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

### Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation following the receipt of submissions by the Company's compensation committee (the "**Compensation Committee**") and the recommendation of the Board. In all cases the Board considers compensation levels of issuers that are similar in size and scope to the Company's operations and stage of development and the milestones achieved by the senior officers.

### Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's Stock Option Plan and the RSU Plan.

During the year ended October 31, 2021, the Company granted of 1,048,500 stock options ("**Options**") and 1,309,000 Restricted Share Units ("**RSUs**") to officers of the Company.

#### *Stock Option Plan*

Options are granted under the Stock Option Plan to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO or, in the case of options granted to executives and directors, the Company's Compensation Committee.

#### *Restricted Share Unit Plan*

RSUs may be awarded to the employees, consultants and officers of the Company to recognize and reward significant contributions to the long-term success of the Company. The Compensation Committee shall designate the employee, consultant or officer (the "**RSU Eligible Persons**") and determine the number of RSUs to be granted to each RSU Eligible Person in the Compensation Committee's sole discretion.

### Actions, Decisions or Policies Made After October 31, 2021

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Other than as disclosed herein, no actions, decisions or policies have been made since October 31, 2021 that would affect a reader's understanding of NEO compensation.

### Risks

The Board has not considered the implications of the risks associated with the Company's compensation policies and practices.

### Compensation Consultant

The Compensation Committee first retained Global Governance Advisors ("GGA") in 2021 to provide independent compensation and governance advisory services to the Compensation Committee, including a review of the competitiveness of the executive compensation levels for the NEOs and the Board. GGA is an internationally recognized, independent advisory firm that provides counsel to boards of directors on matters relating to executive compensation and governance.

In March 2021, GGA performed a detailed review of the Company's director and executive compensation philosophy and comparative benchmarking. The Company adopted certain recommendations of GGA including the competitive market range for salaries, options, and RSU's.

The Company incurred the following fees for GGA's work over the past two (2) years:

<b>Financial Year-End</b>	<b>Executive Compensation-Related Fees <sup>(1)</sup></b>	<b>All Other Fees <sup>(2)</sup></b>
October 31, 2021	\$23,000	\$2,795.38
October 31, 2020	Nil	Nil

- (1) the aggregate fees billed by each consultant or advisor, or any of its affiliates, for services related to determining compensation for any of the company's directors and executive officers.
- (2) the aggregate fees billed for all other services provided by each consultant or advisor, or any of its affiliates, that are not reported under (1) above.

The Compensation Committee reviews all fees and the terms of consulting services provided by its independent compensation consultants before each engagement.

### Financial Instruments

A NEO or director is not permitted to purchase financial instruments 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.

### *Share-Based and Option-Based Awards*

NEOs are eligible under the Company's Stock Option Plan to receive grants of stock options and under the Company's RSU Plan to receive grants of RSUs. The Equity Based Compensation Plans are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of its Shares over a stated period of time. The Equity Based Compensation Plans are intended to reinforce commitment to long-term growth in profitability and shareholder value.

Under the Stock Option plan, the size of stock option grants to NEOs is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution

to the Company will be key to its long-term success. In determining the number of stock options to be granted to NEOs, the Board takes into account any recommendations of the Company's Compensation Committee, including as to the number of options, if any, previously granted to each NEO and the exercise price of any outstanding options to ensure such grants are in accordance with the TSX Venture Exchange ("TSX-V") policies and closely align the interests of the NEOs with the interests of the shareholders.

Under the RSU Plan, the Compensation Committee shall designate RSU Eligible Persons and determine the number of RSUs to be granted to each RSU Eligible Person in the Compensation Committee's sole discretion. Concurrently, the Compensation Committee shall determine the redemption date. In addition, the Compensation Committee may, at its sole discretion, at the time of the grant of RSUs, make such RSUs subject to performance conditions to be achieved by the Company, the RSU Eligible Persons or a class of RSU Eligible Persons prior to the redemption date.

#### *Compensation Governance*

The Board has appointed a Compensation Committee which has assumed the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, for presentation and recommendation to the plenary Board.

The Compensation Committee also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Compensation Committee also reviews the compensation of senior management on at least an annual basis taking into account compensation paid by other issuers of similar size and activity.

The Company's Compensation Committee is currently comprised of three directors, namely Jim Miller-Tait, Jason Hynes and Peter Bernier. Jim Miller-Tait and Jason Hynes are considered "independent" in that each are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with his ability to act with the best interests of the Company, other than the interests and relationships arising from shareholdings and consulting fees.

The Board believes that each current member of the Compensation Committee possesses the skills and experience relevant to the mandate of the Compensation Committee. In addition, the members of the Compensation Committee each have skills and experience that enable them to make decisions on the suitability of the Corporation's executive compensation policies and practices. Each member of the Compensation Committee has direct operational or functional experience overseeing compensation policies and practices in publicly listed organizations similar in complexity to Prosper Gold.

