



NOTICE
and
MANAGEMENT INFORMATION CIRCULAR
for the
ANNUAL GENERAL MEETING of SHAREHOLDERS
of
CLEGHORN MINERALS LTD.
to be held
Friday, September 10, 2021
11:00 a.m. (Eastern)
at
2864 chemin Sullivan
Val-d'Or, Québec, Canada
and by telephone conference call

Dated: August 6, 2021



NOTICE OF ANNUAL GENERAL MEETING

TO: All holders of common shares of Cleghorn Minerals Ltd. (“Cleghorn” or the “Company”)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “Meeting”) of the shareholders of Cleghorn will be held on **Friday, September 10, 2021, at 11:00 a.m.** (Eastern time) at **2864 chemin Sullivan, Val-d’Or, Québec, and by telephone conference call (see below)** for the following purposes:

1. to receive the audited financial statements for the fiscal year ended March 31, 2021, and the report of our auditor on those statements;
2. to elect directors for the ensuing year;
3. to appoint Raymond Chabot Grant Thornton LLP as auditor of Cleghorn;
4. to seek annual approval, as required by the policies of the TSX Venture Exchange, for the continuation of our Stock Option Incentive Plan, which reserves the number of common shares issuable pursuant to options granted under the Plan at a “rolling” maximum of 10% of the issued and outstanding shares at the time of any grant; and
5. consider any other proper business.

Details of all matters proposed to be put before the Meeting are set forth in the accompanying Information Circular and form of proxy and should be read in conjunction with this Notice.

Given the continuing public health impact of the COVID-19 pandemic, considerations regarding the health and safety of our employees, shareholders and other stakeholders, as well as public health guidelines to limit gatherings of people, rather than attend the Meeting in person, **shareholders are strongly encouraged to:**

- **vote your shares by proxy by no later than 11:00 a.m. (Eastern) on Wednesday, September 8, 2021 (see below); and**
- **attend the Meeting by telephone conference.**

In order to participate in the Meeting via teleconference, shareholders must pre-register 15 minutes before the start of the Meeting at <https://bit.ly/3jZoo32> or, alternatively, at <https://www.cleghornminerals.com/Sept10AGM>. Upon registration, participants will receive an individual pin to access the Meeting via teleconference, along with the dial-in instructions.

DATED at Val-d’Or, Québec, this 6th day of August, 2021.

BY ORDER OF THE BOARD

(signed) “Glenn J. Mullan”

Glenn J. Mullan

President, Chief Executive Officer and Director

If you cannot attend, we encourage you to complete and return the enclosed form of proxy indicating your voting instructions. Please complete, date and sign your form of proxy and return it by mail or fax to our transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1 (facsimile numbers: within North America 1-866-249-7775; outside North America 1-416-263-9524); or vote by telephone or through the Internet following the instructions on the form of proxy. To be valid, a completed form of proxy must be received by our transfer agent by no later than 11:00 a.m. (Eastern) on Wednesday, September 8, 2021, or, if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the adjourned Meeting. If you are not a registered shareholder, please refer to the accompanying Management Information Circular for information on how to vote your shares.



MANAGEMENT INFORMATION CIRCULAR

The information contained in this management information circular (the “**Circular**”), unless otherwise indicated, is as of August 6, 2021.

This Circular is being mailed by the management of Cleghorn Minerals Ltd. (“**Cleghorn**” or the “**Company**”) to everyone who was a shareholder of record of Cleghorn on August 6, 2021, which is the date that has been fixed by our directors as the record date to determine shareholders who are entitled to receive notice of the Meeting.

We are mailing this Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual general meeting (the “**Meeting**”) of the shareholders of Cleghorn that is to be held on **Friday, September 10, 2021, at 11:00 a.m. (Eastern) at 2864 chemin Sullivan, Val-d’Or, Québec, Canada and by telephone conference**. The solicitation of proxies will be primarily by mail. Certain officers or directors of Cleghorn may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Cleghorn.

In order to participate in the Meeting via teleconference, shareholders must preregister 15 minutes before the start of the Meeting at <https://bit.ly/3iZoo32> or, alternatively, at <https://www.cleghornminerals.com/Sept10AGM>. Upon registration, participants will receive an individual pin to access the Meeting via teleconference, along with the dial-in instructions.

Shareholders are strongly encouraged to attend the Meeting by telephone conference, given the continuing public health impact of the COVID-19 pandemic, considerations regarding the health and safety of our employees, shareholders and other stakeholders, as well as public health guidelines to limit gatherings of people.

Under our Articles, a quorum for the transaction of business at a Meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting. If such a quorum is not present in person or by proxy, we will reschedule the Meeting.

PART 1 – VOTING

HOW A VOTE IS PASSED

All of the matters that will come to a vote at the Meeting as described in the attached Notice for the Meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

For further detail of the approval requirements and the resolutions to be put to shareholders at the Meeting, see Part 3 – The Business of the Meeting.

WHO CAN VOTE?

If you are a registered shareholder of Cleghorn on August 6, 2021, you are entitled to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the Meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the Meeting in person, you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy” below). If your shares are

registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the Meeting regardless of the number of shares you hold. If you will not be attending the Meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

Please note:

- Only registered shareholders, and those non-registered beneficial shareholders who appoint themselves as their proxyholder using the voting instruction form provided to them by their nominee, are entitled to attend the Meeting (either in person or by telephone conference) and vote.
- Ballot voting is not available to shareholders attending the Meeting by telephone conference.

VOTING BY PROXY

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must, by 11:00 a.m. (Eastern) on Wednesday, September 8, 2021, return the completed form of proxy to our transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; facsimile numbers: within North America 1-866-249-7775; outside North America (416) 263-9524; or vote by telephone or through the Internet following the instructions on the form of proxy.

What is a proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder of Cleghorn. To make such an appointment, simply fill in the person’s name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are directors and/or officers of Cleghorn.

Instructing your proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the Meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the appointment of Raymond Chabot Grant Thornton LLP as Cleghorn’s auditor; and**
- ✓ **FOR annual approval of Cleghorn’s 10% rolling Stock Option Incentive Plan as required by the policies of the TSX Venture Exchange.**

For more information about these matters, see Part 3 – The Business of the Meeting. **The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice for the Meeting.** At the time of printing this Information Circular, we are not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the

Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting in person or by telephone conference and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the registered office of Cleghorn at Suite 530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Eastern) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the Meeting in person.

NON-REGISTERED SHAREHOLDERS

If your shares are not registered in your own name, they are likely held in the name of a “nominee,” usually a bank, trust company, securities dealer or other financial institution. Your nominee must seek your instructions as to how to vote your shares. Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders’ meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, Computershare Investor Services Inc., the Company’s transfer agent, will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote at the Meeting by attending using the telephone conference call facility, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. Our transfer agent, Computershare Investor Services Inc., who will serve as scrutineer for the Meeting, will register your attendance at the Meeting upon you dialing into the telephone conference call facility. See the Notice of Meeting for instructions on how to preregister and receive dial-in instructions.

