

FOKUS MINING CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

August 31, 2022

TAKE NOTICE that an Annual and Special Meeting of Shareholders (the “**Meeting**”) of FOKUS MINING CORPORATION (the “**Corporation**”) will be held:

Place: The offices of the Corporation
147 Québec Avenue (back door)
Rouyn-Noranda, Québec J9X 6M8

Date: August 31, 2022

Time: 2:00 p.m.

The purposes of the Meeting are:

1. To receive and consider the financial statements of the Corporation for the fiscal year ended December 31, 2021 and the auditor’s report thereon;
2. To elect directors;
3. To appoint the auditor and authorize the directors to fix its remuneration;
4. Consider, and if deemed advisable to adopt, a resolution in the form annexed as Schedule B to the accompanying management information circular dated July 29, 2022, ratifying, approving and confirming the 2003 Stock Option Plan, as amended, of the Corporation; and
5. To transact such other business as may properly be brought before the Meeting.

Only persons registered as shareholders on the records of the Corporation as of the close of business on July 27, 2022 are entitled to receive notice of, and to vote or act at, the Meeting. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

If you are unable to attend the Meeting in person, please date, complete and sign the enclosed form of proxy and deliver it to Computershare Investor Services Inc. (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A shareholder may also vote using the Internet at www.investorvote.com or by telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 5:00 p.m. (eastern time) on August 29, 2022 or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

DATED at Rouyn-Noranda, Québec
July 29, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Jean Rainville
Jean Rainville
President and Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation by management of Fokus Mining Corporation (the “Corporation”) of proxies to be used at the Annual and Special Meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to beneficial owners of the shares. See “Appointment and Revocation of Proxies – Notice to Beneficial Shareholders” below.

INTERNET AVAILABILITY OF PROXY-RELATED MATERIALS

Notice-and-Access

Rules recently adopted by the Canadian securities administrators, known as the “notice and access” (“**Notice-and-Access**”) distribution option, allow companies to send to shareholders who do not hold shares of the Corporation in their own names (referred to herein as “**Beneficial Shareholders**”) a notice to the effect that proxy materials are available via the internet, rather than mailing full sets of proxy materials to them. This year, the Corporation chose to mail full sets of proxy materials to shareholders. “**Proxy-Related Materials**” refers to this Circular, the Notice of Meeting and a voting instruction form (for Beneficial Shareholders) or a form of proxy (for shareholders that hold their shares directly or indirectly in their respective names (referred to herein as “**Registered Shareholders**”).

In the future, the Corporation may take advantage of the Notice-and-Access distribution option. If in the future the Corporation chooses to send such notices to shareholders, the notices will contain instructions on how shareholders can gain access to the Corporation’s notice of meeting and management proxy circular via the internet. The notices will also contain instructions on how shareholders can ask that proxy materials be delivered to them electronically or in printed form on a one-time or ongoing basis.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

A Registered Shareholder who is unable to attend the Meeting in person is requested to complete and sign the enclosed form of proxy and to deliver it to Computershare Investor Services Inc. (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A Registered Shareholder may also vote using the internet at www.investorvote.com or telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 5:00 p.m. (eastern time) on August 29, 2022 or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

The document appointing a proxy must be in writing and executed by the Registered Shareholder or his attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

A Registered Shareholder submitting a form of proxy has the right to appoint a person (who need not be a shareholder) to represent him or her at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. To exercise that right, the name of the Registered Shareholder’s appointee should be legibly printed in the blank space provided. In addition, the Registered Shareholder should notify the appointee of his or her appointment, obtain his or her consent to act as appointee and instruct him or her on how the Registered Shareholder’s shares are to be voted.

Shareholders who are not Registered Shareholders should refer to “Notice to Beneficial Holders of Shares” below.

Revocation of Proxy

A Registered Shareholder who has submitted a form of proxy as directed hereunder may revoke it at any time prior to the exercise thereof. If a Registered Shareholder who has given a proxy personally attends the Meeting at which that proxy is to be voted, that Registered Shareholder may revoke the proxy and vote in person. In addition to the revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or his attorney or authorized agent and deposited with (i) Computershare Investor Services Inc. at any time up to 5:00 p.m. (eastern time) on August 29, 2022 by mail or by hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile to 416-263-9524 or 1-866-249-7775, (ii) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or (iii) with the Secretary of the Corporation before the commencement of the Meeting, or any adjournment thereof, and upon any such deposit, the proxy will be revoked.

Notice to Beneficial Shareholders

The information set out in this section is of significant importance to many shareholders, as a substantial number of shareholders are Beneficial Shareholders and do not hold shares of the Corporation in their own names. Beneficial Shareholders should note that only proxies deposited by Registered Shareholders (shareholders whose names appear on the records of the Corporation as the registered holders of shares) can be recognized and acted upon at the Meeting or any adjournment(s) thereof. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Corporation. Those shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of those shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can be voted (for or against resolutions or withheld from voting) only upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. Subject to the following discussion in relation to NOBOs (as defined below), the Corporation does not know for whose benefit the shares of the Corporation registered in the name of CDS & Co., a broker or another nominee, are held.

There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy in relation to the mechanism of dissemination to Beneficial Shareholders of Proxy-Related Materials and other securityholder materials and the request for voting instructions from such Beneficial Shareholders. Non-objecting beneficial owners (“**NOBOs**”) are Beneficial Shareholders who have advised their intermediary (such as brokers or other nominees) that they do not object to their intermediary disclosing ownership information to the Corporation, consisting of their name, address, e-mail address, securities holdings and preferred language of communication. **Securities legislation restricts the use of that information to matters strictly relating to the affairs of the Corporation.** Objecting beneficial owners (“**OBOs**”) are Beneficial Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation.