#### **Mr. Peter Bernier CEO & Director**

Mr. Peter Bernier has more than 39 years of experience in mining exploration and project management. Mr. Bernier was the founder, President & CEO of Richfield Ventures Corp. and was responsible for building, leading and managing the Richfield team, as well as obtaining financing for the company from 2003 until 2011. At Richfield Ventures Corp. Pete was involved in recommendations on compensation matters to boards of directors – including salaries, fees, bonuses and other benefits, and change-of-control packages.

#### **Mr. Jason Hynes, BSc, MBA Director**

Mr. Jason Hynes is currently Vice President, Business Development and Strategy with Royal Gold Inc., a leading precious metal streaming and royalty company. Jason has held other senior roles at public mining companies and spent seven years in National Bank Financial's M&A and mining investment banking groups as a Director of Global Metals & Mining. Mr. Hynes acted as financial advisor to Richfield Ventures Corp. during the acquisition by New Gold in 2011.

**Mr. Jim Miller-Tait, P.Ge  
Director**

Mr. Jim Miller-Tait has over 39 years of continuous exploration, development, underground, and open pit production experience. Mr. Miller-Tait is currently the present Vice President Explorations for Imperial Metals Corporation. He is currently the President of Sikanni Mine Development Ltd., his own geological consulting company, which he founded in 1996.

3. Summary Compensation Table

The following table sets forth the compensation of each Named Executive Officer for each of the three most recently completed fiscal years.

Name & principal position	Year <sup>(1)</sup>	Salary (\$)	Share-based awards (\$) <sup>(2)</sup>	Option-based awards (\$) <sup>(3)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Peter Bernier <sup>(4)</sup> , CEO and Director	2021	411,154	210,496	487,769	Nil	Nil	Nil	Nil	1,109,419
	2020	Nil	Nil	13,094	Nil	Nil	Nil	Nil	13,094
	2019	Nil	Nil	53,480	Nil	Nil	Nil	Nil	53,480
Sharon Lee, CFO	2021	74,651	4,210	4,943	Nil	Nil	Nil	Nil	83,804
	2020	31,175	Nil	Nil	Nil	Nil	Nil	Nil	31,175
	2019	27,226	Nil	Nil	Nil	Nil	Nil	Nil	27,226
James Hedalen <sup>(5)</sup> , COO and Director	2021	204,654	210,496	296,841	Nil	Nil	Nil	Nil	711,991
	2020	108,461	Nil	5,214	Nil	Nil	Nil	Nil	113,675
	2019	100,385	Nil	21,342	Nil	Nil	Nil	Nil	121,727
Rory Ritchie VP of Exploration <sup>(6)</sup>	2021	162,083	187,107	248,152	Nil	Nil	Nil	Nil	597,342
	2020	-	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-	-

(1) November 1 to October 31.

(2) Value using the closing price of Shares of the Company on the TSX-V on October 31, 2021, less the exercise price per share.

(3) The fair value of the options granted have been estimated using the Black-Scholes option-pricing model.

(4) Mr. Bernier was appointed as a director on April 4, 2012. Mr. Bernier was not compensated as a director in three most recently completed fiscal years.

(5) Mr. Hedalen was appointed as a director on May 10, 2021. Mr. Hedalen was not compensated as a director in the last fiscal year.

(6) Mr. Ritchie was appointed Vice President of Exploration, effective December 30, 2020.

4. Incentive Plan Awards

*Stock Option Plan*

The Company has in effect the Stock Option Plan in order to provide effective incentives to directors, officers, senior

management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders.

#### *Summary of the Stock Option Plan*

The following is a summary of the principal terms of the Stock Option Plan in force as of the date hereof. The Stock Option Plan provides that the number of Shares that may be purchased under the Stock Option Plan shall not exceed 2,510,888 Shares (being 12% of the issued and outstanding Shares as of the date of implementation of the Stock Option Plan), subject to adjustment in accordance with the Stock Option Plan, or such greater number of Shares as shall have been duly approved by the Board and, if required, by the TSX-V. The maximum number of Shares available for issuance under the Stock Option Plan in combination with the RSU Plan (and any other security-base compensation arrangements of the Company) will not exceed 4,184,814 Shares (being 20% of the issued and outstanding Shares as of the date of implementation of the Equity Based Compensation Plans) or such greater number of Shares as shall have been duly approved by the Board and, if required, by the TSX-V. Per TSX-V policies, the total amount of shares reserved for issuance to any one optionee within a period of 12 months shall not exceed 5% of the outstanding Shares at the time of grant, the total amount of shares reserved for issuance to any one Consultant (as defined by the Stock Option Plan) within a period of 12 months shall not exceed 2% of the outstanding Shares at the time of grant, and the total amount of shares reserved for all persons conducting Investor Relations Activities (as defined by the Stock Option Plan) within a period of 12 months shall not exceed 2% of the outstanding Shares at the time of the grant.

The Stock Option Plan provides that it is solely within the discretion of the Board to determine which directors and employees may be awarded options under the Stock Option Plan, and under what terms they will be granted, as well as any amendments or variations to these terms in the event of an Accelerated Vesting Event (as defined by the Stock Option Plan).