The Notice of Annual General Meeting and this Circular are being sent to both registered and non-registered owners of common shares of Cleghorn. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the securities on your behalf. By choosing to send these materials to you directly, Cleghorn (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 form.

In accordance with National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) of the Canadian Securities Administrators, Cleghorn has elected to send proxy-related materials directly to non-objecting beneficial owners of its common shares. As Cleghorn is unable to send proxy-related materials directly to the objecting beneficial owners (“OBOs”) of its common shares (because OBOs are beneficial shareholders who have objected to the release of security ownership details to issuers), proxy-related materials for the Meeting will be sent to OBOs indirectly through the intermediaries who hold securities on behalf of the OBOs. The intermediaries/brokers (or their service companies) are responsible for forwarding the proxy-related materials to their OBO clients. Management of Cleghorn does not intend to pay for intermediaries to forward to their OBO clients the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* under NI 54-101 and, as such, OBOs will not receive the proxy-related materials in connection with the Meeting unless such OBO’s intermediary assumes the cost of delivery.

Cleghorn has chosen to not use the notice-and-access delivery procedures provided by NI 54-101.

PART 2 – VOTING SHARES & PRINCIPAL HOLDERS THEREOF

Cleghorn has authorized voting capital of an unlimited number of common shares without par value. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on August 6, 2021, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on August 6, 2021, 29,408,618 common shares were outstanding. The following table lists those persons who, as of the date of this Information Circular and to the knowledge of our management, beneficially own or exercise control or direction over, directly or indirectly, 10% or more of Cleghorn's issued and outstanding common shares. Information as to shares beneficially owned or over which control or direction is exercised, directly or indirectly, has been furnished by the respective person or has been extracted from insider reports filed by the person and publicly available through the Internet on the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

<u>Name</u>	<u>Type of ownership</u>	<u>Number of common shares</u>	<u>Percentage</u>
Glenn J. Mullan ⁽¹⁾	Direct and indirect	5,613,928	19.08%
Joseph Groia ⁽¹⁾	Direct and indirect	4,135,000	14.06%
Crest Resources Inc.	Direct	3,500,000	11.9%

⁽¹⁾ A current director of Cleghorn standing for re-election at the Meeting (see Part 3 – The Business of the Meeting – Election of Directors).

PART 3 – THE BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

Our audited financial statements for the year ended March 31, 2021, will be placed before you at the Meeting. These financial statements and Management's Discussion and Analysis for the year ended March 31, 2021, have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Copies of our annual financial statements and Management's Discussion and Analysis are also available upon request by any shareholder who wishes to receive a copy. You can contact Cleghorn at 152 chemin de la Mine École, Val-d'Or, Québec J9P 7B6 – telephone (819) 824-2808; fax (819) 824-3379.

ELECTION OF DIRECTORS

Directors of Cleghorn are elected for a term of one year. The term of office of each of the current directors (who are nominees proposed for re-election at the Meeting) will expire at the Meeting. Each of the nominees, if elected, will serve until the close of the next annual general meeting unless he resigns or otherwise vacates the office before that time.

Number of Directors

Under our Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three, the number of directors having been previously set at four. We currently have four directors, all of whom are standing for re-election at the Meeting.

The Board of Directors believes that at Cleghorn's current stage of development, four is a suitable number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board.

Nominees for Election

The following are the nominees of management proposed for election as directors of Cleghorn, together with the number of common shares of Cleghorn that are beneficially owned, directly or indirectly, or over which control or direction is exercised by each nominee as of August 6, 2021, the record date for the Meeting.

Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Cleghorn has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected.

Voting for election of directors of Cleghorn is by individual voting and not by slate voting. You can vote your shares for the election of all of these nominees as directors of Cleghorn, or you can vote for some of these nominees for election as directors and withhold your votes for others, or you can withhold all of the votes attaching to the shares you own and, thus, not vote for the election of any of these nominees. See Part 7 – “Corporate Governance – Nomination and Election of Directors”.

We recommend that shareholders vote in favour of the election of the proposed nominees as directors of Cleghorn for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR election of the nominees named in this Information Circular as directors of Cleghorn.**

Name, municipality of residence and position and offices held with Cleghorn	Principal occupation for the past five years	Director of Cleghorn since	Number of common shares as of the date of this Circular ⁽¹⁾
Joseph Groia ⁽²⁾⁽³⁾⁽⁵⁾⁽⁶⁾ Ontario, Canada <i>Director</i>	Lawyer (principal), Groia & Company Professional Corporation, a Toronto law firm specializing in securities litigation (since January 2000).	February 16, 2010	4,135,000 ⁽¹⁾
Glenn J. Mullan ⁽⁴⁾⁽⁵⁾ Québec, Canada <i>Director</i> <i>President, Chief Executive Officer & Secretary</i>	President, Chief Executive Officer and Chairman (since August 2000) of Golden Valley Mines Ltd.	February 16, 2010	5,613,928 ⁽¹⁾
Karen Rees ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada <i>Director</i>	Geologist (since 1984); Technical Support Specialist with Lake Shore Gold Corp., a subsidiary of Pan American Silver Corp. (2015 to 2019); Independent Consultant (since 2019).	September 4, 2020	100,000 ⁽¹⁾
Christian Wirth ⁽²⁾⁽³⁾⁽⁴⁾ London, UK <i>Director</i>	Management Consultant (since 2010) for various exploration operations companies.	September 4, 2020	1,221,000 ⁽¹⁾

⁽¹⁾ The information as to shares beneficially owned or over which control or direction is exercised, not being within our knowledge, has been furnished by the respective individual or has been obtained from insider reports filed by the individuals and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (SEDI).

⁽²⁾ Member of the Audit Committee. See Part 6 – “Audit Committee”.

⁽³⁾ Member of the Compensation and Corporate Governance Committee. See Part 7 – “Corporate Governance – Committees of the Board of Directors”.

⁽⁴⁾ Member of the Health & Safety/Sustainability Committee. See Part 7 – “Corporate Governance – Committees of the Board of Directors”.

⁽⁵⁾ See Part 2 – “Voting Shares and Principal Holders Thereof”.

⁽⁶⁾ See “Cease Trade Orders and Bankruptcy”, which follows.

Penalties and Sanctions

As at the date of this Information Circular, no proposed director of Cleghorn (nor any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Cease Trade Orders and Bankruptcy

Other than as disclosed below, no proposed nominee for election as a director of Cleghorn is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including Cleghorn and any personal holding company of the proposed director) that, while that person was acting in that capacity:
 - (a) was subject to:
 - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
 - (ii) an order similar to a cease trade order, or
 - (iii) an order that denied the relevant company access to any exemption under securities legislation,that was in effect for a period of more than 30 consecutive days (an “**Order**”); or
 - (b) was subject to an Order that was issued after the 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 the capacity as director, chief executive officer or chief financial officer; or
2. a director or executive officer of any company (including Cleghorn and any personal holding company of the proposed director) 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.