NI 54-101 permits the Corporation, in its discretion, to obtain a list of its NOBOs from intermediaries and use such NOBO list for the purpose of distributing the Proxy-Related Materials directly to, and seeking voting instructions directly from, such NOBOs. As a result, the Corporation is entitled to deliver the Proxy-Related Materials to Beneficial Shareholders in two manners: (a) directly to NOBOs and indirectly through intermediaries to OBOs; or (b) indirectly to all Beneficial Shareholders through intermediaries. In accordance with the requirements of NI 54-101, the Corporation is sending the Proxy-Related Materials directly to NOBOs and indirectly through intermediaries to OBOs. The cost of the delivery of the Proxy-Related Materials by intermediaries to OBOs will be borne by the Corporation.

Applicable securities regulatory policy requires intermediaries, on receipt of Proxy-Related Materials that seek voting instructions from Beneficial Shareholders indirectly, to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings on Form 54-101F7 (Request for Voting Instructions Made by Intermediary). Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting or any adjournment(s) thereof. Often, the form of request for voting instructions supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders who wish to appear in person and vote at the Meeting should be appointed as their own representatives at the Meeting in accordance with the directions of their intermediaries and Form 54-101F7. Beneficial Shareholders can also write the name of someone else whom they wish to attend at the Meeting and vote on their behalf. Unless prohibited by law, the person whose name is written in the space provided in Form 54-101F7 will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in Form 54-101F7 or this Circular.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). In forwarding the Proxy-Related Materials to Beneficial Shareholders, Broadridge typically includes a voting instruction form in lieu of the form of proxy that some intermediaries employ. Beneficial Shareholders are requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number to vote the shares held by them or access Broadridge’s dedicated voting website at <https://central-online.proxyvote.com> to deliver their voting instructions. Broadridge will then provide aggregate voting instructions to Computershare Investor Services Inc., the Corporation’s transfer agent and registrar, which tabulates the results and provides appropriate instructions respecting the voting of shares to be represented at the Meeting or any adjournment(s) thereof.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly-executed proxies in favour of the persons designated in the enclosed form of proxy, in the absence of any direction to the contrary, will be voted FOR the: (i) election of directors; (ii) appointment of auditor; and (iii) resolution ratifying, approving and confirming the 2003 Stock Option Plan, as stated under such headings in this Circular. Instructions with respect to voting will be respected by the persons designated in the enclosed form of proxy. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters.

VOTING SHARES

As at July 27, 2022, there were 81,504,087 issued and outstanding common shares of the Corporation. Each common share entitles the holder thereof to one vote. The Corporation has fixed July 27, 2022 as the record date (the “**Record Date**”) for the purpose of determining shareholders entitled to receive notice of the Meeting. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. A shareholder of record on the Record Date will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting, even though the shareholder may subsequently dispose of his or her shares. No shareholder who has become a shareholder after the Record Date will be entitled to attend or vote at the Meeting or any adjournment(s) thereof. The list of shareholders is available for inspection during usual business hours at the registered office of the Corporation, 147 Avenue Québec (back door), Rouyn-Noranda, Québec, and at the Meeting.

PRINCIPAL SHAREHOLDERS

As at July 27, 2022, to the best knowledge of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the common shares of the Corporation.

PRESENTATION OF FINANCIAL STATEMENTS

The audited annual financial statements for the fiscal years of the Corporation ended December 31, 2021 will be placed before the Meeting. The audited annual financial statements of the Corporation are included in the Corporation’s 2021 Annual Report which was mailed to shareholders who requested the 2021 Annual Report and which is also available on SEDAR at www.sedar.com. Additional copies of the 2021 Annual Report may be obtained from the Corporation upon request and will be available at the Meeting.

ELECTION OF DIRECTORS

The Board of Directors currently consists of six directors. The persons named in the enclosed form of proxy intend to vote for the election of the six nominees whose names are set forth below. Each director will hold office until the next annual meeting of shareholders or until the election of his successor, unless he resigns or his office becomes vacant by removal, death or other cause.

The following table sets out the name of each of the persons proposed to be nominated for election as director, all other positions and offices with the Corporation now held by such person, his municipality of residence and principal occupation, the year in which such person became a director of the Corporation, and the number of common shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below.

Name, municipality of residence and position with the Corporation	Principal occupation	First year as director	Number of shares beneficially owned or over which control is exercised as at July 27, 2022
Jean Rainville..... Saint-Faustin-Lac Carré, Québec President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation	2020	522,000
Sylvain Champagne ⁽¹⁾ Rouyn-Noranda, Québec, Canada Director	Chief Financial Officer of the Corporation, Visible Gold Mines Inc. and X-Terra Resources Inc. (exploration companies)	2020	1,523,286
Marc-André Lavoie ⁽¹⁾ Montreal, Québec, Canada Director	Business Executive and Corporate Director	2020	172,500
Steve Duchesne..... Colleyville, Texas, United States Director	Businessman and Corporate Director	2020	–
Ciro Cucciniello..... Montreal, Québec, Canada Director	Lawyer and Corporate Director	2020	350,000
Gilles Laverdière ⁽¹⁾ Longueuil, Québec, Canada Director	Geologist and Corporate Director	2020	–

(1) Member of the Audit Committee. See “Information on the Audit Committee” below for information on the composition of the Audit Committee.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually.

The following is a brief biography of each of the nominees for election to the Board of Directors:

Jean Rainville. Jean Rainville has over 45 years of experience in the mining industry and financial markets. From 2008, his principal occupation was President and CEO of Blackrock Metals Inc. In 2018, Mr. Rainville ceased to serve as CEO, while retaining his position as President until late 2019, at which time he became a consultant. Previously, Mr. Rainville worked as an engineer, a fund manager and a director of corporate finance and has also served as a director or advisor for several public companies. He holds bachelor’s degrees in Mining Engineering and Commerce, both from McGill University.

