



Suite 1100 – 595 Howe Street  
Vancouver, BC V6C 2T5

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 17, 2021**

**AND**

**INFORMATION CIRCULAR**

*February 4, 2021*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*

**DISCOVERY HARBOUR RESOURCES CORP.**

Suite 1100 – 595 Howe Street

Vancouver, BC V6C 2T5

Telephone: (604) 681-3170

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of Discovery Harbour Resources Corp. (the “**Company**”) will be held at Suite 1100 – 595 Howe Street, Vancouver, BC, on Wednesday, March 17, 2021, at the hour of 10:00 am (Vancouver time) for the following purposes:

- (1) to receive and consider the audited annual financial statements of the Company for the most recent financial year ended September 30, 2020 and the report of the auditor thereon;
- (2) to set the number of directors of the Company at five (5);
- (3) to elect Mark Fields, Richard Gilliam, Andrew Hancharyk, Rodney Stevens and Patrick Merrin as directors of the Company;
- (4) to appoint Manning Elliott LLP as the auditors of the Company for the fiscal year ending September 30, 2021 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending September 30, 2021;
- (5) to consider and, if thought fit, to pass an ordinary resolution to ratify the Company’s Stock Option Plan, as described in the accompanying information circular (the “**Information Circular**”); and
- (6) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of meeting (the “**Notice of Meeting**”).

This year, the Company has decided to take advantage of the notice-and-access model provided for under amendments to National Instrument 54-101 (“**Notice and Access**”) for the delivery of its Information Circular, the Company’s audited financial statements and the Management’s Discussion & Analysis for the financial year ended September 30, 2020 (collectively, the “**Meeting Materials**”), to its shareholders in respect of the Meeting.

Under Notice and Access, instead of receiving paper copies of the Information Circular, shareholders will be receiving a notice with information on how they may access the Meeting Materials electronically. However, shareholders will receive a proxy or voting instruction form, as applicable, enabling them to vote at the Meeting. The use of this alternative means of delivery is more environmentally friendly, as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs.

The Meeting Materials will be available on the Company’s website at <https://www.discoveryharbour.com/> as of February 8, 2021 and will remain on the website for one full year thereafter. The Meeting Materials are also available upon request, **without charge**, by e-mail at [rstevens@discoveryharbour.com](mailto:rstevens@discoveryharbour.com) or by calling +1-604-765-8657, or can be accessed online on SEDAR at [www.sedar.com](http://www.sedar.com) as of February 9, 2021.

The Company will mail paper copies of the Meeting Materials to those registered and beneficial shareholders who have previously elected to receive paper copies of the Company’s Meeting Materials. All other shareholders will

receive a Notice and Access notification, which will contain information on how they may access the Meeting Materials electronically in advance of the Meeting.

The Company's board of directors has fixed January 26, 2021 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) before the time and date of the Meeting or any adjournment or postponement thereof.

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

DATED at Vancouver, British Columbia, this 4<sup>th</sup> day of February, 2021.

By Order of the Board of Directors of

**DISCOVERY HARBOUR RESOURCES CORP.**

*"Mark Fields"*

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Mark Fields  
President, Chief Executive Officer and Director

## **DISCOVERY HARBOUR RESOURCES CORP.**

Suite 1100 – 595 Howe Street

Vancouver, BC V6C 2T5

Telephone: (604) 681-3170

### **INFORMATION CIRCULAR**

**February 4, 2021**

#### **INTRODUCTION**

This information circular (the “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of Discovery Harbour Resources Corp. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (each, a “**Share**”) in the capital of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 10:00 a.m. (Vancouver time) on Wednesday, March 17, 2021 at Suite 1100 – 595 Howe Street, Vancouver, British Columbia or at any adjournment or postponement thereof.

#### **Date and Currency**

The date of this Information Circular is February 4, 2021. Unless otherwise stated, all amounts herein are in Canadian dollars.

#### **NOTICE AND ACCESS PROCESS**

The Company has decided to use the notice and access mode (“**Notice and Access**”) provided for under amendments to National Instrument 54-101 for the delivery of the Information Circular, audited financial statements and management’s discussion and analysis for the financial year ending September 30, 2020 (collectively, the “**Circular and Financials**”) to Shareholders for the Meeting. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Circular and Financials, shareholders receive a notice (“**Notice and Access Notice**”) with information on the Meeting date, location and purpose, as well as information on how they may access the Circular and Financials electronically.