Joseph Groia, a director of Cleghorn standing for re-election as a director at the Meeting, was a director of Xinerger Ltd. from March 6, 2014 until Court acceptance of an approved plan on February 11, 2016. On April 8, 2015, the Ontario Securities Commission issued a temporary order that all trading in the securities of Xinerger Ltd. cease for a period of 15 days for failure by Xinerger Ltd. to file audited annual financial statements, Management’s Discussion and Analysis, an Annual Information Form and annual certifications for its fiscal year ended December 31, 2014, as required by applicable securities legislation. This temporary order was allowed to lapse and expired as of April 20, 2015, and was replaced with a permanent issuer cease trade order dated April 20, 2015. Subsequent to the temporary order by the Ontario Securities Commission on April 8, 2015, the British Columbia and Manitoba Securities Commissions issued cease trade orders against Xinerger Ltd. for failure to file annual financial statements and related documents. Xinerger Ltd. announced on April 6, 2015, that it and 25 subsidiaries filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Western District of Virginia, Roanoke Division. On April 7, 2015, the TSX suspended the common shares of Xinerger from trading and at the close of business on May 12, 2015, Xinerger’s common shares were delisted for failure to meet the continued listing requirements of the TSX. Pursuant to a court order dated January 29, 2016, Xinerger Ltd. was dissolved on February 11, 2016, following the filing of a certificate of the court-appointed Information Officer for Xinerger Ltd. dated February 10, 2016. Subsequently a plan was accepted by the Court under which the secured creditors took control of the Company and the interests of the shareholders were extinguished.

Personal Bankruptcy

No proposed nominee for election as a director of Cleghorn has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

APPOINTMENT OF AUDITOR

Raymond Chabot Grant Thornton LLP has served as our auditor since Cleghorn's formation.

In accordance with the British Columbia *Business Corporations Act*, Cleghorn's Articles provide that the directors may fix the auditor's remuneration (see Part 6 – Audit Committee – External Auditor Service Fees).

We recommend that shareholders vote in favour of the appointment of Raymond Chabot Grant Thornton LLP as Cleghorn's auditor for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Raymond Chabot Grant Thornton LLP as the auditor of Cleghorn until the close of the next annual general meeting.**

ANNUAL APPROVAL OF STOCK OPTION INCENTIVE PLAN

Shareholders will be asked at the Meeting to consider and, if deemed appropriate, to give annual approval, as required by the policies of the TSX Venture Exchange (the “**Exchange**”), for the continuation of Cleghorn's Stock Option Incentive Plan (the “**Rolling Option Plan**”), which is a rolling 10% plan that sets the number of common shares issuable under the Rolling Option Plan at a maximum of 10% of the issued and outstanding common shares of Cleghorn at the time of a grant of options (subject to certain restrictions as described below).

Background

Shareholders initially approved the Rolling Option Plan at the annual general and special shareholder meeting held on June 25, 2015, the Rolling Option Plan, as approved by shareholders, which was approved by the Exchange on August 18, 2016, and it was adopted and implemented by Cleghorn's Board of Directors.

As of the date of this Circular, Cleghorn has 29,408,618 common shares issued and outstanding, 10% of which provides for a reserve of 2,940,861 common shares of Cleghorn for issuance pursuant to options granted under the Rolling Option Plan; and there are options outstanding entitling the purchase an aggregate 1,590,861 common shares of Cleghorn, summarized as follows:

Date of Grant	Common shares underlying incentive stock options	Exercise price per share	Expiry Date
September 6, 2019	370,861	\$0.06	September 6, 2024
September 4, 2020	1,220,000	\$0.10	September 4, 2025

Summary of the Option Plan

The aggregate number of common shares reserved for issuance under the Rolling Option Plan, and the number of common shares reserved for issuance under any other share compensation arrangement granted or made available by Cleghorn from time to time, may not exceed 10% of the number of common shares issued and outstanding at the time of a grant of options under the Rolling Option Plan. Pursuant to the policies of the Exchange, a rolling stock option plan, such as the Rolling Option Plan, must be approved by shareholders of the issuer and submitted to the Exchange for approval on an annual basis.

The Rolling Option Plan is administered by the Board of Directors of Cleghorn on recommendations from the Compensation and Corporate Governance Committee and provides for grants of options to directors, officers, employees of, and consultants to, Cleghorn at the discretion of the Board. The term of any options granted under the Rolling Option Plan will be fixed by the Board of Directors at the time of each grant and may not exceed ten years. The exercise price of options granted under the Rolling Option Plan will be determined by the Board of Directors at the time of each grant, provided that for so long as the common shares are listed for trading on the Exchange such price shall not be lower than the last closing sales price for the common shares as quoted on the Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the Exchange. Any options granted pursuant to the Rolling Option Plan will terminate at the end of the period of time (to be determined in each instance by the Board of Directors at the time of grant), such period of time to not be in excess of six months after the option holder ceases to act as a director, officer, employee of, or consultant to, Cleghorn or any of its affiliates, unless such cessation is on account of death, disability or termination of employment with cause; and if no such period of time is determined by the Board of Directors at the time of the grant, the 30th day after the optionee ceases to be an eligible person pursuant to the terms of the Rolling Option Plan for any reason other than death, disability or cause. If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. Options granted to a person who is engaged in investor relations activities for Cleghorn terminate on the 30th day after the person ceases to be employed to provide investor relations activities.

The Rolling Option Plan also provides for adjustments to outstanding options in the event of any disposition of substantially all of Cleghorn's assets, dissolution or any merger, amalgamation or consolidation of Cleghorn with or into any other company, or the merger, amalgamation or consolidation of any other company with or into Cleghorn.

The directors may, at their discretion at the time of any grant, impose a schedule over which period of time options will vest and become exercisable by the optionee; however, for so long as the common shares are listed on the Exchange, options granted to persons performing investor relations activities must vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.

Under the terms of the Rolling Option Plan, options to acquire more than 2% of the issued and outstanding common shares may not be granted to any one consultant in any 12-month period and options to acquire more than an aggregate of 2% of the issued and outstanding common shares may not be granted to persons employed to provide investor relations activities in any 12-month period. Options granted to any one individual in any 12-month period to acquire common shares representing more than 5% of the issued and outstanding common shares require approval by Cleghorn's disinterested shareholders. Disinterested shareholder approval is required if the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeds 10% of the issued common shares.

Subject to the approval of any stock exchange on which the securities of Cleghorn are then listed, the Board of Directors may terminate, suspend or amend the terms of the Rolling Option Plan, provided that the Board of Directors may not do any of the following without obtaining, within 12 months either before or after the adoption by the Board of Directors of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval as contemplated by the policies of the Exchange, or by the written consent of the holders of a majority of the securities of Cleghorn entitled to vote:

- increase the aggregate number of common shares which may be issued under the Rolling Option Plan;
- materially modify the requirements as to the eligibility for participation in the Rolling Option Plan that would have the potential of broadening or increasing insider participation;

- add any form of financial assistance or any amendment to a financial assistance provision that is more favourable to participants under the Rolling Option Plan;
- add a cashless exercise feature, payable in cash or securities, that does not provide for a full deduction of the number of underlying securities from the Rolling Option Plan reserve; and
- materially increase the benefits accruing to participants under the Rolling Option Plan.