Sylvain Champagne. Sylvain Champagne is the Chief Financial Officer of the Corporation. Mr. Champagne is also the Chief Financial Officer and a director of X-Terra Resources Inc. (and its predecessor company) since 2008 and of Visible Gold Mines Inc. since 2007; two companies listed on the TSX Venture Exchange. Mr. Champagne was the Chief Financial Officer of the Corporation from August 2004 and a director from January 2002, until his resignation in August 2017. Mr. Champagne was re-elected as a director of the Corporation and re-appointed as Chief Financial Officer of the Corporation on July 14, 2020. Mr. Champagne holds a B.B.A. degree from the Université du Québec Abitibi-Témiscamingue.

Marc-André Lavoie. Marc-André Lavoie is currently managing director of CXL Capital, a private investment company. He is an experienced finance professional and entrepreneur with over 25 years of experience in both institutional capital markets and project development. Mr. Lavoie has accumulated considerable expertise in most aspects of raising and managing capital, for a wide variety of institutions and companies, both public and private. He holds a BA from St. Francis Xavier University, an MSc (Econ) from London School of Economics and an MPhil from Cambridge University.

Steve Duchesne. Steve Duchesne is a founding partner of Biomass Carbon, ULC and has been its president since May 2015. Prior to forming Biomass, Mr. Duchesne ran Duchesne Advisory, LLC providing various advisory services. Mr. Duchesne played in the National Hockey League from 1985 until 2002. He was three times All Star NHL. After playing in the NHL, Mr. Duchesne remained involved in hockey by co-owning a ECHL team and co-founding a hockey school.

Ciro Cucciniello. Ciro Cucciniello has been a lawyer since 1986 and is a partner of the law firm Cucciniello Calandriello Attorneys Inc. Mr. Cucciniello obtained a bachelor of civil law, BCL, and bachelor in laws, LLB, from McGill University. He received the accreditation of ICD from the Institute of Corporate Directors, McGill University, in 2018. Mr. Cucciniello has more than 30 years of experience as a director of public, private, not-for-profit corporations and foundations and is currently a director and Chair of the Succession Committee for BFL CANADA and a Governor and Chair of the Audit Committee for Shriner's Hospital for Children (Canada).

Gilles Laverdière. Gilles Laverdière is a geologist who received his B.Sc. in Geology in 1978 from University of Montréal. Since October 2013, Mr. Laverdière is a consulting geologist to exploration mining companies. From January 2011 to October 2013, he was senior consulting geologist for Merrex Gold Inc. where he was in charge of developing a gold project in Mali within a joint venture with IAMGOLD Corporation. From May 2006 to December 2010, Mr. Laverdière was a consulting geologist in charge of planning and supervising drilling projects in Northwestern Québec and writing NI 43-101 geological reports. From 1998 to 2006, Mr. Laverdière was the Chief Executive Officer of HMZ Metals Inc. where he acquired mining assets in China and listed the such company through an IPO on the Toronto Stock Exchange. From 1985 to 1997, Mr. Laverdière was part of senior management and a director of many public mining companies where he evaluated mining prospects, negotiated and structured financings for various mining companies in Canada, the Philippines, Brazil, and Nevada. From 1978 to 1984, he was a geologist with a focus on gold exploration in Northwestern Québec.

- (a) None of the foregoing nominees for election as director of the Corporation: is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:
 - (i) 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 applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
 - (ii) 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 of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, 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 his assets.

None of the foregoing nominees for elections as director of the Corporation 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 security holder in deciding whether to vote for a proposed director.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation's executive compensation objectives and process and to discuss compensation relating to each person who acted as President and Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and the three most highly-compensated executive officers (or three most highly-compensated individuals acting in a similar capacity), other than the CEO and CFO, whose total compensation was more than \$150,000 in the Corporation's last financial year (each a "Named Executive Officer" and collectively the "Named Executive Officers"). For the fiscal year ended December 31, 2021, the Corporation had two Named Executive Officers, namely Jean Rainville, the CEO, and Sylvain Champagne, the CFO,.

Compensation Philosophy and Objectives

In light of the Corporation's current stage of development, it does not have a formal compensation program. The Board of Directors meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation's compensation is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders; (iii) provide a compensation package that is commensurate with other junior mining exploration companies in order to enable the Corporation to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings.

Compensation Process

The Board of Directors does not have a Compensation Committee. The Board of Directors, as a whole, ensures that total compensation paid to all Named Executive Officers is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term, positive results for the Corporation's shareholders;
- align executive compensation with corporate performance; and
- provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

The Board of Directors also relies on the experience of its members as officers and directors with other junior mining exploration companies in assessing compensation levels.

Analysis of Elements

The compensation paid to Named Executive Officers is comprised of two main components: base salary and long-term incentives, comprised of stock options ("Options") granted pursuant to the Corporation's Stock Option Plan adopted by the Board of Directors in 2003, as amended (the "2003 Plan"). The following discussion describes the components of compensation and discusses how each component relates to the Corporation's overall executive compensation objective. The Corporation believes that:

- base salaries provide an immediate cash incentive for the Corporation's Named Executive Officers and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent; and
- Options ensure that the Named Executive Officers are motivated to achieve long-term growth of the Corporation and continuing increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

The Corporation places equal emphasis on base salary and Options as short-term and long-term incentives, respectively.

Base Salaries

The Named Executive Officers receive a base salary which is based primarily on the level of responsibility of the position, the qualifications and experience of the officer and market conditions. The base salary may be paid to the Named Executive Officer or a company controlled by the Named Executive Officer in the form of a consulting fee.

The base salaries of the Named Executive Officers are reviewed annually to ensure that they take into account the following factors: market and economic conditions, levels of responsibility and accountability of each Named Executive Officer, skill and competencies of each individual, retention considerations, and level of demonstrated performance.