Shareholders with existing instructions on their account to receive printed materials and those shareholders with addresses outside of Canada and the United States will receive a printed copy of the Circular and Financials with the Notice and Access Notice.

#### **PROXIES AND VOTING RIGHTS**

##### **Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

### **Appointment of Proxy**

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder holds on the record date of February 2, 2021 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder’s attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

### **Revocation of Proxies**

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder’s attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

#### **Voting of Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.** If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to the names of all Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by his, her or its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and

asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under NI 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares using Notice and Access. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares under NI 54-101 and Form 54-107F7 – *Request for Voting Instructions Made by Intermediary*. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the Company's board of directors (the "Board") to be the close of business on February 2, 2021, a total of 94,509,294 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered shareholders as of the record date on February 2, 2021 are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

**To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company, other than as set forth below:**

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
Richard Gilliam	14,830,304 <sup>(2)</sup>	15.69% <sup>(3)</sup>

<sup>(1)</sup> Based on 94,509,294 Shares issued and outstanding as of February 2, 2021.

<sup>(2)</sup> 333,333 of these Shares are registered in the name of Westwood Tall Oaks, LLC, a private company controlled by Richard Gilliam.

<sup>(3)</sup> Richard Gilliam holds warrants to purchase 6,000,000 Common Shares, stock options to purchase 1,266,666 Common Shares, and a convertible debenture exercisable into 666,666 Common Shares, which, if exercised, would give Mr. Gilliam ownership of 22,763,636 Common Shares representing 22.22% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

## FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended September 30, 2020, together with the auditor's report thereon, will be presented to the Shareholders at the Meeting. The Company's financial statements and management discussion and analysis are available on SEDAR at [www.sedar.com](http://www.sedar.com).

## NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five (5). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management of the Company recommends the approval of setting the number of directors of the Company at five (5).**

## ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

The Company has adopted an advance notice provision (the "**Advance Notice Provision**") of the nomination of directors in certain circumstances. To be timely, the advance notice by the nominating shareholder (the "**Nominating Shareholder**") must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 and not more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder is to be made not later than the close of business on the 10th day after the Notice Date in respect of such meeting; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

For the further information about the Advance Notice Provision, please see the Company's information circular dated October 7, 2016.

No nominations of directors for the Meeting by the Nominating Shareholders were received in accordance with the provisions of the Advance Notice Provision.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Mark Fields British Columbia, Canada  <i>President, Chief Executive Officer and Director</i>	Mr. Fields has been the president of his own consulting firm, MC Fields Ventures Inc., since 2005. He has been a director of Nickel Creek Platinum Corp., a company listed on the TSX, since March 25, 2016. He was the President and Chief Executive Officer of Geodex Minerals Ltd., an exploration company listed on the TSX Venture Exchange (the "TSXV"), from May 2009 to June 2014 and a director from May 2009 until April 28, 2017.	March 11, 2009 to present	1,494,444 <sup>(3)</sup>
Richard Gilliam <sup>(2)</sup> Virginia, United States  <i>Director</i>	Past president and founder of Cumberland Resources Corporation, a privately owned coal mining company in the United States which Massey Energy purchased in March 2010 for US\$960 million in cash and shares. Director of Endurance Gold Corporation, an exploration and development company listed on the TSXV, since June 2004.	April 1, 2013 to present	14,830,304 <sup>(4)</sup>
Andrew Hancharyk <sup>(2)</sup> Ontario, Canada  <i>Director</i>	Mr. Hancharyk is an executive with a corporate finance, capital markets and M&A lawyer background. He is an independent director and a member in good standing of the Law Society of Ontario. From May 1, 2013 to June 30, 2015, Mr. Hancharyk was the Chief Legal Officer of Largo Resources Ltd., a TSX listed issuer with operations in Brazil. From October 9, 2018 to August 30, 2019, Mr. Hancharyk was the Director of Corporate Services for The Corporation of the County of Prince Edward.	September 14, 2010 to present	61,111

