

**INDIGO EXPLORATION INC.**

Suite 880 – 580 Hornby Street  
Vancouver, BC V6C 3B6

**INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT MAY 4, 2022 FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 8, 2022 (THE “MEETING”).

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**This Information Circular is furnished in connection with the solicitation of proxies by management of Indigo Exploration Inc. (the “Company”) for use at the Meeting (or any adjournment thereof), at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers or arms-length third parties appointed by the Company. Management is unable at this time to accurately estimate what the cost of such solicitation may be.**

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made to forward solicitation materials to the beneficial owners of the common shares of the Company. All costs of solicitation will be borne by the Company.

All dollar amounts in this Information Circular are in Canadian currency unless otherwise specified.

**This document is available on SEDAR at [www.sedar.com](http://www.sedar.com) and, upon request, a copy of this document will be provided free of charge to any security holder of the Company.**

**RECORD DATE AND VOTING SECURITIES**

The directors of the Company have set May 4, 2022 as the record date (“Record Date”) for the determination of shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof. Only shareholders of record at the close of business on the Record Date are entitled to such notice and to vote at the Meeting.

Voting at the meeting will be by show of hands, with each shareholder present having one vote, unless a poll is requested or required, whereupon each shareholder or proxyholder present is entitled to one vote for each common share held.

The Company is authorized to issue an unlimited number of shares without par value of which 42,469,020 common shares are issued and outstanding as at the Record Date. The Company has no other class of voting securities.

## APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the Form of Proxy as proxy holders are directors or officers of the Company (the “Management Designees”). **A shareholder has the right to appoint some other person (who need not be a shareholder) to represent him or her at the Meeting and may do so, either by striking out the printed names and inserting the desired person’s name in the blank space provided in the Form of Proxy or by completing another proper form of proxy and delivering it to Computershare Investor Services Inc. (“Computershare”) at the address set out in “Voting of Proxies”. If you appoint a proxyholder, other than the Management Designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.**

A shareholder who has given a proxy may revoke it by an instrument in writing, duly executed by the shareholder or where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered to the Company’s registered office, Suite 1120 – 625 Howe Street, Vancouver, BC V6C 2T6 at any time up to and including the last business day that precedes the day of the Meeting or, if adjourned, the day that precedes any reconvening thereof, or to the Chairman of the Meeting, on the day of the Meeting or, if adjourned, any reconvening thereof, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

## VOTING OF PROXIES

Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the Form of Proxy and returning it to Computershare, by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to Computershare’s toll-free number. Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder’s account number and the control number; or
- (c) using the internet through Computershare’s website at [www.investorvote.com](http://www.investorvote.com). Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the control number.

In all cases, shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

If the Form of Proxy is completed, signed and delivered as prescribed above, the persons named as proxy holders in the proxy will vote or withhold from voting the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them on any ballot that may be called for. **The Form of Proxy confers discretionary authority upon the proxy holders with respect to all other matters or variations to matters which may properly come before the Meeting or an adjournment thereof.** As of the date of this Information Circular, management of the Company (the “Management”) knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting.

If other matters should properly come before the Meeting, however, the proxy will be voted on such matters as the proxyholder sees fit.

**If no choice is specified by a shareholder in the proxy with respect to a matter identified in the Form of Proxy, it is intended that the person designated by the Management in the Form of Proxy will vote the shares therein represented in favour of each matter identified on the Form of Proxy.**

### **BENEFICIAL HOLDERS OF COMMON SHARES**

**The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold common shares in their own name.**

Shareholders who do not hold their shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those common shares will not be registered in the Beneficial Shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholders. **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory policies require 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 common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by 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”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

The Company is not using the “notice-and-access” provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“NI54-101”) in connection with the delivery of the meeting materials in respect of the Meeting.