Options granted under the Stock Option Plan will be for a term not exceeding ten years from the day the option is granted, as in line with TSX-V policies. Subject to such other terms or conditions that may be attached to the particular option granted, an option shall only be exercisable so long as the optionee shall continue to hold office or to be employed by the Company and shall, unless terminated earlier, or extended by the Board, terminate immediately if said optionee is terminated for cause, terminate at the close of business on the date which is no later than 90 calendar days after cessation of office or employment, or in the case of the optionee's death, terminate at the close of business on the date which is no later than one year after the date of death, as the case may be.

The options will be exercisable at a price which is not less than the Market Price (as defined in the policies of the TSX-V) of the Company's shares. The options will be non-assignable.

Shares will not be issued pursuant to options granted under the Stock Option Plan until they have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their options. Furthermore, in accordance with Canadian tax laws, the Company will either require optionees to, at the time they exercise options, provide a sum equivalent to the total tax withholding and other deductions required for the exercise, or withhold that amount from the total amount paid out to the optionee.

#### *Restricted Share Unit Plan*

The Company has in effect the RSU Plan in order to allow for certain discretionary bonuses and similar awards as an incentive and reward for the selected eligible persons related to the achievement of long-term financial and strategic objectives of the Company and the resulting shareholder value. The RSU plan promotes the alignment of interests between the Shareholders and the selected eligible persons by providing an opportunity to participate in increases in the value of the Company. RSUs track the value of the underlying Shares but do not entitle the recipient to the actual underlying Share until such RSU vest and are redeemed in accordance with the RSU plan.

#### *Summary of the RSU Plan*

The following is a summary of the principal terms of the RSU Plan in force as of the date hereof. Participation in the

RSU Plan is restricted to employees, consultants and officers of the Company (a “**RSU Eligible Person**”). Employees, including directors who are also employees, are eligible to participate in the Company’s RSU Plan. The maximum number of Shares available for issuance under the RSU Plan is fixed at 1,673,925 Shares (representing 8% of the Company’s outstanding Shares as of the date of implementation of the RSU plan), and in combination with all security-based compensation arrangements of the Company (including the Stock Option Plan), will not exceed 4,184,814 Shares, or such greater number of Shares as shall have been duly approved by the Board and, if required, by the TSX-V. For so long as the Shares are listed on the TSX-V, the maximum number of Shares to be issued under the RSU Plan, within any one-year period: (i) to any RSU Eligible Person, will not exceed 5% of the total issued and outstanding Shares on the grant date on a non-diluted basis, and (ii) to any consultant, shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis. For so long as the Company’s Shares are listed on the TSX-V, no Shares will be issued under the RSU Plan to any RSU Eligible Person whose role and duties primarily consist of Investor Relations Activities, as defined in the TSX-V Corporate Finance Manual. RSUs which vest and are redeemed in accordance with the RSU Plan will not be available for re-grant under the RSU Plan.

RSUs may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of (other than to the beneficiary or estate of an RSU Eligible Person, as the case may be, upon the death of the RSU Eligible Person granted RSUs (the “**RSU Grantee**”)).

The RSU Plan permits the Compensation Committee to grant awards of RSUs to an RSU Eligible Person. Subject to any vesting conditions, the RSUs will be redeemed within 30 days of the applicable redemption date, for (i) the number of Shares equal to the numbers of RSUs vested on the redemption date, (ii) a cash amount equal to the number of Shares set out in (i) multiplied by the fair market value of the Shares on the redemption date or (iii) a combination of (i) and (ii). The redemption date in respect of any RSU is the date provided for in the agreement granting the RSUs or if no date is set, the third anniversary of the grant date, unless otherwise provided for in the RSU Plan. The Compensation Committee has the discretion to stipulate the length of time for vesting and to determine various performance objectives based on certain business criteria as a pre-condition to an RSU vesting. It is the Compensation Committee’s intent that all RSUs will vest upon the expiry of time-based vesting conditions. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs will be determined at the time of the grant by the Compensation Committee.

If a RSU Eligible Person is involuntarily terminated for reasons other than cause and holds vested RSUs, the vested RSUs will be redeemed on the date the RSU Eligible Person’s employment is terminated for an equal number of Shares or cash in lieu thereof or a combination of cash and Shares, as determined by the Compensation Committee. If the RSU Grantee is terminated by the Company with cause or voluntary ends his or her employment with the Company, all RSUs granted to the RSU Eligible Person, whether vested or unvested will be forfeited and cancelled without payment. In the event of a change of control of the Company, all RSUs granted to RSU Eligible Persons and outstanding under the RSU Plan will immediately vest and will be paid out in cash, Shares or a combination of cash and Shares.

#### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the Named Executive Officers and which were outstanding at October 31, 2021:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Peter Bernier, CEO	8,500 70,000 492,500	\$2.00 \$1.50 \$1.35	Jan 23, 2022 Dec 17, 2023 Dec 30, 2025	Nil Nil Nil	450,000	301,500	Nil
Sharon Lee, CFO	5,000 5,000	\$2.00 \$1.35	Jan 23, 2022 Dec 30, 2025	Nil Nil	9,000	6,030	Nil
James Hedalen, COO	10,000 30,000 20,000 300,000	\$2.00 \$1.50 \$1.50 \$1.35	Jan 23, 2022 Mar 5, 2023 Dec 17, 2023 Dec 30, 2025	Nil Nil Nil Nil	450,000	301,500	Nil
Rory Ritchie, VP of Exploration	251,000	\$1.35	Dec 30, 2025	Nil	400,000	268,000	Nil

<sup>(1)</sup> Value using the closing price of Shares of the Company on the TSX-V on October 31, 2021, less the exercise price per share.

*Incentive Plan Awards — Value Vested or Earned During the Year*

The following table sets forth particulars of the value vested or earned during the year ended October 31, 2021 in respect of incentive awards to the Named Executive Officers:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plans compensation - Value earned during the year (\$)
Peter Bernier, CEO	58,555	Nil	Nil
Sharon Lee, CFO	586	Nil	Nil
James Hedalen, COO	35,390	Nil	Nil
Rory Ritchie, VP of Exploration	29,405	Nil	Nil

5. Pension Plan Benefits

The Company does not have a pension plan.

6. Termination and Change of Control Benefits

During the year ended October 31, 2021, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in an NEO's responsibilities.

7. Director Compensation

There are no formal arrangements under which directors were compensated by the Company and its subsidiaries during the most recently completed financial year for their services in their capacity as directors or consultants.

The following table sets forth particulars of all compensation paid to directors who were not Named Executive Officers during the year ended October 31, 2021:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jason Hynes	Nil	Nil	205,015	Nil	Nil	Nil	205,015
Jim Miller-Tait	Nil	Nil	205,015	Nil	Nil	Nil	205,015
Wes Carson	Nil	Nil	149,933	Nil	Nil	Nil	149,933

<sup>(1)</sup> The fair value of the options granted has been estimated using the Black-Scholes option-pricing model.

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the directors of the Company who are not NEOs and which were outstanding at October 31, 2021:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value <sup>(1)</sup> of unexercised in-the-money options (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jason Hynes, Director	5,000	\$2.00	Jan 23, 2022	Nil	Nil	Nil	Nil
	15,000	\$2.00	Mar 5, 2023				
	20,000	\$1.50	Dec 17, 2023				
	100,000	\$1.35	Dec 30, 2025				
	200,000	\$1.60	May 10, 2026				
Jim Miller-Tait, Director	5,000	\$2.00	Jan 23, 2022	Nil	Nil	Nil	Nil
	15,000	\$2.00	Mar 5, 2023				
	20,000	\$1.50	Dec 17, 2023				
	100,000	\$1.35	Dec 30, 2025				
	200,000	\$1.60	May 10, 2026				
Wes Carson, Director	200,000	\$1.60	May 10, 2026	Nil	Nil	Nil	Nil

<sup>(1)</sup> Value using the closing price of Shares of the Company on the TSX-V on October 31, 2021, less the exercise price per share.

The following table sets forth particulars of the value vested or earned during the year ended October 31, 2021 in respect of incentive awards to the directors of the Company who are not NEOs:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plans compensation - Value earned during the year (\$)
Jason Hynes, Director	11,960	Nil	Nil
Jim Miller-Tait, Director	11,960	Nil	Nil
Wes Carson, Director	Nil	Nil	Nil

All director compensation paid to Mr. Bernier during the year ended October 31, 2021 has been reflected above in the “*Summary Compensation Table*” for Named Executive Officers.

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

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as at October 31, 2021:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights at fiscal year end	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans at fiscal year end
Equity compensation plans approved by securityholders	11,278,115	\$1.08	451,314
Equity compensation plans <i>not</i> approved by securityholders	Nil	Nil	Nil
Total:	11,278,115	\$1.08	451,314

#### INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the Company’s directors, executive officers or employees, or former directors, executive officers or employees, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended October 31, 2021, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

#### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company other than as disclosed in a prior information circular and other than as disclosed herein.

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

None of the directors or executive officers of the Company, no management nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement

of the Company's last completed financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than as disclosed herein.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year as filed on SEDAR. Securityholders may also contact the Company by email at [info@prospergoldcorp.com](mailto:info@prospergoldcorp.com) to request copies of the Company's financial statements and management's discussion and analysis.

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

#### **A. RECEIPT OF FINANCIAL STATEMENTS**

The audited financial statements of the Company for the period ended October 31, 2021 (the "**Financial Statements**"), together with the Auditor's Report thereon, will be presented to Shareholders at the Meeting. The Financial Statements and the management's discussion and analysis for the financial year ended October 31, 2021 together with the Auditor's Report thereon are also available on SEDAR at [www.sedar.com](http://www.sedar.com). The notice of meeting to Shareholders, Information Circular and form of proxy will be available from the Company's Registrar and Transfer Agent, Computershare Investor Services Inc., 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, or the Company's head office located at Suite 320, 890 Pender Street West, Vancouver, British Columbia V6C 1J9.