Base salaries, including that of the CEO, are reviewed by the Board of Directors on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the CEO to the Corporation's long-term growth and the knowledge of the members of the Board of Directors with respect to remuneration practices in Canada.

Long-Term Incentive Plans and Stock Option Plan

The Corporation has no long-term incentive plans other than the 2003 Plan. The Corporation provides long-term incentive compensation to its Named Executive Officers through the 2003 Plan. Under the 2003 Plan, the Board of Directors of the Corporation may by resolution grant Options to directors, officers and/or employees of, and service providers to, the Corporation, provided that the total number of shares issued under the 2003 Plan does not exceed 10% of the number of shares outstanding from time-to-time. The Board of Directors grants Options from time-to-time based on its assessment of the appropriateness of doing so in light of the long-term strategic objectives of the Corporation, its current stage of development, the need to retain or attract particular key personnel, the number of Options already outstanding and overall market conditions. The Board of Directors views the granting of Options as a means of promoting the success of the Corporation and higher returns to its shareholders. As such, the Board of Directors does not grant Options in excessively dilutive numbers or at exercise prices not reflective of the Corporation's underlying value. In 2020, the Board of Directors did not grant any Options to the Named Executive Officers. In 2021, the Board of Directors granted 750,000 Options to the Named Executive Officers. The exercise price of Options granted under the 2003 Plan is determined by the Board of Directors at the time the Options are granted, but cannot be less than the market price of the Corporation's common shares on the TSX Venture Exchange at the time of grant, less the permitted discount, subject to a minimum price of \$0.05 per share. The Options are not transferable and must be exercised no later than ten years after the date of grant. The Board of Directors may when granting, in its discretion, determine a vesting schedule for such Options, or determined that there shall be no restriction on vesting. Pursuant to the 2003 Plan (i) the total number of common shares reserved for issuance upon the exercise of Options by any one person cannot exceed, during any twelve-month period, 5% of the number of outstanding common shares of the Corporation; (ii) the total number of the common shares reserved for issuance upon the exercise of Options by any one consultant cannot exceed, during any twelve-month period, 2% of the number of outstanding common shares of the Corporation; (iii) the total number of the common shares reserved for issuance upon the exercise of Options by any employee conducting investor-relation activities cannot exceed, during any twelve-month period, 2% of the number of outstanding common shares of the Corporation; and (iv) the aggregate number of Options that can be granted to insiders of the Corporation, as a group, within a 12 month period, must not exceed 10% of the issued and outstanding common shares of the Corporation at the date an Option is granted to any insider, unless the approval of the disinterested shareholders of the Corporation is obtained. The 2003 Plan provides that if the Corporation is required under the *Income Tax Act* (Canada) or any other applicable law to remit to any governmental authority an amount on account of tax on the value of any taxable benefit associated with the exercise of Options by an optionee, then the optionee shall, concurrently with the exercise of the Options: (i) pay to the Corporation, in addition to the exercise price for the Options, sufficient cash as is determined by the Corporation, in its sole discretion, to be the amount necessary to fund the required tax remittance; (ii) authorize the Corporation, on behalf of the optionee, to sell in the market, on such terms and at such time or times as the Corporation determines, in its sole discretion, such portion of the shares being issued upon exercise of the Option as is required to realize cash proceeds in an amount necessary to fund the required tax remittance; or (iii) make other arrangements acceptable to the Corporation, in its sole discretion, to fund the required tax remittance. Under the 2003 Plan, if an optionee dies, any Option held by the optionee may be exercised for a period of one year after the date of death. If an optionee ceases to be eligible under the 2003 Plan for any reason other than death, any Option held by the optionee may be exercised for a period of 90 days after the date of such ineligibility.

Group Benefits/Perquisites

The officers of the Corporation do not benefit from any life, medical, long-term disability or other insurance. None of the officers benefit from a retirement plan.

External Compensation Consultants

During the fiscal years ended December 31, 2021 and 2020, the Corporation did not retain the services of executive compensation consultants to assist the Board of Directors in determining compensation for any of the Corporation's Named Executive Officers or directors.

Assessment of Risks Associated with the Corporation's Compensation Policies and Practices

The Board of Directors has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Board of Directors has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.

The Board of Directors considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its Named Executive Officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its Named Executive Officers or directors. To the knowledge of the Corporation, none of the Named Executive Officers or directors has purchased such financial instruments.

Summary of the Compensation of the Named Executive Officers and Directors

The following table provides information for the fiscal years ended December 31, 2021 and December 31, 2020 regarding compensation paid to or earned by the Named Executive Officers and directors, excluding compensation securities.

Table of compensation excluding compensation securities							
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 (\$)
Jean Rainville ⁽¹⁾ President and Chief Executive Officer	2021	94,000 ⁽²⁾	—	—	—	—	94,000 ⁽²⁾
	2020	28,000 ⁽²⁾	—	—	—	—	28,000 ⁽²⁾
Sylvain Champagne ⁽³⁾ Secretary and Chief Financial Officer	2021	84,000 ⁽⁴⁾	—	—	—	—	84,000 ⁽⁴⁾
	2020	36,000 ⁽⁴⁾	—	—	—	—	36,000 ⁽⁴⁾
Steve Duchesne ⁽⁵⁾ Director	2021	—	—	2,500	—	—	2,500
	2020	—	—	—	—	—	—
Gilles Laverdière ⁽⁶⁾ Director	2021	65,520	—	2,500	—	—	68,020
	2020	6,300	—	—	—	—	6,300
Ciro Cucciniello ⁽⁷⁾ Director	2021	—	—	5,000	—	—	5,000
	2020	—	—	—	—	—	—
Marc-André Lavoie ⁽⁷⁾ Director	2021	—	—	5,000	—	—	5,000
	2020	—	—	—	—	—	—

(1) Mr. Rainville was appointed as a director, President and Chief Executive Officer of the Corporation on September 15, 2020.