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Rodney Stevens <sup>(2)</sup> British Columbia, Canada  <i>Director</i>	Director of Nexus Gold Corp. from March 2017 to present. Director of Guyana Goldstrike Inc. from March 2017 to present. Director of Inca One Gold Corp. from August 2017 to present. Director of Canada One Mining Corp. from March 26, 2020 to present. Former Vice President, Corporate Development of New Pacific Metals Corp. from September 2016 to February 2017. Mr. Stevens is a Chartered Financial Analyst charter holder with over a decade of experience in the capital markets, first as an investment analyst with Salman Partners Inc. and subsequently as a merchant and investment banker. Mr. Stevens was also a Portfolio Manager registered with Wolverton Securities Ltd.	July 16, 2019 to present	463,636
Patrick Merrin British Columbia, Canada  <i>Nominee</i>	Chief Operations Officer of The Washington Companies, a multi-billion dollar private conglomerate of heavy industrial businesses located within Canada and the United States, from January 2020 to October 2020. Senior Vice President of Canadian Operations of Goldcorp Inc. (now called Newmont Corporation), a mining company listed on the Toronto Stock Exchange and the New York Stock Exchange from February 2018 to April 2019 and Vice President of Canadian Operations of Goldcorp Inc. from September 2017 to January 2018. Vice President, Arizona Business Unit of Hudbay Minerals Inc, a mining company listed on the Toronto Stock Exchange, from 2012 to 2017 and Vice President of Business Development and Technical Services of Hudbay Minerals Inc. from 2012 to 2014.	To be nominated	Nil

<sup>(1)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at February 2, 2021, based upon information furnished to the Company by the individual directors.

<sup>(2)</sup> Member of the Audit Committee.

<sup>(3)</sup> These shares are registered in the name of MC Fields Ventures Inc., a private company controlled by Mr. Fields. Of these shares, approximately 12,222 are subject to a private option agreement with Gordon Fretwell, a former director of the Company.

<sup>(4)</sup> 333,333 of these Shares are registered in the name of Westwood Tall Oaks, LLC, a private company controlled by Mr. Gilliam.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

### *Cease Trade Orders*

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

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

### *Bankruptcies*

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

### *Penalties and Sanctions*

To the best of management's knowledge, no proposed director of the Company 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 securityholder in deciding whether to vote for a proposed director.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Statement of Executive Compensation:

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

**"NEO" or "named executive officer"** means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

**Director and Named Executive Officer Compensation, excluding Compensation Securities**

On April 1, 2013, the Company completed a reverse takeover transaction (“**RTO**”) with 0845837 BC Ltd. (formerly Discovery Harbour Resources Corp.) (“**DHR Corp.**”), as disclosed in the Company’s information circular dated February 19, 2013.

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Mark Fields <sup>(1)</sup> President, CEO and Director	2020	40,000	105,000	Nil	Nil	Nil	145,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Rodney Stevens <sup>(2)</sup> Vice President, Interim Corporate Secretary, Interim CFO and Director	2020	41,000	30,000	Nil	Nil	Nil	71,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Andrew Hancharyk <sup>(3)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Richard Gilliam <sup>(4)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Jason Cubitt <sup>(5)</sup> Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Sandra Wong <sup>(6)</sup> Former CFO	2020	16,000	Nil	Nil	Nil	Nil	16,000
	2019	24,000	Nil	Nil	Nil	Nil	24,000
Brijender Jassal <sup>(7)</sup> Former CFO	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> Mark Fields has been a director of the Company since March 11, 2009. Mr. Fields was appointed the interim President and interim CEO of the Company on March 14, 2017 and subsequently President and CEO of the Company on December 18, 2019.

<sup>(2)</sup> Rodney Stevens has been a director of the Company since July 16, 2019. Mr. Stevens was appointed the Vice President of the Company on December 17, 2019 and the interim Corporate Secretary and CFO on May 31, 2020.

<sup>(3)</sup> Andrew Hancharyk has been a director of the Company since September 14, 2010.

<sup>(4)</sup> Richard Gilliam has been a director of the Company since April 1, 2013.