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. The Company does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“Intermediaries”) to forward the proxy related materials to Beneficial Shareholders who object to their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBO’s”). Accordingly, OBO’s will not receive such documents unless their respective Intermediaries assume the cost of forwarding such documents to them.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common 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.**

#### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

As at May 4, 2022, the record date, there were a total of 42,469,020 common shares outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of the directors and executive officers of the Company, and based on the Company’s review of the records maintained by Computershare Investor Services Inc., electronic filings with the System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), no shareholder beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the voting rights attached to all outstanding shares of the Company as at the Record Date.

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

Except as otherwise disclosed in this Information Circular, no director, executive officer, proposed management nominee, or any associate or affiliate thereof has any material interest, direct or indirect, by way of beneficial ownership of shares of the Company or otherwise in the matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

#### **FIXING THE SIZE OF THE BOARD OF DIRECTORS**

It is intended that the number of directors to be elected by the shareholders be established at four (4). This requires the approval of the shareholders of the Company by an ordinary resolution which approval will be sought at the Meeting.

## ELECTION OF DIRECTORS

At the Meeting, shareholders will be called upon to elect four (4) directors for the ensuing year or until their successors are duly elected or appointed, unless the director's office is earlier vacated in accordance with the Articles of the Company, or unless that person becomes disqualified to act as a director. While management does not contemplate that any of its nominees will be unable to serve as a director, if any management nominee should become unavailable, the form of proxy will be voted for substitute nominees as may be nominated by management. Set forth below is information regarding each management nominee for election at the Meeting as a director of the Company:

Name, place of residence	Principal occupation	Date of appointment as director	No. of Shares Beneficially Owned Directly or Indirectly as of the Date Hereof
Paul Cowley <sup>(1)(2)</sup> West Vancouver, BC	President of Buena Tierra Developments Ltd, a wholly owned private company, providing geological consulting services; Chief Executive Officer of the Company; President of the Company; President and Chief Executive Officer of Phenom Resources Corp. (formerly First Vanadium Corp.)	July 2, 2009	3,268,421 <sup>(3)</sup>
Thomas Henriksen West Vancouver, BC	President of Plan B Minerals Corp., a private mining corporation	February 14, 2013	133,000 <sup>(4)</sup>
Marino Sveinson <sup>(1)</sup> Vancouver, BC	Partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers;	April 17, 2008	73,528 <sup>(5)</sup>
Lorne Warner <sup>(1)</sup> Kamloops, BC	President of Geocon Enterprises Inc. providing geological consulting services. President of Bathurst Metals Corp. (since August 2021).	May 5, 2016	23,333 <sup>(6)</sup>

(1) Member of the audit committee.

(2) Chairman of the audit committee.

(3) Mr. Cowley holds 51,667 of these shares directly. Buena Tierra Developments Ltd., a company wholly owned by Mr. Cowley owns 3,216,754 shares.

(4) Mr. Henriksen holds 133,333 shares directly.

(5) Mr. Sveinson holds 37,778 shares directly. Breinar Management Services Ltd., a private company of which Mr. Sveinson owns 25% of the issued shares, holds 143,000 shares of the Company. Mr. Sveinson's proportionate share of this company's shareholdings in the Company has been included as indirect holdings.

(6) Mr. Warner holds 23,333 shares directly.

The information with respect to the shareholdings of the directors has been furnished by the respective directors. The Company does not currently have an executive committee of the Board of Directors (the "**Board**").

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

## **STATEMENT OF CORPORATE GOVERNANCE**

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

### **Board of Directors**

The Board currently consists of four (4) directors: Paul Cowley, Thomas Henricksen, Lorne Warner, and Marino Sveinson.

Section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”) sets out the standard for director independence. Under NI 52-110, a director is independent if he has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company, which includes, but is not limited to an individual also being an employee or executive officer of the Company or an individual who accepts any consulting advisory or other compensatory fee from the Company for services provided other than in his role as a director.

Applying the definition set out in section 1.4 of NI 52-110, Messrs. Sveinson, and Warner are independent directors. Mr. Cowley is not independent because from time to time he provides geological consulting services to the Company and, effective December 13, 2011, he was appointed interim Chief Executive Officer and subsequently, effective September 27, 2013, he was appointed Chief Executive Officer of the Company. Mr. Henricksen is not independent because he was appointed Vice President Exploration of the Company effective February 14, 2013.