However, the Board of Directors may amend the terms of the Rolling Option Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- amendments to the Rolling Option Plan of a housekeeping nature;
- a change to the vesting provisions of a security or the Rolling Option Plan; and
- a change to the termination provisions of a security or the Rolling Option Plan which does not entail an extension beyond the original expiry date.

A copy of the Rolling Option Plan is available for viewing by shareholders at Cleghorn’s registered office located at Suite 530, 355 Burrard Street, Vancouver, British Columbia, during normal business hours at any time up to and including the day prior to the Meeting or any adjournment thereof, as well as at the Meeting.

See Part 4 – Executive Compensation and Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

Recommendation

We believe the Rolling Option Plan enables us to better align the interests of our directors and officers with those of our shareholders and reduces the cash compensation Cleghorn would otherwise have to pay. Management of Cleghorn recommends that the shareholders vote in favour of the resolution giving annual approval of the Rolling Option Plan. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR annual approval of the Rolling Option Plan.**

PART 4 – EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about compensation decisions relating to our named executive officers (“**Named Executive Officers**”) listed in the Summary Compensation Table that follows. The following individuals are our Named Executive Officers (as determined by applicable securities legislation):

- Glenn J. Mullan, Chief Executive Officer (since incorporation of Cleghorn on February 16, 2010); and
- Isabelle Gauthier, Chief Financial Officer (since October 31, 2017).

Compensation Objectives and Principles

As a junior natural resource issuer in the exploration stage, with no significant revenue from operations, Cleghorn operates with limited financial resources and controls costs to ensure that funds are available to fulfill its financial obligations. As a result, the Board of Directors has to consider not only the financial situation of Cleghorn at the time of determination of executive compensation, but also the estimated financial situation of Cleghorn in the mid- and long-term. It is the view of Cleghorn’s Board of Directors that the primary goal of an executive compensation program is to attract, motivate and retain experienced, quality individuals at the executive level. It is Cleghorn’s intention to create, in the fullness of time, such a program, designed to ensure that the compensation provided to its executive officers is determined with regard to the business strategy and objectives of Cleghorn, such that the financial interests of the executive officers are matched with the financial interests of Cleghorn’s shareholders.

An important element of executive compensation is that of incentive stock options, which do not require cash disbursement by Cleghorn. See “Option Based Awards” below.

Compensation Process and the Role of the Compensation and Corporate Governance Committee

The Compensation and Corporate Governance Committee is responsible for determining and recommending to the Board of Directors for approval all forms of compensation to be awarded to Cleghorn's President and Chief Executive Officer, as well as to Cleghorn's directors, and for reviewing the Chief Executive Officer's recommendations regarding compensation of Cleghorn's other officers, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of Cleghorn's executive officers, the Committee and the Board consider: (i) recruiting and retaining executives critical to Cleghorn's success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and our shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations in general; and (v) available financial resources.

The members of the Compensation and Corporate Governance Committee have experience relevant to executive compensation through their committee experiences with other issuers, or through experience gained during their professional careers, and they bring a broad base of skills and experience that contributes to their abilities to make decisions on compensation policies and practices, including knowledge of the industry and operational experience, legal, as well as financial and investment backgrounds. See in Part 7 – Corporate Governance – Committees of the Board of Directors.

The Compensation and Corporate Governance Committee may, as part of its review and evaluation process, refer to commercially available published reports on executive compensation or engage independent third party executive compensation consultants and be guided in part by reports prepared by such consultants. No such consultants were engaged, nor were any such reports relied on, during Cleghorn's fiscal year ended March 31, 2021.

Option Based Awards

Long-term incentives in the form of options to purchase common shares of Cleghorn are intended to align the interests of the directors and executive officers of Cleghorn with those of its shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation Cleghorn would otherwise have to pay. Cleghorn's Rolling Option Plan is administered by the Board of Directors. In establishing the number of incentive stock options to be granted, or in determining whether to make any new grants of options, and the size and terms of any such grants, reference is made to and the Board of Directors will consider previous grants of options and the overall number of options that are outstanding relative to the number of outstanding Cleghorn common shares, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation.

See Part 3 – The Business of the Meeting – Annual Approval of Stock Option Incentive Plan”, “Incentive Plan Awards – Outstanding Option-Based Awards” below and see Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans.

Benefits and Perquisites

Cleghorn does not, as of the date of this Circular, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein. Cleghorn does not, as of the date of this Information Circular, offer any form of pension plan.

Risks Associated with Compensation Practises

At the time of preparation of this Information Circular, Cleghorn's directors had not considered the implications of any risks to Cleghorn associated with decisions regarding compensation of its executive officers.

Hedging by Named Executive Officers or Directors

Cleghorn has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Circular, entitlement to grants of incentive stock options under Cleghorn's Rolling Option Plan is the only equity security

element awarded by Cleghorn to its executive officers and directors. See Part 3 – The Business of the Meeting – Annual Approval of Stock Option Incentive Plan and Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans.

NAMED EXECUTIVE OFFICER COMPENSATION

Summary Compensation Table

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to each of Cleghorn’s Named Executive Officers during the fiscal years ended March 31, 2021, 2020 and 2019.

Name and principal position	Year ended Mar 31	Salary/Fee (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)			All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans	Pension Value (\$)		
Glenn J. Mullan <i>Chief Executive Officer</i>	2021	Nil	Nil	19,003 ⁽¹⁾	Nil	Nil	N/A	Nil	19,003 ⁽¹⁾
	2020	Nil	Nil	32,371 ⁽²⁾	Nil	Nil	N/A	Nil	32,371 ⁽²⁾
	2019	Nil	Nil	Nil	Nil	Nil	N/A	Nil	Nil
Isabelle Gauthier <i>Chief Financial Officer</i>	2021	30,000 ⁽³⁾	Nil	3,455 ⁽⁴⁾	Nil	Nil	N/A	Nil	34,455
	2020	30,000 ⁽³⁾	Nil	2,413 ⁽⁵⁾	Nil	Nil	N/A	Nil	32,413
	2019	30,000 ⁽³⁾	Nil	Nil	Nil	Nil	N/A	Nil	30,000

⁽¹⁾ Grant date fair value of incentive stock options to purchase 220,000 common shares in the capital of Cleghorn at a per share price of \$0.10 until September 4, 2025, estimated using the Black-Scholes option pricing model (see Note 8 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2021, for the assumptions used for this calculation). See below under heading “Incentive Plan Awards – Value Vested or Earned During the Year”.

⁽²⁾ Grant date fair value of incentive stock options to purchase 670,861 common shares in the capital of Cleghorn at a per share price of \$0.06 until September 6, 2024, estimated using the Black-Scholes option pricing model (see Note 9 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2020, for the assumptions used for this calculation). See below under heading “Incentive Plan Awards – Value Vested or Earned During the Year” Exercise of Options to Purchase Common Shares of Cleghorn” for options exercised during the fiscal year ended March 31, 2021.

⁽³⁾ Consulting fees for general accounting and preparation of financial statements and Management’s Discussion and Analysis.