<sup>(5)</sup> Jason Cubitt has been a director of the Company since December 20, 2018.

<sup>(6)</sup> Sandra Wong was the CFO and Corporate Secretary of the Company September 1, 2018 to May 31, 2020.

<sup>(7)</sup> Brijender Jassal was the CFO of the Company from April 1, 2013 to September 1, 2018.

#### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the year ended September 30, 2019 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Mark Fields <sup>(1)</sup> President, CEO and Director	Stock Options	750,000/750,000 / 14.63%	August 24, 2020	\$0.12	\$0.12	\$0.095	August 24, 2025
Rodney Stevens Vice President, Interim Corporate Secretary, Interim CFO and Director	Stock Options	650,000/650,000 / 12.68%	August 24, 2020	\$0.12	\$0.12	\$0.095	August 24, 2025
Andrew Hancharyk Director	Stock Options	400,000/400,000 / 7.80%	August 24, 2020	\$0.12	\$0.12	\$0.095	August 24, 2025

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Richard Gilliam Director	Stock Options	400,000/400,000 / 7.80%	August 24, 2020	\$0.12	\$0.12	\$0.095	August 24, 2025
	Stock Options	600,000/600,000 / 11.71%	October 22, 2019	\$0.09	\$0.09	\$0.095	October 22, 2024
Jason Cubitt Director	Stock Options	400,000/400,000 / 7.0%	August 24, 2020	\$0.12	\$0.12	\$0.095	August 24, 2025

As at September 30, 2020:

- (a) Mark Fields, the President, CEO and a director of the Company, owned an aggregate of 750,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.12 per Share until August 24, 2025.
- (b) Rodney Stevens, the Vice President, interim Corporate Secretary, interim CFO and a director of the Company, owned an aggregate of 650,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.12 per Share until August 24, 2025.
- (c) Andrew Hancharyk, a director of the Company, owned an aggregate of 400,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.12 per Share until August 24, 2025.
- (d) Richard Gilliam, a director of the Company, owned an aggregate of 1,000,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share. Of these 600,000 are exercisable at a price of \$0.09 per Share until October 22, 2024 and 400,000 are exercisable at a price of \$0.12 per Share until August 24, 2025.
- (e) Jason Cubitt, a director of the Company, owned an aggregate of 400,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.12 per Share until August 24, 2025.

Exercise of Compensation Securities by Directors and NEOs

No NEO or director exercised any compensation securities, being solely comprised of stock options, during the year ended September 30, 2020.

**Stock Option Plans and Other Incentive Plans**

The Company has in effect a 10% rolling stock plan (the “Plan”) whereby the aggregate number of common shares of the Company reserved for issuance under the Plan, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. As at the date hereof, there are 5,125,000 options outstanding under the Plan.

For additional details regarding the terms of the Plan, see below under the heading “Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan”.

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

The Company has entered into an Officer and Consulting Agreement with MC Fields Ventures Inc., a private company controlled by Mr. Fields, to provide the services of Mark Fields, the Company’s President, CEO and a director, dated December 17, 2019 and effective as of October 1, 2019 on a monthly basis until terminated in accordance with the agreement. As compensation for the services provided as President and CEO of the Company, MC Fields Ventures Inc. currently receives a monthly fee of \$7,500.

The Company has entered into an Employment Agreement with Rodney Stevens, the Company’s Vice President, interim CFO, interim Corporate Secretary and a director, dated December 17, 2019 and effective as of October 1, 2019 on a monthly basis until terminated in accordance with the agreement. As compensation for the services provided as Vice President of the Company, Mr. Stevenson currently receives a monthly fee of \$4,000.

The Company entered into an Employment Agreement with Sandra Wong, the Company’s former CFO, effective September 1, 2018 for a twelve month term ending August 31, 2019 and subsequently extended on September 1, 2019 to continue on a monthly basis. As compensation for the services provided, Ms. Wong received a monthly fee of \$2,000. The Employment Agreement terminated on May 31, 2020 upon the resignation of Sandra Wong.

The Company has not entered into any other employment, consulting or management agreements with its NEOs.

### **Oversight and Description of Director and NEO Compensation**

The Board has not created or appointed a compensation committee given the Company’s current size and stage of development.