In order to facilitate its exercise of independent judgement in carrying out the responsibilities of the Board, the Board ensures that its independent directors are in attendance at Board meetings.

### **Other Directorships**

The following table lists the directorships of other reporting issuers that are held by the directors of the Company:

Director	Name of Other Reporting Issuer
Paul Cowley	Phenom Resources Corp. (formerly First Vanadium Corp.) (TSX-V)
Lorne Warner	Tarachi Gold Corp. (CSE)

### **Orientation and Continuing Education**

The Company has not developed an official orientation or training program for new directors. If and when new directors are added, however, they have the opportunity to become familiar with the Company by meeting with other directors and with officers and employees of the Company. As each director has a different skill set and professional background, orientation and training activities are and will continue to be tailored to the particular needs and experience of each director. Directors are encouraged to avail themselves of continuing education opportunities. All of the current directors are all professionals and/or have prior public company experience.

### **Ethical Business Conduct**

The Board conducts itself with high business and moral standards and follows all applicable legal and financial requirements. The Board has not adopted a written code of ethics for its directors, officers, employees and consultants.

The Board has concluded that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the board in which the director has an interest, are sufficient to ensure that the board operates independently of management and in the best interests of the Company and its shareholders.

### **Nomination of Directors**

The full Board is involved in the nomination of new candidates for board positions. Current Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board. The Board members and Chief Executive Officer hold formal and informal discussions of any prospective nominees. The Board monitors, but does not formally assess the performance of individual Board members or committee members.

## **Compensation**

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

## **Other Board Committees**

The Company has no other standing committees other than the Audit Committee.

## **Assessments**

Any committee of the directors and individual directors are assessed on an ongoing basis by the Board. The Board has not adopted formal procedures for assessing the effectiveness of the board, the audit committee or individual directors.

## **AUDIT COMMITTEE**

As at the date of this information circular, the members of the audit committee of the Company are Paul Cowley, Marino Sveinson, and Lorne Warner. Messrs. Sveinson and Warner are "independent" as that term is defined in NI 52-110. Mr. Cowley is not independent as he is the Chief Executive Officer of the Company and provides geological consulting services to the Company. All members of the audit committee are "financially literate" as that term is defined in NI 52-110.

## **Audit Committee Charter**

Pursuant to NI 52-110, the Company's audit committee is required to have a charter. A copy of the Company's Audit Committee Charter is attached as Schedule "A" to this Information Circular.

## **Relevant Education and Experience**

All of the members of the audit committee have gained their education and experience by participating in the management of private and publicly traded companies and all members are "financially literate", meaning that they have 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 be reasonably expected to be raised by the Company's financial statements.

Paul Cowley is a Professional Geologist. He has over 42 years of experience as an exploration, project and consulting geologist, including 18 years with BHP in Canada, Chile and Bolivia. Mr. Cowley received his B.Sc. degree from the University of British Columbia in 1979. He was a key member of the Gold City management team that acquired the Bissett assets and carried out the San Gold merger. Mr. Cowley has served as a director and officer of several publicly traded companies for over 22 years and is currently the President, Chief Executive Officer and director of Phenom Resources Corp.

Marino Sveinson is a partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers. He has practiced exclusively in the area of workplace law throughout his career.

Lorne Warner is a Professional Geologist. He has extensive management experience in exploration and open pit and underground mining operations worldwide. He has served as a director and geological consultant for a number of publicly traded and private companies. Mr. Warner currently serves as a director and the VP Exploration for Tarachi Gold Corp. and as President for Bathurst Metals Corp. He has served on audit committees of other reporting issuers.

### **Audit Committee Oversight**

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

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

The audit committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance, provision of services other than auditing and to consider the independence of the external auditors.