⁽⁴⁾ Grant date fair value of incentive stock options to purchase 40,000 common shares in the capital of Cleghorn at a per share price of \$0.10 until September 4, 2025, estimated using the Black-Scholes option pricing model (see Note 8 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2021, for the assumptions used for this calculation). See below under heading “Incentive Plan Awards – Value Vested or Earned During the Year”.

⁽⁵⁾ Grant date fair value of incentive stock options to purchase 50,000 common shares in the capital of Cleghorn at a per share price of \$0.06 until September 6, 2024, estimated using the Black-Scholes option pricing model (see Note 9 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2020, for assumptions used for this calculation). See below under heading “Incentive Plan Awards – Exercise of Options to Purchase Common Shares of Cleghorn” for options exercised during the fiscal year ended March 31, 2021.

Incentive Plan Awards

Outstanding Option-Based Awards

On September 4, 2020, Cleghorn’s Board of Directors granted incentive stock options to its Named Executive Officers that entitle the purchase of an aggregate 260,000 common shares in the capital of Cleghorn at a per share exercise price of \$0.10 for a five-year term until September 4, 2025.

The following table sets out option-based awards granted to the Named Executive Officers that were outstanding on March 31, 2021. As of the fiscal year ended March 31, 2021, and as of the date of this Circular, no other share-based or non-equity incentive plan compensation has been awarded by Cleghorn.

Named Executive Officer	Option-based Awards			Share-based Awards			
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value ⁽¹⁾ of unexercised in-the-money options (\$)	Number of shares or units of shares 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 (\$)
Glenn J. Mullan	370,861	0.06	Sep 6, 2024	29,669	N/A	N/A	N/A
	220,000	0.10	Sep 4, 2025	8,800	N/A	N/A	N/A
Isabelle Gauthier	40,000	0.10	Sep 4, 2025	1,600	N/A	N/A	N/A

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on March 31, 2021. The closing price of the common shares on March 31, 2021, was \$0.14.

Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Options granted by Cleghorn are typically fully vested and exercisable on the date of grant and, as such:

- unless the option exercise price is less than the market price of the underlying shares on the date of grant, there is no value earned during the fiscal year in which the options are granted; and
- there is no value earned during a subsequent fiscal year as options granted during a prior fiscal year would have fully vested during the year of grant.

The options granted to our Named Executive Officers during the year ended March 31, 2021 were fully vested on the date of grant and as the market price of the underlying common shares on the respective date of grant was the same as the option exercise price, there was no value earned by our Named Executive Officers as a result of options vesting during the fiscal year ended March 31, 2021.

The following table summarizes the value to the Named Executive Officers of equity and non-equity incentive plan compensation during Cleghorn’s fiscal year ended March 31, 2021.

Named Executive Officer	Option-based awards	Share-based awards	Non-equity incentive plan compensation
	– Value vested ⁽¹⁾ during the year ended March 31, 2021 (\$)	– Value vested during the year ended March 31, 2021 (\$)	– Value earned during the year ended March 31, 2021 (\$)
Glenn J. Mullan	Nil	N/A	N/A
Isabelle Gauthier	Nil	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date - that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Exercise of Options to Purchase Common Shares of Cleghorn

The following table summarizes the value earned by the Named Executive Officers following the exercise of options during Cleghorn’s fiscal year ended March 31, 2021.

Named Executive Officer	Date of issuance of shares on exercise of incentive stock options	Number of common shares issued on exercise of incentive stock options	Exercise price per common shares (\$)	Market price on the exercise date (\$)
Glenn J. Mullan ⁽¹⁾	September 29, 2020	300,000	0.06	0.10
Isabelle Gauthier ⁽¹⁾	September 29, 2020	50,000	0.06	0.10

⁽¹⁾ Concurrent with the exercise of the stock options and issuance of shares by Cleghorn, Mr. Mullan and Ms. Gauthier sold the common shares at a per share price of \$0.10 under the terms of a private share purchase and sale agreement.

DIRECTOR COMPENSATION

Cleghorn does not currently pay its directors a fee for acting as such. They are, however, entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may, from time to time, be granted options to purchase common shares. See “Incentive Plan Awards – Outstanding Option-Based Awards”, which follows.

The following disclosure of director compensation for Cleghorn’s most recently completed financial year ended March 31, 2021, excludes compensation of Glenn J. Mullan, a director of Cleghorn and its President and Chief Executive Officer. Mr. Mullan’s compensation is disclosed above at Part 4 – Executive Compensation – Named Executive Officer Compensation – Summary Compensation Table.

Director	Director fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Joseph Groia	Nil	Nil	30,231 ⁽¹⁾	Nil	Nil	Nil	30,231 ⁽¹⁾
Karen Rees	Nil	Nil	22,889 ⁽²⁾	Nil	Nil	Nil	22,889 ⁽²⁾
Christian Wirth	Nil	Nil	22,889 ⁽²⁾	Nil	Nil	Nil	22,889 ⁽²⁾

(1) Grant date fair value of incentive stock options to purchase 350,000 common shares in the capital of Cleghorn at a per share price of \$0.10 until September 4, 2025, estimated using the Black-Scholes option pricing model (see Note 8 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2021, for the assumptions used for this calculation). See below under heading “Incentive Plan Awards – Value Vested or Earned During the Year”.

(2) Grant date fair value of incentive stock options to purchase 265,000 common shares in the capital of Cleghorn at a per share price of \$0.10 until September 4, 2025, estimated using the Black-Scholes option pricing model (see Note 8 to Cleghorn’s audited financial statements for the fiscal year ended March 31, 2021, for the assumptions used for this calculation). See below under heading “Incentive Plan Awards – Value Vested or Earned During the Year”.

Incentive Plan Awards

Outstanding Option-Based Awards

On September 4, 2020, Cleghorn’s Board of Directors granted incentive stock options to its non-executive directors that entitle the purchase of an aggregate 880,000 common shares in the capital of Cleghorn at a per share exercise price of \$0.10 for a five year term until September 4, 2025.

The following table sets out option-based awards granted to Cleghorn’s non-executive directors that were outstanding on March 31, 2021. As of the fiscal year ended March 31, 2021, and as of the date of this Circular, no other share-based or non-equity incentive plan compensation has been awarded by Cleghorn.

Director	Option-based Awards			Share-based Awards			
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (\$)	Option expiry date	Value ⁽¹⁾ of unexercised in-the-money options (\$)	Number of shares or units of shares 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 (\$)
Joseph Groia	350,000	0.10	Sep 4, 2025	14,000	N/A	N/A	N/A
Karen Rees	265,000	0.10	Sep 4, 2025	10,600	N/A	N/A	N/A
Christian Wirth	265,000	0.10	Sep 4, 2025	10,600	N/A	N/A	N/A

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on March 31, 2021. The closing price of the common shares on March 31, 2021, was \$0.14.

Value Vested or Earned During the Year

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Options granted by Cleghorn are typically fully vested and exercisable on the date of grant and, as such:

- unless the option exercise price is less than the market price of the underlying shares on the date of grant, there is no value earned during the fiscal year in which the options are granted; and
- there is no value earned during a subsequent fiscal year as options granted during a prior fiscal year would have fully vested during the year of grant.