All tasks related to developing and monitoring the Company’s approach to the compensation of its NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company’s employees or consultants is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

The Company’s compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company’s business objectives of improving overall corporate performance and creating long-term value for the shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company.

The Company’s current compensation program is comprised of three major components: base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries or fees and discretionary cash bonuses primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary or fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time. The NEOs’ performances and salaries or fees are to be reviewed periodically. Increases in salary or fees are to be evaluated on an individual basis and are performance and

market-based. The amount and award of cash bonuses to key executives and senior management is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all the Company’s equity compensation plans as of September 30, 2019. The Company’s equity compensation plan consists of the Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	5,125,000	\$0.11	4,325,929 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>5,125,000</b>	<b>\$0.11</b>	<b>4,325,929<sup>(2)</sup></b>

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

<sup>(2)</sup> The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the Company’s issued and outstanding Shares from time to time. As of February 2, 2021, there were 94,509,294 Shares outstanding and the Company could issue up to 9,450,929 options to acquire Shares on such date.

See “Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan”, below, for more information.

### APPOINTMENT OF AUDITOR

It is proposed that Manning Elliott LLP, Chartered Professional Accountants (“**Manning Elliott**”) of 17<sup>th</sup> Floor, 1030 West Georgia Street, Vancouver, BC V6E 2Y3 be appointed as auditor of the Company for the financial year ending September 30, 2021.

At the Meeting, shareholders will be asked to pass an ordinary resolution to appoint Manning Elliott as auditor of the Company for the year ending September 30, 2021, and to authorize the directors of the Company to fix the remuneration to be paid to the auditor for the fiscal year ending September 30, 2021. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management of the Company recommends that Shareholders vote for the appointment of Manning Elliott as the Company’s auditors for the Company’s fiscal year ending September 30, 2021 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending September 30, 2021.**

### AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the “**Audit Committee**”).

## **The Audit Committee Charter**

The text of the audit committee charter (the “**Audit Committee Charter**”) is reproduced below.

### **Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

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

### **Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

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

### **Meetings**

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

### **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

#### **Documents/Reports Review**

- (a) Review and update the Charter annually.
- (b) Review the Company’s financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information

(including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (c) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (d) Review and pre-approve all audit and audit-related services, timetables and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors.

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

#### Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (e) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (f) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (g) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (h) Review certification process.
- (i) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### **Other**

Review any related-party transactions including but not limited to insurance coverage of significant business risks, review material litigation and its effect on financial reporting, establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Corporation regarding public reporting, accounting, internal accounting controls, or auditing matters; and
- (b) review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation.

### **Accountability**

The Committee chair has the responsibility to make periodic reports to the board, as requested, on financial matters relative to the Corporation. The Committee shall report its discussions to the board by maintaining minutes of its meetings and providing an oral report at the next board meeting.

### **Reliance on Experts**

In contributing to the Committees' discharging of its duties under this mandate, each member shall be entitled to rely in good faith on:

- (a) Financial statements of the company represented to the member by an officer of the company, or in a written report of the external auditors, to present the financial position of the company and the results of its operations in accordance with generally accepted accounting principles in all material respect; and
- (b) Any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Board is of the view that monitoring the company's financial reporting and disclosure policies and procedures cannot be reasonably met unless the following activities (the "fundamental activities") are, in all material respects, conducted effectively:

- (a) The accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Company's financial transactions;
- (b) The internal financial controls are regularly assessed for effectiveness and efficiency;
- (c) The interim and annual financial statements are properly prepared by management in accordance with generally accepted accounting principles in all material respects; and
- (d) Financial statements are reported on by an external auditor appointed by the shareholders of the Company.