#### **B. ELECTION OF DIRECTORS**

The Articles of the Company provide for a Board of no fewer than three (3) directors and no greater than a number as fixed or changed from time to time by majority approval of the Shareholders. At the last annual general meeting of the Shareholders, the set the size of the Board at five (5). The Company's Board is currently comprised of five (5) directors, namely Peter Bernier, Jason Hynes, James Hedalen, Wes Carson, and Jim Miller-Tait. The term of office of each of the current directors will end at the conclusion of the Meeting.

Peter Bernier, Jason Hynes, James Hedalen, Wes Carson, and Jim Miller-Tait are nominated for re-election. All persons elected as directors at the Meeting shall serve until the close of the next annual meeting of the Shareholders or until a successor is elected or appointed.

It is intended that on any ballot that may be called for relating to the election of directors, the Shares represented by proxies in favour of management nominees will be voted in favour of the election of such persons as directors of Company, unless a Shareholder has specified in his or her proxy that his or her Shares are to be withheld from voting in the election of directors.

The nominees for election to the Board will be elected if approved by a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting and entitled to vote thereon.

#### *Information Concerning Nominees as Directors*

The name, present position and office with the Company, present principal occupation or employment, period of service as a director and number of Shares of the Company held as of the Record Date by each of the individuals who are nominated for election as directors are as set out below.

<b>Name and Residence</b>	<b>Present Position and Offices with the Company</b>	<b>Present Principal Occupation or Employment and Principal Occupation or Employment within the 5 preceding years</b>	<b>Director Since</b>	<b>Number of Shares of the Company Held<sup>(1)</sup></b>
PETER BERNIER <sup>(2)(3)</sup> <i>Summerland, British Columbia, Canada</i>	President and CEO, Chairman	Businessman, former President & CEO of Richfield Ventures Corp. from 2003 to August 2011	April 4, 2012	2,101,664
JASON HYNES <sup>(2)(3)</sup> <i>Vancouver, British Columbia Canada</i>	N/A	Vice President, Business Development and Strategy at Royal Gold, Inc.; former Investment Banker with National Bank Financial.	April 4, 2012	339,243
JIM MILLER-TAIT <sup>(2)(3)</sup> <i>North Vancouver, British Columbia, Canada</i>	N/A	Vice President Exploration for Imperial Metals Corporation, former VP Exploration Selkirk Metals from 2006 to 2009	April 4, 2012	43,000
JAMES HEDALEN <i>Vancouver, British Columbia, Canada</i>	Chief Operating Officer	Chief Operating Officer at Prosper Gold Corp.	May 10, 2021	25,921
WES CARSON <i>Vancouver, British Columbia, Canada</i>	N/A	Vice President, Mining Operations at Wheaton Precious Metals	May 10, 2021	N/A

(1) Number of Shares known to the Company to be beneficially owned, directly or indirectly, or over which control or direction was exercised on the Record Date.

(2) Member of the Company's audit committee (the "**Audit Committee**").

(3) Member of the Company's Compensation Committee.

*Cease Trade Orders, Bankruptcies, Penalties or Sanctions*

To the knowledge of management of the Company, none of the proposed nominees for director have been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) while that person was acting in that capacity, was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (c) 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.

To the knowledge of management of the Company, none of the proposed nominees for director have, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

To the knowledge of management of the Company, no proposed director 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 Canadian securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed investor.

#### *Appointment Resolution*

At the Meeting, the Shareholders will be asked to approve the following by ordinary resolution:

**“BE IT RESOLVED THAT** Each of Peter Bernier, Jason Hynes, Jim Miller-Tait, James Hedalen, and Wes Carson having consented to act, be appointed as directors of the Company, to hold office until the next annual reference date of the Company or until they sooner cease to hold office.”

The foregoing resolution shall be approved if passed by a majority of votes cast by Shareholders at the Meeting.

#### *Information on Nominees*

Mr. Peter Bernier has more than 40 years of experience in mining exploration and project management. Mr. Bernier was the founder, President & CEO of Richfield Ventures Corp. and was responsible for building, leading and managing the Richfield team, as well as obtaining financing for the company from 2003 until 2011.

Mr. Jason Hynes, B.Sc., MBA, has 15 years of experience in the mining industry in business development, mergers & acquisitions and financing. He has held senior corporate development roles at public companies and has seven years of investment banking experience.

Mr. Jim Miller-Tait, P. Geo., has over 40 years of continuous exploration, development and production in underground and open pit projects. He has worked extensively in North America, Mexico and Bolivia in exploration to production operations in gold, base metal and diamond projects.

Mr. James Hedalen, B.Sc., MBA, has 10 years of experience in the mining industry. He has been the Chief Operating Officer at Prosper Gold since 2016 and been with Prosper Gold since 2013. Prior to this he was in corporate development and spent six years as a GIS analyst.

Mr. Wes Carson, BASc., P.Eng., has over 20 years of experience in the mining industry. He has held a variety of leadership roles in operations, project development and engineering with both junior and major mining companies including multiple M&A integrations.