Options granted by Cleghorn to its non-executive directors, as summarized in the table above, were fully vested on the respective date of grant. As the market price of common shares on the date of the grant of options during fiscal 2021 was the same as the option exercise price, there was no value earned during the fiscal year ended March 31, 2021, by our non-executive directors as a result of options vesting.

The following table summarizes the value to Cleghorn’s non-executive directors of equity and non-equity incentive plan compensation during Cleghorn’s fiscal year ended March 31, 2021.

Director	Option-based awards – Value vested ⁽¹⁾ during the year ended March 31, 2021 (\$)	Share-based awards – Value vested during the year ended March 31, 2021 (\$)	Non-equity incentive plan compensation – Value earned during the year ended March 31, 2021 (\$)
Joseph Groia	Nil	N/A	N/A
Karen Rees	Nil	N/A	N/A
Christian Wirth	Nil	N/A	N/A

⁽¹⁾ Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date - that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Exercise of Options to Purchase Common Shares of Cleghorn

The following table summarizes the detail of exercise of options for purchase common shares of Cleghorn by Cleghorn's non-executive directors during the fiscal year ended March 31, 2021.

Director	Date of issuance of shares on exercise of incentive stock options	Number of common shares issued on exercise of incentive stock options	Exercise price per common shares (\$)	Market price on the exercise date (\$)
Joseph Groia ⁽¹⁾	September 29, 2020	400,000	0.06	0.10

⁽¹⁾ Concurrent with the exercise of the stock options and issuance of shares by Cleghorn, Mr. Groia sold the common shares at a per share price of \$0.10 under the terms of a private share purchase and sale agreement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Cleghorn is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Cleghorn or a change in a Named Executive Officer's responsibilities.

MANAGEMENT CONTRACTS

The management functions of Cleghorn are performed by our officers and directors and Cleghorn has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of Cleghorn.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of Cleghorn's fiscal year ended March 31, 2021.

Plan Category	Number of securities ⁽¹⁾ 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 ⁽¹⁾ remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders ⁽²⁾	1,590,861	\$0.09	1,350,000
Equity compensation plans not approved by security holders	N/A	N/A	N/A

⁽¹⁾ Underlying securities are common shares in the capital of Cleghorn.

⁽²⁾ The Cleghorn Rolling Stock Option Plan (as previously defined and described herein) was most recently given annual approval by shareholders of Cleghorn at the last annual general meeting held on September 4, 2020, as required by the policies of the TSX Venture Exchange. See Part 3 – Business of the Meeting – Annual Approval of Stock Option Incentive Plan.

At the Meeting, shareholders will be asked to give annual approval of the Cleghorn Rolling Option Plan, as required by the policies of the Exchange. See Part 3 – The Business of the Meeting – Annual Approval of Stock Option Incentive Plan for a summary of the main features of Cleghorn's Rolling Option Plan.

PART 6 – AUDIT COMMITTEE

Audit Committee Charter

The charter for the Audit Committee of our Board of Directors is attached to this Information Circular as Schedule “A”.

The Audit Committee’s primary function is assisting the Board of Directors in fulfilling its oversight responsibilities to shareholders. The Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding corporate assets, reliability of financial information, and compliance with policies and laws, as well as serving as an independent and objective party to liaise with the external auditor, independent of management, and to monitor preparation of financial statements and other financial information.

Audit Committee Members

Joseph Groia (Chair), Karen Rees and Christian Wirth are members of Cleghorn’s Audit Committee. All of the members of the Audit Committee are considered “independent” applying the guidelines contained in applicable securities legislation and all three of the Audit Committee members have the ability to read and understand 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 Cleghorn’s financial statements.

See Part 7 – Corporate Governance – Composition of the Board of Directors.

Relevant Education and Experience

All of the Audit Committee members are businesspersons with experience in financial matters, and each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which experience has been garnered from working in their individual fields of endeavor.

Follows are summaries of the background, education and experience of each of the members of Cleghorn’s Audit Committee. See also Part 7 – Corporate Governance – Directorships in other Public Companies.

Joseph Groia

Mr. Groia earned a Bachelor of Laws from the University of Toronto in 1979. He has been a member of the Law Society of Ontario (formerly, the Law Society of Upper Canada) since April of 1981. He has been a principal of Groia & Company Professional Corporation, a law firm, since January 2000. Mr. Groia has been a director of Golden Valley Mines Ltd. since June 2008, and is a director of Cleghorn Minerals Ltd., both junior natural resource issuers trading on the TSX Venture Exchange. Mr. Groia was previously a director of Abitibi Royalties Inc., then a junior natural resource issuer (now an investment issuer) trading on the TSX Venture Exchange. Mr. Groia was previously a director of Xenergy Ltd., a public company then traded on The Toronto Stock Exchange engaged in coal mining in West Virginia and Virginia. He was previously (from April 2004 to March 2005) the Chief Financial Officer and the Secretary of Bonita Capital Corporation and (from February 2011 to May 2013) a director of Escudo Capital Corporation, both capital pool companies under the policies of the TSX Venture Exchange; and a director (from June 2008 to February 2011) of Metropolitan Mining Inc. (subsequently known as Metropolitan Energy Corp.), a mineral exploration company trading on the TSX Venture Exchange. Mr. Groia has been a Bencher (Board member) of the Law Society of Ontario since May 2015.

Karen Rees

Ms. Rees, a graduate of the University of Saskatchewan (BSc Geology, 1984), is a member of Professional Geoscientists Ontario (P.Ge., 2002) and has years of experience in the mineral exploration industry in Canada, primarily in Ontario and Manitoba. Ms. Rees was General Manager for Avalon Ventures Ltd., Vice President, Exploration and Corporate Secretary of Temex Resources Corp. where she assisted in development of the property portfolio and growth through establishment of best practices for corporate governance, communications and management. Ms. Rees continues to work in the industry as an independent consultant. She is on the board of

directors of LaSalle Exploration Corp. and Willeson Metals Corp., and she is also a member of the audit committees of both companies. She is also on the board of directors of Prospectors and Developers Association of Canada (“PDAC”), is the Second Vice-President and member of the Executive Committee, Chair of the Governance and Nominating Committee, Chair of the Human Resource Development Committee, Co-Chair and presenter of the PDAC Student-Mineral Exploration Workshop (S-IMEW).

Christian Wirth

Christian Wirth received a Masters of Business Administration from the University of Frankfurt where he studied finance and capital markets. He passed the Eurex Derivative Trader Exam in 2001 and the Financial Risk Manager exam (FRM) in 2003. For the past 15 years, he has been involved in all aspects of junior mining company management as a consultant and investor in multiple jurisdictions. He has built strong relationships within the mining industry and the European investment community.

Pre-Approved Policies and Procedures for Non-Audit Services

Cleghorn’s Audit Committee Charter provides that management seek approval from the Audit Committee for all non-audit services to be provided to Cleghorn by its external auditor, prior to engaging the external auditor to perform those non-audit services.