### **Composition of the Audit Committee**

The Company's Audit Committee is currently comprised of three directors consisting of Andrew Hancharyk, Richard Gilliam and Jason Cubitt. Mr. Cubitt is not standing for re-election as a director at the Meeting, therefore the Company will appoint a new member to the audit committee after the Meeting. As defined in National Instrument 52-110, Mr. Gilliam is not "independent", as he is the Company's largest shareholder and a Control Person (as defined in the policies of the TSXV) of the Company. Messrs. Hancharyk and Cubitt are independent. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined

in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

### **Relevant Education and Experience**

#### *Andrew Hancharyk - Chair*

Mr. Hancharyk is currently the Director of Corporate Services for the Corporation of the County of Prince Edward. Prior to that, he was the Chief Legal Officer at Largo Resources Ltd. in Toronto. He was also a director of CVC Cayman Ventures from September 2010 through the RTO by DHR Corp. He served as senior legal counsel and consultant for CHC Helicopter Group of companies in Vancouver. From November 2007 to February 2010, Mr. Hancharyk was National Policy Manager of the TSXV in Vancouver. From September 2005 to September 2007, he was General Counsel of First Quantum Minerals Ltd. in Vancouver and prior to that, Associate Counsel at Sherritt International Corporation in Toronto. Mr. Hancharyk is a corporate and securities lawyer with a business degree, a Juris Doctor degree and a Master of Laws.

#### *Richard Gilliam*

Mr. Gilliam is a graduate of the University of Virginia's College at Wise, and has spent several years building and operating coal mining companies. He is the past president and founder of Cumberland Resources Corporation, which was one of the largest privately-owned coal mining companies in the United States. In March 2010, Massey Energy purchased Cumberland for US\$960 million in cash and shares. Mr. Gilliam brings to the Board a fundamental understanding of building and operating a new resource company.

#### *Jason Cubitt*

Mr. Cubitt is the President, CEO and director, Westminster Resources Ltd., a mining company listed on the TSXV. Mr. Cubitt co-founded Ascenta Capital Partners, Inc. Mr. Cubitt is also on the board of OCP Holdings Ltd., a private equity/venture capital company and Volatus Capital Corp., a mining company listed on the CSE. He previously was President, CEO and director at Jaxon Mining, Inc., Investment Director at Vertus Investment Advisory Ltd., Investment Director at Ascenta Asset Management Ltd., and co-founder, Managing Director at Ascenta Finance Corp., a registered exempt market dealer.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's two most recently completed financial years, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-Audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which

the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

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

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board and the Audit Committee, on a case-by-case basis, as applicable.

### **External Auditor Service Fees**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the financial years ended September 30, 2020 and 2019 with respect to the Company, by category, are as follows:

<b>Financial Year Ended September 30</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2020	\$12,000	Nil	\$1,500	Nil
2019	\$11,750	Nil	\$1,750	Nil

### **Exemption**

The Company is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company's most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein and except for payment of rent, consulting fees and accounting fees similar to those disclosed as "Related Party Transactions" in the audited Financial Statements of the Company for the year ended September 30, 2020, no: (a) director, proposed director or executive officer of the Company; (b) person or

company who beneficially owns, directly or indirectly, common shares or who exercises control or direction of common shares, or a combination of both carrying more than ten percent of the voting rights attached to the common shares outstanding (each, an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of common shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of common shares.

### MANAGEMENT CONTRACTS

There were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

### CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

#### Board of Directors

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

The Board currently consists of five directors, Mark Fields, Richard Gilliam, Andrew Hancharyk, Jason Cubitt and Rodney Stevens. Mr. Hancharyk and Mr. Cubitt are “independent” in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Company, other than the interests and relationships arising from shareholders. Mr. Cubitt is not standing for re-election as a director of the Company at the Meeting. Mark Fields is the President and CEO, Rodney Stevens is the Vice President, interim Corporate Secretary and interim CFO, Richard Gilliam is the Company’s largest shareholder and a Control Person (as defined in the policies of the TSXV) of the Company. They are therefore not independent.

#### Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director of the Company	Names of Other Reporting Issuers
Mark Fields	Nickel Creek Platinum Corp. <sup>(2)</sup>
Richard Gilliam	Endurance Gold Corp. <sup>(1)</sup>
Andrew Hancharyk	None
Rodney Stevens	Nexus Gold Corp. <sup>(1)</sup> Inca One Gold Corp. <sup>(1)</sup> Guyana Goldstrike Inc. <sup>(1)</sup> Canada One Mining Corp. <sup>(1)</sup>
Patrick Merrin	None

<sup>(1)</sup> The TSX Venture Exchange

<sup>(2)</sup> The Toronto Stock Exchange

### **Orientation and Continuing Education**

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

### **Ethical Business Conduct**

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

### **Compensation**

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the grant of options which may be granted to such persons upon the approval of the 2015 Plan as discussed below.