### **C. APPOINTMENT OF AUDITOR**

The auditor of the Company is Smythe LLP (“**Smythe**”), Chartered Professional Accountants, of Vancouver, British Columbia. Smythe was appointed by the Audit Committee of the Company on May 14, 2012 and most recently approved by Shareholders on May 10, 2021.

At the Meeting, management intends to nominate Smythe for reappointment as auditors of the Company, which resolution shall be approved if passed by a majority of votes cast by Shareholders at the Meeting. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the reappointment of Smythe as auditors of the Company to hold office until the close of the next annual meeting of the Company, at a remuneration to be fixed by the directors of the Company.

## **OTHER MATTERS**

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

## **MANAGEMENT CONTRACTS**

Except as set out herein, no management functions of the Company are performed to a substantial degree by a person other than the directors and officers of the Company.

## **CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, the Company is required to and hereby discloses its corporate governance practices.

### **PART 1 - BOARD OF DIRECTORS**

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Peter Bernier is not considered "independent" due to the fact that he is the President and CEO of the Company.

James Hedalen is not considered "independent" due to the fact that he is the COO of the Company.

Jason Hynes is considered "independent" in that he is independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with his ability to act with the best interests of the Company, other than the interests and relationships arising from shareholdings.

Jim Miller-Tait is considered "independent" in that he is independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with his ability to act with the best interests of the Company, other than the interests and relationships arising from shareholdings.

Wes Carson is considered "independent" in that he is independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with his ability to act with the best interests of the Company, other than the interests and relationships arising from shareholdings.

### **PART 2 – DIRECTORSHIPS**

Wes Carson is also a director of Arras Minerals Corp. None of the other directors of the Company are also directors of other reporting issuers.

### **PART 3 – ORIENTATION AND CONTINUING EDUCATION**

Each of the Corporation's directors has full access to management. In 2022, Prosper Gold plans to continue providing continuing education for directors on an ad-hoc basis in respect of, among other possible subjects, their obligations as directors, short, medium and long-term corporate objectives, business risks and mitigation strategies and strategic planning with management.

The Corporation currently has an informal orientation and education program for new members of the Board in order to ensure that new directors have an opportunity to become familiarized with the Corporation's business and operations and the role and procedures of the Board and its Committees.

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

The Board encourages the continuing education of its directors. Presentations are made to the Board members from time to time on developments relating to the business and operations of the Corporation and its assets on an ongoing basis, to ensure ongoing development of directors. The Corporation also sponsors director attendance at education seminars, where appropriate, and arranges site visits to its mineral properties from time to time, if appropriate.

#### **PART 4 – ETHICAL BUSINESS CONDUCT**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the Shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

#### **PART 5 – NOMINATION OF DIRECTORS**

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

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

#### **PART 6 – COMPENSATION**

The Board conducts reviews with regard to directors' and the CEO's compensation once a year. To make its recommendation on directors' and the CEO's compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

#### **PART 7 – OTHER BOARD COMMITTEES**

The Board has an Audit Committee and Compensation Committee.

#### **PART 8 – ASSESSMENTS**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

### AUDIT COMMITTEE DISCLOSURE (FORM 52-110F2)

The Charter of the Company's Audit Committee and the other information required to be disclosed by Form 52-110F2 – *Disclosure by Venture Issuers* is set out below and is attached to this Information Circular as Schedule "A".

#### *Composition of Audit Committee*

The Company's Audit Committee is comprised of three directors, as set forth below:

<b>Name</b>	<b>Independent/Not Independent<sup>(1)</sup></b>	<b>Financial Literacy<sup>(2)</sup></b>
Peter Bernier	Not Independent	Financially Literate
Jason Hynes	Independent	Financially Literate
Jim Miller-Tait	Independent	Financially Literate

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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 Experience and Education*

The following sets out the education and experience of each director relevant to the performance of his/her duties as a member of the Audit Committee:

#### **Mr. Peter Bernier CEO & Director**

Mr. Peter Bernier has more than 39 years of experience in mining exploration and project management. Mr. Bernier was the founder, President & CEO of Richfield Ventures Corp. and was responsible for building, leading and managing the Richfield team, as well as obtaining financing for the company from 2003 until 2011.

#### **Mr. Jason Hynes, BSc, MBA Director**

Mr. Jason Hynes is currently Vice President, Business Development and Strategy with Royal Gold Inc., a leading precious metal streaming and royalty company. Jason has held other senior roles at public mining companies, and spent seven years in National Bank Financial's M&A and mining investment banking groups as a Director of Global Metals & Mining. Mr. Hynes acted as financial advisor to Richfield Ventures Corp. during the acquisition by New Gold in 2011. He holds a B.Sc. Electrical Engineering degree from Queen's University and an MBA from the University of Toronto's Rotman School of Management.