(2) During the fiscal year ended December 31, 2021 and 2020, the Corporation retained the services of a company controlled by Mr. Rainville to provide consulting services. For the fiscal year ended December 31, 2021 and 2020, the amount paid to the company controlled by Mr. Rainville for such services was \$94,000 and \$28,000 respectively.

- (3) Mr. Champagne was elected as a director of the Corporation and appointed as the Chief Financial Officer and Corporate Secretary of the Corporation on July 14, 2020.
- (4) During the fiscal year ended December 31, 2021 and 2020, the Corporation retained the services of a company controlled by Mr. Champagne to provide consulting services. For the fiscal year ended December 31, 2021 and 2020, the amount paid to the company controlled by Mr. Champagne for such services was \$84,000 and \$36,000 respectively.
- (5) Mr. Duchesne was appointed as director of the Corporation on November 24, 2020.
- (6) Mr. Laverdière was appointed as director of the Corporation on June 5, 2020.
- (7) Messrs. Cucciniello and Lavoie were appointed as directors of the Corporation on October 21, 2020.

Stock Options and Other Compensation Securities

The following table sets out the details of all compensation securities granted or issued to the Named Executive Officers and directors during the year ended December 31, 2021, the Corporation's most recently-completed financial year.

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
Jean Rainville ⁽¹⁾ President, Chief Executive Officer and Director	Options	225,000 (5%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026
Sylvain Champagne ⁽²⁾ Chief Financial Officer and Director	Options	200,000 (4.4%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026
Steve Duchesne ⁽³⁾ Director	Options	100,000 (2.2%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026
Gilles Laverdière ⁽⁴⁾ Director	Options	75,000 (1.7%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026
Ciro Cucciniello ⁽⁴⁾ Director	Options	75,000 (1.7%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026
Marc-André Lavoie ⁽⁴⁾ Director	Options	75,000 (1.7%)	July 7, 2021	0.16	0.15	0.09	July 7, 2026

- (1) Mr. Rainville held 625,000 Options with respect to 625,000 common shares of the Corporation on the last day of the most-recently completed financial year of the Corporation.
- (2) Mr. Champagne held 640,000 Options with respect to 640,000 common shares of the Corporation on the last day of the most-recently completed financial year of the Corporation.
- (3) Mr. Duchesne held 300,000 Options with respect to 300,000 common shares of the Corporation on the last day of the most-recently completed financial year of the Corporation.
- (4) Each of Messrs. Laverdière, Cucciniello and Lavoie held 275,000 Options with respect to 275,000 common shares of the Corporation on the last day of the most-recently completed financial year of the Corporation.

None of the Named Executive Officers and directors of the Corporation exercised any compensation securities during the year ended December 31, 2021, the Corporation's most recently-completed financial year.

As of the date of this Circular, there is no other employment contract between the Corporation and an officer, and there is no plan or compensation mechanism in favor of an officer which could be triggered following a retirement, termination or a change of control.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2021, the end of the Corporation’s last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of shares 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 shares remaining available for future issuance under the Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans previously approved by shareholders	4,540,000	\$0.30	1,511,208
Equity compensation plans not previously approved by shareholders	—	—	—

The options referred to in the table above were granted under the 2003 Plan. See “Compensation of Executive Officers and Directors — Long Term Incentive Plan and Stock Option Plan” for a description of the material features of the 2003 Plan.

APPOINTMENT OF AUDITOR

Except where authorization to vote with respect to the appointment of auditor is withheld, the persons named in the accompanying form of proxy intend to vote **FOR** the appointment of Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, as the auditor of the Corporation. Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, have been the auditor of the Corporation since April 8, 2019.

INFORMATION ON THE AUDIT COMMITTEE

Charter of the Audit Committee

The Charter of the Audit Committee is annexed to this Circular as Schedule A.

Composition of the Audit Committee

The Audit Committee is presently composed of Marc-André Lavoie (Chairman), Sylvain Champagne and Gilles Laverdière. Under National Instrument 52-110 *Audit Committees*, a director of an Audit Committee is “independent” if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member’s independent judgment. The Board of Directors has determined that Marc-André Lavoie (Chairman) and Gilles Laverdière are independent member of the Audit Committee.

Pursuant to the requirements of section 6.1.1 of National Instrument 52-110 *Audit Committees*, the audit committee of a venture issuer, such as the Corporation, must be composed of a minimum of three members, the majority of which must not be executive officers, employees or control persons of the venture issuer or of an affiliate of a venture issuer. The Audit Committee is composed of a majority of independent directors.

The Board of Directors has determined that each members of the Audit Committee is “financially literate” within the meaning of section 1.6 of National Instrument 52-110 *Audit Committees*, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below.

Marc-André Lavoie. Marc-André Lavoie is currently managing director of CXL Capital, a private investment company. He is an experienced finance professional and entrepreneur with over 25 years of experience in both institutional capital markets and project development. Mr. Lavoie has accumulated considerable expertise in most aspects of raising and managing capital, for a wide variety of institutions and companies, both public and private. He holds a BA from St. Francis Xavier University, an MSc (Econ) from London School of Economics and an MPhil from Cambridge University.

Gilles Laverdière. Gilles Laverdière is a geologist who received his B.Sc. in Geology in 1978 from University of Montréal. Since October 2013, Mr. Laverdière is a consulting geologist to exploration mining companies. From January 2011 to October 2013, he was senior consulting geologist for Merrex Gold Inc. where he was in charge of developing a gold project in Mali within a joint venture with IAMGOLD Corporation. From May 2006 to December 2010, Mr. Laverdière was a consulting geologist in charge of planning and supervising drilling projects in Northwestern Québec and writing NI 43-101 geological reports. From 1998 to 2006, Mr. Laverdière was the Chief Executive Officer of HMZ Metals Inc. where he acquired mining assets in China and listed the such company through an IPO on the Toronto Stock Exchange. From 1985 to 1997, Mr. Laverdière was part of senior management and a director of many public mining companies where he evaluated mining prospects, negotiated and structured financings for various mining companies in Canada, the Philippines, Brazil, and Nevada. From 1978 to 1984, he was a geologist with a focus on gold exploration in Northwestern Québec. Mr. Laverdière is a director and a member of the Audit Committee of Glen Eagle Resources Inc., a company listed on the TSX Venture Exchange.