Directors, executive officers, and proposed nominees for election as director of the Company may be interested in the approval of the Company's stock option plan, pursuant to which they may be granted stock options. See "Particulars of Matters to be Acted Upon – Ratification of Stock Option Plan", below, for more information.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Ratification of Stock Option Plan

The Plan is a “rolling” stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued Shares of the Company and, as such, will increase with the issue of additional Shares of the Company. The TSXV requires listed companies that have a “rolling” stock option plan in place to receive shareholder approval of such plan on a yearly basis at the company’s annual meeting. Accordingly, the Shareholders will be asked at the Meeting to ratify and approve the Plan. The Plan complies with the current policies of the TSXV for Tier 2 issuers.

The purpose of the Plan is to advance the interests of the Company and its shareholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential, and to encourage and enable such persons to acquire an ownership interest in the Company.

The Plan is subject to the approval of the Shareholders and the TSXV, and the rules of the TSXV. At the Meeting, Shareholders will be asked to ratify, confirm and approve the Plan. A copy of the Plan is attached as Schedule “A” to the Company’s Notice and Information Circular dated September 29, 2015 and filed on SEDAR at [www.sedar.com](http://www.sedar.com) on October 5, 2015.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan:

1. The Board shall establish the exercise price at the time each Option is granted, subject to the following conditions:
  - (a) if the Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by TSXV policies;
  - (b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
  - (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per Share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
  - (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of Shares in respect of the expired or terminated option shall again be available for a grant under the Plan.
3. No option granted under the Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described below).
4. The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:

- (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
  - (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period; and
  - (c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.
5. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares, unless the Company has obtained disinterested Shareholder approval.
  6. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
  7. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
  8. Options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
  9. If a director, employee or consultant of the Company is terminated for cause or if such director, employee or consultant resigns, or in the case of a director, refuses to stand for re-election, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant of the Company by reason of termination for cause, refusal to stand for re-election or by resignation.
  10. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability, resignation or termination of services for cause), then any option granted to the holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 30 days following the date that the holder ceases to be a director, employee or service provider of the Company.
  11. If an option holder dies, the holder's lawful personal representatives, heirs or executors may exercise any option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
  12. If an option holder ceases to be a director, employee or consultant of the Company as a result of a disability, the holder may exercise any option granted to the holder that had vested and was exercisable on the date of disability until the earlier of the expiry date and 90 days after the date of disability.
  13. Options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
  14. The Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.

15. Options granted under the Plan shall not be assignable or transferable by an option holder.
16. The Board may from time to time, subject to regulatory or Shareholder approval, amend or revise the terms of the Plan.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

Upon request, the Company will promptly provide a copy of the Plan free of charge to a Shareholder. A Shareholder may contact the Company at its office at Suite 1100 - 595 Howe Street, Vancouver, BC V6C 2T5, to request a copy.

At the Meeting, shareholders will be asked to approve the following ordinary resolution (the “**Plan Resolution**”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

“RESOLVED, as an ordinary resolution of the shareholders of Discovery Harbour Resources Corp. (the “**Company**”), that:

1. The Company’s Stock Option Plan (the “**Plan**”), as described in the Company’s information circular dated February 4, 2021, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Plan by the TSX Venture Exchange (the “**TSXV**”);
2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

**Management of the Company recommends that shareholders vote in favour of the Plan Resolution at the Meeting.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its office by mail at Suite 1100 - 595 Howe Street, Vancouver, BC, Vancouver, BC V6C 2T5, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “**MD&A**”). Financial information is provided in the Company’s consolidated financial statements and MD&A for its most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR.

**OTHER MATTERS**

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

Dated at Vancouver, British Columbia as of February 4, 2021.

**ON BEHALF OF THE BOARD**

**DISCOVERY HARBOUR RESOURCES CORP.**

*"Mark Fields"*

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Mark Fields  
President, Chief Executive Officer and Director