#### **Mr. Jim Miller-Tait, P.Ge Director**

Mr. Jim Miller-Tait has over 39 years of continuous exploration, development, underground, and open pit production experience. He is currently the President of Sikanni Mine Development Ltd., his own geological consulting company, which he founded in 1996. Mr. Miller-Tait is also the present Vice President Explorations for Imperial Metals Corporation. His experience includes Chief Geologist for the Oniva Group, and VP Exploration for Selkirk Metals. He has worked extensively in North America, Bolivia and Mexico on grass root exploration to full-production open pit and underground operations. His experience covers gold, base metals and diamond operations in a multitude of geological settings including vein, skarn, volcanogenic massive sulphide, carbonate-hosted, Sedex, kimberlite, and porphyries.

### *Audit Committee Oversight*

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

At no time since the commencement of the Company's most recently completed financial year has the Company relied on either of the exemptions contained in section 2.4, *De Minimis Non-audit Services*, or section 8, *Exemptions of National Instrument 52-110 – Audit Committees* (“**NI 52-110**”).

Section 2.4 of NI 52-110 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 fiscal year in which the non-audit services were provided. Section 8 of NI 52-110 permits a Company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and, where applicable, by the audit committee, on a case-by-case basis.

Set forth below are details of certain service fees paid to the Company's external auditor in each of the last two fiscal years:

<b>Financial Year-End</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All other Fees<sup>(4)</sup></b>
October 31, 2021	\$35,427	Nil	\$4,500	Nil
October 31, 2020	\$30,366	Nil	Nil	Nil

(1) The amount listed represents the aggregate fees billed by the Company's external auditor.

(2) The aggregate fees billed in each of the last two fiscal years 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 reported under “Audit Fees”.

(3) The aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.

(4) The aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than the services under clauses 1, 2, and 3 above.

### *Shareholder Feedback and Liaison*

To date, Shareholder inquiries and concerns have been dealt with directly by management and by the Company's Chief Financial Officer.

### *Orientation and Continuing Education*

The Board does not have a formal policy relating to the orientation of new directors and continuing education for directors. The appointment of a new director is a relatively infrequent event in the Company's affairs, and each situation is addressed on its merits on a case-by-case basis. The Board, with the assistance of counsel, keeps itself apprised of changes in the duties and responsibilities of directors and deals with material changes of those duties and responsibilities as and when the circumstances warrant. The Board will evaluate these positions, and if changes appear to be justified, formal policies will be developed and followed.

### *Ethical Business Conduct*

The Company has adopted a whistle-blower policy, which is set out in its Charter of the Audit Committee which is attached as Schedule “A” hereto.

APPROVAL OF THE DIRECTORS

The directors of the Company have approved the content and the sending of this Information Circular. Dated at Vancouver, British Columbia, this 31<sup>st</sup> day of May, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**

**PROSPER GOLD CORP.**

*“Peter Bernier”*

**Peter Bernier,  
President & CEO**

## **SCHEDULE "A"**

### **AUDIT COMMITTEE**

#### **MANDATE**

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

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

#### **COMPOSITION**

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be independent directors, pursuant to the policies of the TSX Venture Exchange.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

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

#### **MEETINGS**

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

The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

#### **RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the Audit Committee shall:

##### *Documents/Reports Review*

1. Review and update this Charter annually.

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

*External Auditors*

3. Require the external auditors to report directly to the Audit Committee.
4. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
5. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company and confirming their independence from the Company.
6. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
7. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
8. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
9. Review with management and the external auditors the terms of the external auditors' engagement letter.
10. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
11. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
12. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
13. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

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

*Financial Reporting Process*

14. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
15. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
16. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
17. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
18. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
19. Review any significant disagreement among management and the external auditors regarding financial reporting.
20. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
21. Review the certification process.
22. Establish procedures for:
  - i. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - ii. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Other*

23. Review any related-party transactions.

**AUTHORITY**

The Audit Committee may:

- (a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Audit Committee;

and

- (c) communicate directly with the internal and external auditors.

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.

**PROCEDURES AND ORGANIZATION**

The Committee shall consist of at least three members. Each member must be a director of the Company. A majority

of the members of the Committee shall not be executive officers or employees of the Company or of an affiliate of the Company. At least one (1) member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain working familiarity with basic finance and accounting practices. For the purposes of this Charter, the term "financially literate" means 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 issues that can reasonably be expected to be raised by the Company's financial statements.

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

The Board of Directors may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

### **MEETINGS OF THE COMMITTEE**

Meetings of the Committee shall be scheduled to take place at regular intervals. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give the Committee members 24 hours' advance notice of each meeting and the matters to be discussed at such meeting. Notice may be given personally, by telephone, by facsimile or e-mail.

The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee determines it to be necessary or appropriate, at any other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board of Directors or the shareholders of the Company.

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium other than telephone are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

The Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities.

### **EXEMPTION**

The Company is relying upon the exemption in section 6.1 of NI 52-110.

## **ADDENDUM "A" TO THE AUDIT COMMITTEE CHARTER WHISTLE BLOWER POLICY**

### **Introduction**

Prosper Gold Corp. (“**Prosper**” or the “**Corporation**”) is committed to the highest standards of openness, honesty and accountability. In line with that commitment, we expect employees and others that we deal with who have serious concerns about any aspect of the Corporation's activities and operations to come forward and voice those concerns.