Sylvain Champagne. Sylvain Champagne holds a bachelor’s degree in Business Administration from Université du Québec in Abitibi-Témiscamingue. Sylvain has two decades of experience in the financial and mining industries.

Pre-approval Policies and Procedures for Audit Services

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

External Auditor Fees

(a) Audit Fees

“Audit fees” consist of fees for professional services for the audit of the Corporation’s annual financial statements, assistance with interim financial statements, and related matters. Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, the Corporation’s auditor billed the Corporation \$39,000 in audit fees during the fiscal year ended December 31, 2021 and billed the Corporation \$29,000 in audit fees during the fiscal year ended December 31, 2020.

(b) Audit-Related Fees

“Audit-related fees” consist of fees for professional services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and which are not reported under “Audit Fees” above. Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, the Corporation’s external auditor, did not bill the Corporation for audit-related fees during the fiscal years ended December 31, 2021 and 2020.

(c) Tax Fees

“Tax fees” consist of fees for professional services for tax compliance, tax advice and tax planning. Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, the Corporation’s external auditor, did not bill the Corporation for tax fees during the fiscal years ended December 31, 2021 and 2020.

(d) All Other Fees

Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, the Corporation’s external auditor, did not bill the Corporation for other services during the fiscal years ended December 31, 2021 and 2021.

Reliance on Exemption

The Corporation is relying on the exemption set out in section 6.1 of National Instrument 52-110 *Audit Committees* with respect to certain reporting obligations.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No person who is, or who was at any time during the fiscal year ended December 31, 2021, a director, executive officer or senior officer of the Corporation or a subsidiary thereof, and no person who is a nominee for election as a director of the Corporation, and no associate of such persons, is, or was at any time since the beginning of the fiscal year ended December 31, 2021, indebted to the Corporation or a subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the fiscal year ended December 31, 2021 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation.

RATIFICATION AND CONFIRMATION OF THE 2003 STOCK OPTION PLAN

The 2003 Plan was established by the Board of Directors of the Corporation on May 1, 2003 and approved by the Corporation’s shareholders at an annual and special meeting held on July 23, 2003. Initially, 667,880 common shares were reserved for issuance pursuant to the 2003 Plan. On January 18, 2006, the Board of Directors approved an amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to 1,959,012, representing less than 10% of the number of issued and outstanding common shares of the Corporation as at the date of such amendment. On June 28, 2006, the Board of Directors approved an amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to 2,602,967, representing less than 10% of the number of issued and outstanding common shares of the Corporation as at the date of the amendment. On May 8, 2007, the Board of Directors approved an amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to 4,432,049, representing less than 10% of the number of issued and outstanding common shares of the Corporation as at the date of the amendment. On May 23, 2008, the Board of Directors approved an amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to a number equal to 10% of the total number of issued and outstanding common shares of the Corporation from time-to-time. Further to this amendment, the number of common shares which may be reserved under the 2003 Plan automatically increases or decreases as the number of issued and

outstanding common shares of the Corporation increases or decreases. This is known as a “rolling” stock option plan. The 2003 Plan was again amended in May 2010 so as to increase the maximum period during which an option may be exercised from five to ten years. The 2003 Plan was further amended on May 25, 2011 in light of changes to income tax laws in Canada, as a result of which the Corporation is required to withhold and remit to the applicable governmental authority an amount equal to the taxable benefit associated with the exercise of an option. On May 23, 2014, the Board of Directors approved amendments to the 2003 Plan in order to make housekeeping amendments required by the TSX Venture Exchange. As the Corporation failed to obtain shareholder approval of the 2003 Plan within twelve (12) months of following the annual and special meeting of the shareholders held on June 22, 2016, the Plan was automatically converted from a “rolling stock option plan” to a “fixed-amount plan” in accordance with the policies of the TSX Venture Exchange on June 22, 2017 and the maximum number of common shares reserved for issuance thereunder was fixed to 1,566,645 representing less than 10% of the number of issued and outstanding common shares of the Corporation as at such date. On May 25, 2020, the Board of Directors approved an amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to 3,293,704, representing less than 10% of the number of issued and outstanding common shares of the Corporation as at the date of the amendment. On June 12, 2020, the Board of Directors approved another amendment to the 2003 Plan in order to increase the maximum number of common shares reserved for issuance thereunder to a number equal to 10% of the total number of issued and outstanding common shares of the Corporation from time-to-time. Further to this amendment, the number of common shares which may be reserved under the 2003 Plan automatically increases or decreases as the number of issued and outstanding common shares of the Corporation increases or decreases. This is known as a “rolling” stock option plan.