External Auditor Service Fees

Aggregate audit fees billed by our external auditor, Raymond Chabot Grant Thornton LLP, for services rendered to Cleghorn for the financial years ended March 31, 2021 and 2020, are summarized in the table that follows.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2020
Audit fee.....	\$20,800	\$18,096
Audit related fees.....	Nil	Nil
Tax fees.....	Nil	Nil
All other fees.....	Nil	Nil

Audit Committee Oversight

At no time since the commencement of Cleghorn’s fiscal year ended March 31, 2021, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

Reliance on Exemptions

As Cleghorn is a “Venture Issuer” pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) from the Audit Committee composition requirements of the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of Cleghorn’s fiscal year ended March 31, 2021, has Cleghorn relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or the exemptions in Section 6.1.1 of NI 52-110 with respect to composition of an audit committee of a venture issuer (*Circumstance Affecting the Business or Operations of the Venture Issuer, Events Outside Control of Member and Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

PART 7 – CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of Cleghorn. Cleghorn’s Board of Directors is committed to sound corporate governance practices, which are in the interest of its shareholders

and also contribute to effective and efficient decision making. The following is a summary of Cleghorn's approach to corporate governance.

Composition of the Board of Directors

The Board of Directors of Cleghorn facilitates its exercise of independent supervision over management by ensuring that there are directors on the Board who are independent of management. The Board, at present, is composed of four directors, three of whom, Joseph Groia, Karen Rees and Christian Wirth, are considered to be independent having applied the guidelines contained in applicable securities legislation. In determining whether a director is independent, the Board considers, for example, whether the individual has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. On this basis, Glenn J. Mullan, as President and Chief Executive Officer, is not considered to be independent of management.

Board consideration and approval is required for all material contracts, business transactions and all debt and equity financing proposals. The Board delegates to management, through the Chief Executive Officer, responsibility for meeting defined corporate objectives, evaluating new business opportunities and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives. The Board of Directors believes that, at this stage of Cleghorn's development, four is a suitable number of directors to adequately facilitate its exercise of independent supervision over management. The Board anticipates that, as Cleghorn matures as a business enterprise, it will identify additional qualified candidates who have experience relevant to Cleghorn's needs and who are considered to be independent under applicable corporate governance legislation and guidelines.

Directorships in Other Public Companies

The directors of Cleghorn are also directors of other reporting issuers as follows:

<u>Name</u>	<u>Reporting Issuer</u>
Joseph Groia	Golden Valley Mines Ltd.
Glenn J. Mullan	Abitibi Royalties Inc. Azimut Exploration Inc. Golden Valley Mines Ltd. International Prospect Ventures Ltd. Val-d'Or Mining Corporation
Karen Rees	LaSalle Exploration Corp.

Orientation and Continuing Education

Cleghorn has not developed an official orientation or training program for new directors. All of Cleghorn's current directors are familiar with Cleghorn's business and with mining sectors and publicly traded companies in general and, as such, formal orientation has not, to date, been required. New directors will be provided with a thorough overview of Cleghorn's business interests, assets, operations, as well as strategic plans and objectives through discussions and meetings with other directors and with officers. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Management of Cleghorn endeavours to provide a continuous flow of information to its directors for continuing education purposes relating to Cleghorn's business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Cleghorn may face and each director, by virtue of the role, is responsible for staying informed about Cleghorn's business and developments in the industry.

Ethical Business Conduct

The Board monitors the ethical conduct of Cleghorn 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 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 Cleghorn and its shareholders.

Nomination and Election of Directors

As Cleghorn progresses as a business enterprise, the Board of Directors will consider its size each year when it considers the number of directors to recommend to its shareholders for election at annual general meetings, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience. The Board has not, as yet, appointed a nominating committee and these functions are currently performed by the Board as a whole on recommendations from the Compensation and Corporate Governance Committee.

We have not yet considered adopting an advance notice policy requiring that a shareholder proposing to nominate a person for election as a director at a meeting of shareholders must provide Cleghorn with advance notice of, and prescribed details concerning, the proposed nominee.

Voting for election of directors of Cleghorn is by individual voting and not by slate voting. Cleghorn has not, as yet, adopted a majority voting policy such that procedures would be in place requiring the resignation of a director should the director receive more "withheld" votes than votes "for" at any uncontested meeting of shareholders at which directors are elected.

Compensation

See Part 4 – Executive Compensation – Compensation Discussion and Analysis – Compensation Process and the Role of the Compensation and Corporate Governance Committee.

Committees of the Board of Directors

As of the date of this Information Circular, our Board of Directors has appointed the following committees.

Audit Committee

Joseph Groia (Chair), Karen Rees and Christian Wirth are members of the Audit Committee.

See Part 6 – Audit Committee.

Compensation and Corporate Governance Committee

Joseph Groia, Karen Rees (Chair) and Christian Wirth are the members of the Compensation and Corporate Governance Committee and all members are considered to be independent of management. Biographies outlining the education and experience of Joseph Groia, Karen Rees (Chair) and Christian Wirth are included in Part 6 – Audit Committee – Relevant Education and Experience.

See Part 4 – Executive Compensation – Compensation Discussion and Analysis – Compensation Process and the Role of the Compensation and Corporate Governance Committee and Schedule "B" – Charter of the Compensation and Corporate Governance Committee.

Health & Safety/Sustainability Committee

Glenn J. Mullan (Chair), Karen Rees and Christian Wirth are the members of Cleghorn's Health & Safety/Sustainability Committee. This Committee's mandate is to assist the Board of Directors in: (i) establishing objectives relating to exploration, health and safety, the environment, sustainable development, and corporate social responsibility, including but not limited to on-site exploration and development activities of Cleghorn's property interests and monitoring and assessing Cleghorn's performance against such objectives; (ii) overseeing the development and implementation of policies and management systems for Cleghorn relating to (i) above; and (iii) developing a corporate culture of environmental responsibilities, corporate social responsibility, and awareness as to

the importance of health and safety. The Health & Safety/Sustainability Committee shall also perform such other duties as the Board may from time to time prescribe.

Assessments

The Board does not formally review the contributions of individual directors; however it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

PART 8 – OTHER INFORMATION

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as noted below, no proposed nominee for election as a director, and no director or officer of Cleghorn who has served in such capacity since the beginning of Cleghorn's financial year ended March 31, 2021, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Cleghorn's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had or has any interest in any transaction with Cleghorn since the beginning of the financial year ended March 31, 2021, or in any proposed transaction, that has materially affected Cleghorn or is likely to do so.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of Cleghorn's fiscal year ended March 31, 2021, no director, executive officer or employee or former director, executive officer or employee of Cleghorn, nor any nominee for election as a director of Cleghorn, nor any associate of any such person, was indebted to Cleghorn; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Cleghorn.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

None of the directors or executive officers of Cleghorn who have served in such capacity since the beginning of Cleghorn's fiscal year ended March 31, 2021, nor any associate or affiliate of any of those individuals, has any substantial 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 the election of directors and annual approval of the Rolling Option Plan.

See Part 3 – The Business of the Meeting.