### **External Auditor Service Fees**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees</b>	<b>Tax Fees <sup>(2)</sup></b>	<b>All Other Fees</b>
2021	14,783	Nil	1,000	Nil
2020	15,183	Nil	1,000	Nil

(1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements and fees, for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation.

(2) "Tax Fees" are related to the preparation of the Company's corporate income tax returns.

## **Exemption**

The Company is relying on the exemption provided under Section 6.1 of NI 52-110 for venture issuers which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **DIRECTOR AND EXECUTIVE COMPENSATION**

The Company is a “*venture issuer*” as defined under National Instrument 51-102 – *Continuous Disclosure Obligations* and is disclosing its director and executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers* (“**Form 51-102F6V**”).

#### ***Definitions***

“**Board**” means the board of directors of the Company.

“**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.

“**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.

“**Exchange**” means the TSX Venture Exchange.

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (i) a CEO;
- (ii) a CFO;
- (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and
- (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that

## Named Executive Officers

During the fiscal year ended September 30, 2021, the following individuals were Named Executive Officers of the Company:

- Paul Cowley, Chief Executive Officer
- Rebecca Moriarty, Chief Financial Officer

## Director and Named Executive Officer Compensation, excluding compensation securities

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or its subsidiaries, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiaries in the two most recently completed financial years ended September 30, 2021 and September 30, 2020.

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 (\$)
<b>Paul Cowley<sup>(1)</sup></b> President, CEO and Director	2021	48,000	Nil	Nil	Nil	Nil	48,000
	2020	33,650	Nil	Nil	Nil	Nil	33,650
<b>Rebecca Moriarty<sup>(2)</sup></b> CFO and Corporate Secretary	2021	12,373	Nil	Nil	Nil	Nil	12,373
	2020	9,849	Nil	Nil	Nil	Nil	9,849
<b>Thomas Henricksen<sup>(3)</sup></b> VP Exploration and Director	2021	41,412	Nil	Nil	Nil	Nil	41,412
	2020	Nil	Nil	Nil	Nil	Nil	Nil

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
<b>Marino Sveinson Director</b>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lorne Warner Director</b>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

- (1) During the financial year ended September 30, 2021 Buena Tierra Development Ltd. (“Buena Tierra”), a company owned by Paul Cowley, was paid or accrued consulting fees of \$48,000 (2020 - \$33,650) for providing geological and management consulting services to the Company.
- (2) Rebecca Moriarty is an employee of Malaspina Consultants Inc. and is not paid directly by the Company. The amount of Malaspina Consultants Inc. invoices relating directly to Ms. Moriarty was \$12,373 for the year ended September 20, 2021 (2020 - \$9,849).
- (3) During the financial year ended September 30, 2021 Thomas Henricksen was paid or accrued consulting fees of \$41,412 (2020 - \$nil) for providing geological consulting services to the Company.

### **External Management Companies**

Except as disclosed under “Employment, Consulting and Management Agreements”, the Company does not presently have any arrangements with any external management company to provide executive management services to the Company. Management functions of the Company are substantially performed by directors or executive officers of the Company.

### **Stock Options and Other Compensation Securities**

No stock options were granted or issued to NEOs or non-NEO directors during the financial year ended September 30, 2021, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were exercised by any NEO or non-NEO directors during the financial year ended September 30, 2021.

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
<b>Paul Cowley</b> <sup>(1)</sup> President, CEO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Rebecca Moriarty</b> <sup>(2)</sup> Chief Financial Officer	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Thomas Henricksen</b> <sup>(3)</sup> Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Marino Sveinson</b> <sup>(4)</sup> Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Lorne Warner</b> <sup>(5)</sup> Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

- (1) As at September 30, 2021, Mr. Cowley held 116,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (2) As at September 30, 2021, Ms. Moriarty held 29,167 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (3) As at September 30, 2021, Mr. Henricksen held 58,333 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (4) As at September 30, 2021 Mr. Sveinson held 41,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.
- (5) As at September 30, 2021, Mr. Warner held 41,667 stock options exercisable at \$0.30 per share which expired on October 28, 2021.