Under TSX Venture Exchange Policy 4.4 *Incentive Stock Options*, an amendment to the 2003 Plan to turn into a “rolling” stock option plan must receive shareholder approval. In addition a “rolling” stock option plan must receive shareholder approval yearly, at the annual meeting of shareholders. Accordingly, shareholders will be asked to adopt a resolution in the form annexed hereto as Schedule B, ratifying, approving and confirming the 2003 Plan. In order to be adopted, the resolution must be approved by a majority of the votes cast by the holders of the common shares, either present in person or represented by proxy at the Meeting. **Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote FOR the resolution ratifying and confirming the 2003 Plan.** The details of the 2003 Plan are set out on page 8 above under “Compensation of Executive Officers and Directors — Long Term Incentives Plans and Stock Option Plan”.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Corporation, none of the persons who have been directors or executive officers of the Corporation at any time since January 1, 2021, none of the proposed nominees for election as a director of the Corporation and none of the associates or affiliates of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter scheduled to be acted upon at the Meeting other than the election of directors and the ratification and confirmation of the 2003 Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No “informed person” of the Corporation, that is: (a) the directors and executive officers of the Corporation; (b) any person who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Corporation’s outstanding voting shares; (c) any director or executive officer of a person referred to in (b) above; or (d) any associate or affiliate of any “informed person” of the Corporation, has any material interest, direct or indirect, in any transaction since January 1, 2021 or in any proposed transaction which has materially affected or would materially affect the Corporation, other than as follows:

During the fiscal year ended December 31, 2021:

- (a) the Corporation retained the services of a company controlled by Jean Rainville, the President and Chief Executive officer of the Corporation, to provide consulting services. For the fiscal year ended December 31, 2021, the total amount paid to the company for such services was \$94,000; and
- (b) the Corporation retained the services of a company controlled by Sylvain Champagne to provide financial and administrative consulting services. For the fiscal year ended December 31, 2021, the total amount paid to the company for such services was \$84,000. Mr. Champagne is the Chief Financial Officer of the Corporation.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to the 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.

SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* provides, in effect, that a registered holder or beneficial owner of shares that are entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a “**Proposal**”) and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The *Canada Business Corporations Act* further provides, in effect, that the Corporation must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management proxy circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Corporation. As the notice in connection with the Meeting is dated July 29, 2022, the deadline for submitting a proposal to the Corporation in connection with the next annual meeting of shareholders is May 1, 2023.

The foregoing is a summary only; shareholders should carefully review the provisions of the *Canada Business Corporations Act* relating to Proposals and consult with a legal advisor.

CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

1. **Board of Directors**

Disclose how the board of directors facilitates its exercise of independent supervision over management, including:

- (a) the identity of directors who are independent; and*
- (b) the identity of directors who are not independent, and the basis for that determination.*

The Board of Directors considers that Ciro Cucciniello, Gilles Laverdière, Marc-André Lavoie and Steve Duchesne are independent within the meaning of National Instrument 52-110 *Audit Committees*.

The Board of Directors considers that Jean Rainville and Sylvain Champagne are not independent within the meaning of National Instrument 52-110 *Audit Committees* in that Messrs. Rainville and Champagne are senior officers of the Corporation.

Four of the current six directors are independent; the Board of Directors is thus composed of a majority of independent directors. Meetings of the Board of Directors are chaired by Jean Rainville. If necessary, the independent members of the Board of Directors can meet without non-independent directors and members of management present.

2. **Directorships**

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of Director	Issuer
Sylvain Champagne	Visible Gold Mines Inc. X-Terra Resources Inc.
Gilles Laverdière	Glen Eagle Resources Inc. Bullion Gold Resources Corporation

3. **Orientation and Continuing Education**

Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.

The Corporation does not currently have a formal orientation program for new directors. The Board of Directors has not taken any measures to provide continuing education for the directors.

4. **Ethical Business Conduct**

Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.

The directors are apprised of the activities of the Corporation and ensure that it conducts such activities in an ethical manner. The directors encourage and promote an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct.

In addition, the Corporation takes measures to ensure that directors and officers do not trade in the Corporation's shares at a time when disclosure of material information is pending.

Further, it is the policy of the Corporation that an interested director or officer recuse himself or herself from the decision-making process pertaining to a contract or transaction in which he or she has an interest. In addition, the Board of Directors believes that the fiduciary duties placed on individual directors by the *Canada Business Corporations Act* and the common law, as well as the restrictions placed by the *Canada Business Corporations Act* on an individual director's participation in decisions of the Board of Directors in which the director has an interest, have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Corporation.

5. **Nomination of Directors**

Disclose what steps, if any, are taken to identify new candidates for board nomination, including:

- (i) *who identifies new candidates; and*
- (ii) *the process of identifying new candidates.*

The Board of Directors does not have a nominating committee. The current size and composition of the Board of Directors allow the entire Board of Directors to take the responsibility for finding and nominating new directors, taking into consideration the number required to carry out the Board's duties effectively, as well as the competencies, skills, experiences, ability to devote the required time and to maintain a diversity of view and experience.

The Corporation has not adopted term limits for its directors or other mechanisms of Board of Directors renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board of Directors, and therefore does occasionally add new members; however, it values continuity on the Board of Directors of Directors and the in-depth knowledge of the Corporation held by those members who have a long-standing relationship with the Corporation.

The Corporation does not currently have a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities as directors. Historically, the Corporation has not felt that such a policy was needed. However, the Corporation is currently considering the adoption of such a policy.

When the Board of Directors selects candidates for executive or senior management positions or for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation's management or Board of Directors, as the case may be to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity at the executive and senior management levels and on the Board of Directors, and therefore the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities is one factor taken into consideration during the search process for executive and senior management positions of for directors.

The Corporation has not adopted a "target" number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board of Directors or in executive or senior management positions. The Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates. There are at present no women, Aboriginal people or person with disabilities or members of visible minorities on the Board of Directors of the Corporation or acting as executive officers of the Corporation.

6. **Compensation**

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:

- (i) *who determines compensation; and*

The compensation of the directors and Chief Executive Officer of the Corporation is determined by the Board of Directors. In determining the compensation of the directors and the Chief Executive Officer, the Board of Directors considers the size of the Corporation, its financial resources and the contribution of the Chief Executive Officer and directors to the Corporation's growth. During the fiscal year ended December 31, 2020, no directors received cash compensation for serving in that capacity.

- (ii) *the process for determining compensation.*

The process by which the Corporation currently determines the compensation of the executive officers of the Corporation is described in the section entitled "Compensation of Executive Officers and Directors – Compensation Discussion and Analysis" above.