OTHER MATTERS

Management of Cleghorn is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about Cleghorn Minerals Ltd. in our comparative annual financial statements and Management's Discussion and Analysis for the fiscal year ended March 31, 2021, which have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Additional copies may be obtained without charge upon request to us at 152 chemin de la Mine École, Val-d'Or, Québec J9P 7B6 – telephone (819) 824-2808; fax (819) 824-3379. You may also access our disclosure documents through the Internet on SEDAR at www.sedar.com.

SCHEDULE “A”

CLEGHORN MINERALS LTD. (the “Company”)

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. Purpose

- 1.1. The Audit Committee’s primary function is assisting the Company’s Board of Directors in fulfilling its oversight responsibilities to shareholders. The Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee’s role is to:
 - (a) oversee the work and enhance the independence of the external auditor;
 - (b) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
 - (c) increase the credibility and objectivity of the Company’s financial reports and public disclosure; and
 - (d) review the Company’s annual financial statements prior to approval thereof by the Board of Directors.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee’s responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers, employees or Control Persons (as that term is defined by the policies of the TSX Venture Exchange) of the Company or any of its affiliates, and the majority of whom must be “independent” and “financially literate” as those terms are defined by, and subject to the provisions of, National Instrument 52-110 – *Audit Committees* as adopted by the Canadian Securities Administrators, as such Instrument is revised or replaced from time to time.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
 - (a) engage and terminate, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;
 - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and
 - (c) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

4.1. The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors for appointment by shareholders;
- (b) recommending to the Board of Directors the terms of engagement for and compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board (CPAB) and enquiring if there are any sanctions imposed by the CPAB on the external auditor;
- (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) where there is to be a change in external auditor, reviewing the issues related to the change and the information to be included in the required notice to be filed with securities regulators with respect to such change;
- (h) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (i) reviewing any disagreements in financial reporting between the external auditor and the Company's management;
- (j) reviewing the external auditor's report, audit results and financial statements prior to approval of same by the Board of Directors;
- (k) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements prior to Board approval and dissemination of annual financial statements to shareholders and the public;
- (l) reviewing the Company's financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information by the Company;
- (m) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company prior to its dissemination to the public;
- (n) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (o) ensuring the integrity of the Company's disclosure controls and internal controls over financial reporting;
- (p) resolving disputes between management and the external auditor regarding financial reporting;
- (q) reviewing the external auditor's internal quality control procedures and any material issues raised with respect thereto by any peer, governmental or professional authority review and the steps taken to deal with those issues; and examining all relationships between the external auditor and the Company, in order to assess and ensure the external auditor's independence;
- (r) reviewing risk management policies and procedures (for example, hedging, litigation and insurance), as well as current areas of financial risk and whether management is managing these effectively;
- (s) establishing procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and

- (ii) the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters;
 - (t) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
 - (u) pre-approving all non-audit services to be provided by the Company's external auditor to the Company or any of its subsidiaries and, in this regard, considering whether the external auditor's performance of any such non-audit services is compatible with the external auditor's independence; and
 - (v) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and fees and Audit Committee activities.
- 4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.
- 5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.
- 5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.8. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.

SCHEDULE “B”

CLEGHORN MINERALS LTD. (the “Company”)

CHARTER FOR THE COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

1. Purpose

- 1.1 The Compensation and Corporate Governance Committee (the “Committee”) is ultimately responsible for:
- (a) reviewing compensation and corporate governance policies and guidelines;
 - (b) assisting the Board of Directors in assessing and fulfilling its oversight responsibilities to ensure that the Company has an effective compensation and corporate governance regime and engages in sound and ethical business conduct in compliance with regulatory guidelines; and
 - (c) ensuring the independence of the Board of Directors in its functioning and operation and its ability to effectively supervise management’s operation of the Company.
- 1.2 The Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors may from time to time prescribe.

2. Membership

- 2.1 Each member of the Committee must be a director of the Company.
- 2.2 The Committee will consist of at least three members and at least a majority of the members of the Committee shall be independent directors.
- 2.3 The members of the Committee will be appointed annually by, and will serve at the discretion of, the Board of Directors.

3. Responsibilities and Duties

- 3.1 The Committee’s responsibilities and duties include, but are not limited to, the following:
- (a) defining terms of employment and compensation of senior executives, including succession planning and compensation, with a view of ensuring that the Company is able to recruit, retain and motivate performance-oriented executives;
 - (b) recommending to the Board of Directors the terms of employment, compensation and corporate objectives of the President and Chief Executive Officer;
 - (c) reviewing the performance of the Chief Executive Officer;
 - (d) defining management compensation programs including stock option and incentive plans;
 - (e) interpreting the Company’s Stock Option Incentive Plan and its policies respecting the grant of options thereunder, and reviewing and recommending to the Board of Directors for approval the grant of options thereunder and the terms thereof;
 - (f) reviewing and recommending to the Board of Directors for approval the stock options and other benefits, direct and indirect, of the Chief Executive Officer;
 - (g) reviewing and approving the Chief Executive Officer’s recommendations for the stock options and other benefits, direct or indirect of the senior executives of the Company;
 - (h) reviewing on a periodic basis the terms of the Company’s executive compensation programs for the purpose of determining if they are properly coordinated and achieving the purpose for which they were designed and administered;
 - (i) recommending to the Board of Directors the appropriate level of director compensation;

- (j) overseeing the Company's compliance with any rules promulgated by any regulatory body prohibiting loans to officers and directors of the Company;
- (k) periodically reviewing the Company's corporate governance policies and making policy recommendations aimed at enhancing the effectiveness of the Board of Directors and all committees of such Board;
- (l) ensuring appropriate structure, size composition, mandate and membership of the committees of the Board;
- (m) identifying, evaluating, and recommending suitable candidates for nominees as directors;
- (n) proposing agenda items and content for submissions to the Board of Directors related to compensation and corporate governance issues;
- (o) periodically reviewing the relationship between management and the Board of Directors;
- (p) reviewing and approving the Company's compliance with, and response to, the guidelines outlined in the TSX Venture Exchange Corporate Finance Manual;
- (q) determining annually which directors and committee members are considered to be independent, recommending its determination to the Board and providing the related analysis;
- (r) ensuring effective communication between management and the Board of Directors;
- (s) recommending procedures to allow the Board of Directors to function independently of management, including procedures to permit the Board of Directors to meet on a regular basis without a member of management being present;
- (t) reviewing and assessing the adequacy of this Charter periodically as conditions dictate to ensure compliance with any rules or regulations promulgated by any regulatory body having jurisdiction over the Company and recommending to the Board of Directors for its approval any modifications to this Charter as considered necessary; and
- (u) conducting an evaluation of the effectiveness of the Board and its committees on an annual basis.

4. Meetings

- 4.1 The quorum for a meeting of the Committee is a majority of the members of the Committee who are not employees or officers of the Company. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose.
- 4.2 The members of the Committee must elect a chair from among their number and may determine their own procedures.
- 4.3 The Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 4.4 Any member of the Committee may call a meeting of the Committee.

5. Reports

- 5.1 The Committee will record its recommendations to the Board of Directors in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

6. Resources

- 6.1 In performing its duties and exercising its authority, the Committee may utilize the services of the appropriate personnel of the Company and its parent.

7. Minutes

- 7.1 The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.