### Stock Option Plans and Other Incentive Plans

The Company has no incentive plans other than the Stock Option Plan.

The Company's current Stock Option Plan is the stock option plan dated for reference June 20, 2012 and most recently approved by the Shareholders on March 10, 2021. Pursuant to Policy 4.4 (Security Based Compensation) of the TSX Venture Exchange, corporations that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive annual shareholder approval and annual Exchange approval of the stock option plan.

The purpose of the Stock Option Plan is to encourage ownership of the common shares of the Company by persons (“**Eligible Persons**”) who are directors, senior officers and key employees of, as well as consultants and employees of management companies providing services to the Company. Given the competitive business environment in which the Company operates, the Stock Option Plan will assist us to attract and retain valued directors, senior officers, employees, consultants and management company employees.

The aggregate number of the Company’s common shares reserved for issuance under the Stock Option Plan will be a maximum of 10% of the issued and outstanding share capital at the date of grant. If any stock options granted under the Stock Option Plan expire or terminate for any reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan.

### ***Terms of the Stock Option Plan***

The following is a summary of the salient features of the Stock Option Plan:

1. The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding common shares at the time of the grant.
2. Stock options can be issued to persons who are directors, senior officers, employees, advisory board members and consultants of, or employees of management companies providing services to, the Company or its subsidiaries, if any.
3. The option price of any common share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the minimum price permitted by the Exchange.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed shares in any 12 month period unless the Company has obtained disinterested shareholder approval to exceed such limit.
5. The number of options granted to any one consultant may not exceed 2% of the Company’s outstanding listed shares in any 12 month period.
6. All options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.

7. If the optionee ceases to be (other than by reason of death) an eligible recipient of options, then the option granted shall expire within a reasonable period of time, as determined by the Board, following the date that the option holder ceases to be eligible, subject to the terms and conditions set out in the Stock Option Plan.
8. If an optionee ceases to be an eligible recipient of options by reason of death, an optionee's heirs or administrators shall have until the earlier of:
  - (a) one year from the death of the option holder; and
  - (b) the expiry date of the optionsin which to exercise any portion of options outstanding at the time of death of the optionee.
9. The Stock Option Plan will be administered by the Company's Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
10. The options are not assignable or transferable by an optionee.
11. The Company shall have the authority to deduct and withhold, or require the Optionee to remit to the Company, the amount of any taxes or other required source deductions which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options.
12. The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

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

The Company has entered into the following agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or named executive officer:

Pursuant to an independent contractor agreement dated June 19, 2020, effective as of May 1, 2020, between the Company and Buena Tierra Development Ltd., a company owned by Paul Cowley, President, CEO, and Director of the Company, Mr. Cowley provides executive, management, and technical consulting services to the Company. On average, Mr. Cowley provides 10 hours per week of services and is paid a fee of \$4,000 per month. The base monthly rate is subject to review annually on May 1<sup>st</sup>. The contractor agreement is subject to termination by either party with sixty (60) days notice.

Ms. Moriarty, CFO and Corporate Secretary for the Company, is paid for her CFO-related services to the Company under an annual engagement agreement with Malaspina Consultants Inc. ("**Malaspina**"). Pursuant to this agreement, the Company pays Malaspina \$212/hour for Ms. Moriarty's services. The Company also pays Malaspina for providing accounting and financial

statement preparation services and SEDAR-filing related services at rates varying between \$58/hour and \$230/hour, depending on the individual providing the services and the type of services being provided. Fees are due and payable upon rendering of invoices by Malaspina. The term of the agreement is for 12 months, expiring on December 31<sup>st</sup> of each year, with a new agreement being executed by the Company and Malaspina on January 1<sup>st</sup> of each year.