7. **Other Board Committees**

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Board of Directors does not have any committees other than the Audit Committee.

8. **Assessments**

Disclose what steps, if any, that the Board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.

The Board of Directors is responsible for assessing the effectiveness of the Board of Directors, its committees and individual directors and the competence and qualifications that each director is required to bring to the Board of Directors. Although no formal process has been put in place for such assessment, the Board of Directors conducts informal assessments on an as-needed basis. In this regard, the Board of Directors from time-to-time examines and comments on its effectiveness and that of its committees, and makes adjustments when warranted.

ADDITIONAL INFORMATION

Financial information about the Corporation is contained in its financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2021, and additional information about the Corporation is available on SEDAR at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the financial statements of the Corporation for the fiscal year ended December 31, 2021 together with the accompanying report of the auditor thereon and any interim financial statements of the Corporation for periods subsequent to December 31, 2021 and Management's Discussion and Analysis with respect thereto; and
- (b) this Circular,

please send your request to:

Fokus Mining Corporation
147 Québec Avenue (back door), P.O. Box 491
Rouyn-Noranda, Québec J9X 5C4

Telephone: (819) 762-0609
Telecopier: (819) 762-0097

AUTHORIZATION

The contents and the mailing of this Circular have been approved by the Board of Directors of the Corporation.

(signed) Jean Rainville
Jean Rainville
President and Chief Executive Officer

DATED at Rouyn-Noranda, Québec
July 29, 2022

SCHEDULE A

CHARTER OF THE AUDIT COMMITTEE

Charter of the Audit Committee

1. General

The Board of Directors of Fokus Mining Corporation (the “**Corporation**”) has delegated the responsibilities, authorities and duties described below to the Audit Committee of the Board of Directors (the “**Audit Committee**”).

The Audit Committee will provide independent review and oversight of the Corporation’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the oversight of the Corporation’s external auditor. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

2. Members

The Audit Committee shall be composed of a minimum of three members. Members of the Audit Committee shall be appointed by the Board of Directors. In this regard, the Board of Directors, at its first meeting held after an annual meeting of shareholders, shall appoint the members of the Audit Committee to hold office until the next annual meeting of shareholders. The Board of Directors may at any time appoint additional members of the Audit Committee, remove or replace any member of the Audit Committee, or fill any vacancy on the Audit Committee. Any member of the Audit Committee ceasing to be a director shall cease to be a member of the Audit Committee. The Board of Directors shall fill a vacancy if the membership of the Audit Committee is less than three directors as a result of such vacancy. The Chair of the Audit Committee may be designated by the Board of Directors or, if it does not do so, the members of the Audit Committee may elect a Chair by vote of a majority of the full Audit Committee membership.

A majority of the members of the Audit Committee shall be “independent” within the meaning of National Instrument 52-110 *Audit Committees*.

3. Meetings

The Audit Committee shall meet at least quarterly at such times and locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and the related management’s discussion and analysis and earnings press releases. The external auditor or any two members of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold *in camera* sessions of the Audit Committee, without management present, at every meeting. The Audit Committee may invite such other persons to its meetings as it deems appropriate in order to carry out its duties.

The Audit Committee shall submit the minutes of all meetings to the Board of Directors, and when so requested, shall review the matters discussed at an Audit Committee meeting with the Board of Directors.

A quorum for any meeting shall be two members of the Audit Committee.

The Audit Committee shall have the authority to require the attendance of the Corporation’s officers at meetings of the Audit Committee, as it deems appropriate or necessary.

4. Committee Charter

The Audit Committee shall review and reassess the adequacy of this charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board of Directors, if necessary.

5. Duties of the Audit Committee

The Audit Committee shall have the following duties:

(a) ***Oversight of Financial Information and Reporting***

- (i) The Audit Committee shall review, with management and the external auditor, and recommend to the Board of Directors for approval, before their release, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (ii) The Audit Committee shall review, with management and the external auditor, if deemed necessary, and recommend to the Board of Directors for approval, before their release, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (iii) The Audit Committee shall review, with management and the external auditor, and recommend to the Board of Directors for approval, any financial statements of the Corporation which have not previously been approved by the Board of Directors and which are to be included in a prospectus or other public disclosure document of the Corporation.
- (iv) The Audit Committee shall consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than disclosure referred to above), and periodically assess the adequacy of such procedures.

(b) ***Relationship with External Auditors***

The Audit Committee shall recommend to the Board of Directors the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation and shall recommend to the Board of Directors the compensation of the external auditor. The external auditor is required to be an auditor registered with the Canadian Public Accountability Board ("CPAB") that is in compliance with any restrictions or sanctions imposed by the CPAB.

The Audit Committee shall be directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting.

(c) ***Pre-Approval of Non-Audit Services***

The Audit Committee shall pre-approve all non-audit services to be provided to the Corporation (or any subsidiary entities) by the Corporation's external auditor.

(d) ***Complaints Procedure***

The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(e) ***Hiring Policies***

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

(f) ***Reporting***

The Audit Committee shall report regularly to the Board of Directors regarding any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the external auditor, or the internal audit function.

6. **Authority to Engage Independent Counsel and Advisors**

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board of Directors, for: (a) payment of compensation to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report; (b) payment of compensation to any advisors employed by the Audit Committee; and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee shall have the authority, within the scope of its responsibilities, to seek any information it requires from any employee of the Corporation and from external parties.

SCHEDULE B

SHAREHOLDERS' RESOLUTION

Ratification, Approval and Confirmation of the 2003 Stock Option Plan

BE AND IT IS HEREBY RESOLVED:

THAT the 2003 Stock Option Plan of the Corporation, as described in the Management Information Circular of the Corporation dated July 29, 2022, be and it is hereby ratified, approved and confirmed.

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