Employees are often the first to realize that there may be something seriously wrong within the Corporation. However, they may decide not to express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Corporation. They may also fear recrimination, harassment or victimization. In these circumstances, they may feel it would be easier to ignore the concern rather than report what may just be a suspicion of wrong-doing.

This policy document makes it clear that employees can report wrong-doings or suspected wrong-doings without fear of victimization, subsequent discrimination or disadvantage. This Whistle Blowing Policy is intended to encourage and enable employees to raise serious concerns within the Corporation rather than overlooking a problem or seeking a resolution of the problem outside the Corporation.

This Policy applies to all employees and those contractors working for the Corporation. It is also intended to provide a method for other stakeholders (suppliers, customers, shareholders etc.) to voice their concerns regarding the Corporation's business conduct.

The Policy is also intended as a clear statement that if any wrongdoing by the Corporation or any of its employees or by any of its contractors or suppliers is identified and reported to the Corporation, it will be dealt with expeditiously and thoroughly investigated and remedied. The Corporation will further examine and implement the means of ensuring that such wrongdoing can be prevented in future.

A whistleblowing or reporting mechanism invites all employees and other stakeholders to act responsibly to uphold the reputation of their organization and maintain public confidence. Encouraging a culture of openness within the organization will also help this process. This Policy aims to ensure that serious concerns are properly raised and addressed within the Corporation.

### **Background**

#### **1. What is Whistleblowing?**

Employees are usually the first to know when something is going seriously wrong. A culture of turning a “blind eye” to such problems means that the alarm is not sounded and those in charge do not get the chance to take action before real damage is done. Whistleblowing can therefore be described as giving information about potentially illegal and/or underhanded practices i.e. wrong doing.

#### **2. What is wrong doing?**

Wrong doing involves any unlawful, illegal or otherwise improper behaviour and can include:

- An unlawful act whether civil or criminal;
- Breach of or failure to implement or comply with any approved policy of the Corporation, including the internal financial controls approved by the Corporation;
- Knowingly breaching federal or provincial laws or regulations;
- Unprofessional conduct or conduct that is not consistent with recognized, established standards of practice;
- Questionable accounting or auditing practices;
- Dangerous practice likely to cause physical harm / damage to any person/property;
- Failure to rectify or take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Corporation;

- Abuse of power or authority for any unauthorized or ulterior purpose;
- Unfair discrimination in the course of employment or provision of services.

This list is not definitive, but is intended to give an indication of the kind of conduct which might be considered as "wrong doing".

### 3. Who is protected?

This Policy is set in the context of the regulatory provisions of the Canadian Securities Association (CSA) National Instrument 52-110 -Audit Committees. Any employee who makes a disclosure or raises a concern under this Policy will be protected if the employee:

- Discloses the information in good faith;
- Believes it to be substantially true;
- Does not act maliciously or make knowingly false allegations; and
- Does not seek any personal or financial gain.

### 4. Who should you contact?

Anyone with a complaint or concern about the Corporation should contact Peter Bernier, President and Chief Executive Officer.

### 5. How the Corporation will respond

The Corporation will respond positively to your concerns. Where appropriate, the matters raised may:

- (a) be investigated by management, the Board of Directors, internal audit (when implemented), or through the disciplinary process;
- (b) be referred to the police;
- (c) be referred to the external auditor or external legal counsel;
- (d) form the subject of an independent inquiry.

In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may be resolved by agreed action without the need for investigation.

- (a) acknowledging that the concern has been received;
- (b) indicating how he/she proposes to deal with the matter;
- (c) giving an estimate of how long it will take to provide a response;
- (d) telling you whether any initial enquiries have been made; and
- (e) telling you whether further investigations will take place and if not, why not.

The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the Corporation will seek further information from you.

The Corporation will take steps to minimize any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings, the Corporation will arrange for you to receive advice about the procedure.

The Corporation accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, we will inform you of the outcomes of any investigation.

### 6. Time Frames

Concerns will be investigated as quickly as possible. It should be borne in mind that it may be necessary to refer a matter to an external agency and this may result in an extension of the investigative process. It should also be borne in mind that the seriousness and complexity of any complaint may have an impact on the time taken to investigate a matter. A designated person will indicate at the outset the anticipated time frame for investigating the complaint.

**7. Prevention of recriminations, victimization or harassment**

The Corporation will not tolerate an attempt on the part of anyone to apply any sanction or detriment to any person who has reported to the Corporation a serious and genuine concern that they may have about an apparent wrongdoing.

**8. Confidentiality and Anonymity**

The Corporation will respect the confidentiality of any whistle blowing complaint received by the Corporation where the complainant requests that confidentiality. However, it must be appreciated that it will be easier to follow up and to verify complaints if the complainant is prepared to give his or her name.

**9. False and Malicious Allegations**

The Corporation is proud of its reputation with the highest standards of honesty. It will therefore ensure that substantial and adequate resources are put into investigating any complaint which it receives. However, the Corporation will regard the making of any deliberately false or malicious allegations by any employee of the Corporation as a serious disciplinary offence which may result in disciplinary action, up to and including dismissal for cause.