### **Oversight and Description of Director and Named Executive Officer Compensation**

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

The Company relies solely on Board discussion to determine compensation paid to executives and directors, without any formal objectives, criteria or analysis. The Company has, to date, no revenues from operations and often operates with limited financial resources. Consequently, the directors of the Company have to consider not only the financial situation of the Company at the time of determination of any executive or director compensation, but also the estimated financial situation of the Company in the midterm and long term.

Currently, the Company's compensation program consists primarily of stock options. Grants of stock options are intended to align the interests of the Named Executive Officers and directors with those of the Company's shareholders over the longer term and to provide a retention incentive for such persons. Numerous factors are taken into consideration by the Board in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question. All grants of stock options are subject to the terms and conditions of the Company's Stock Option Plan.

### **Pension Disclosure**

The Company does not have any defined benefit plan, defined contribution plan or deferred compensation plan in place.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the the Company’s financial year ended September 30, 2021, all information required with respect to compensation plans under which equity securities of the Company are authorized for issuance:

	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	391,668 <sup>(1)</sup>	0.30	3,855,234 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>391,668</b>		<b>3,855,234</b>

(1) As at September 30, 2021 391,668 options were outstanding. Effective October 28, 2021 all options expired. As at May 4, 2022, no options are outstanding.

(2) The Company currently has a rolling stock option plan. The aggregate number of common shares reserved for issuance is a maximum of 10% of the issued and outstanding share capital of the Company at the date of grant. As at September 30, 2021, a total of 3,855,234 options remained available for issuance.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associate of any of the foregoing individuals, has been indebted to the Company at any time since the commencement of the Company’s last completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein or in the Financial Statements, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since the commencement of its most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An “informed person” means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of a reporting issuer, or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of a reporting issuer and could include a reporting issuer if the reporting issuer

has purchased, redeemed or otherwise acquired any of its own securities, for so long as it hold any of its securities.

## **MANAGEMENT CONTRACTS**

Management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

## **APPOINTMENT OF AUDITOR**

The persons named as proxyholders in the form of proxy intend to vote for the continued appointment of Charlton & Company, Chartered Professional Accountants, as the Company's auditor until the next annual general meeting at a remuneration to be fixed by the Board.

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

### **Stock Option Plan**

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, a resolution to approve and confirm the Stock Option Plan until the next annual general meeting of the Company. The Stock Option Plan is described above under "Statement of Executive Compensation – Stock Options and other Compensation Securities". A copy of the Stock Option Plan may be obtained by sending a written request to the Corporate Secretary of the Company at the Company's head office located at Suite 880 - 580 Hornby Street, Vancouver, British Columbia V6C 3B6 or by email at [rebecca@malaspinaconsultants.com](mailto:rebecca@malaspinaconsultants.com).

The text of the proposed resolution to approve and confirm the Stock Option Plan (the "Stock Option Plan Resolution") is as follows:

"BE IT RESOLVED THAT the Company's Stock Option Plan is hereby approved and confirmed and that the Board of Directors of the Company be authorized to make any changes thereto as may be required by the TSX Venture Exchange."

A simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the Stock Option Plan Resolution.

The Board recommends a vote "FOR" the approval of the Stock Option Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the approval of the Stock Option Plan Resolution.

## **ADDITIONAL INFORMATION**

Additional information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). The Company will provide a copy of its financial statements and MD&A free of charge to any security

holder of the Company upon written request. Financial information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended September 30, 2021, which are also available on SEDAR.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING; HOWEVER, SHOULD ANY OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE FORM OF PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

**THIS INFORMATION CIRCULAR HAS BEEN APPROVED BY THE BOARD.**

**BY ORDER OF THE BOARD**

*"Paul Cowley"*

Paul Cowley  
President, CEO and Director

## SCHEDULE "A"

### INDIGO EXPLORATION INC.

(the "Company")

### AUDIT COMMITTEE CHARTER

(Dated for Reference September 10, 2009)

#### MANDATE

The audit committee (the "Committee") will assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reporting process, the system of internal control and the audit process.

#### COMPOSITION

The Committee shall be comprised of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company. At least one member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the term "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate and an independent director as defined in Section 1.4 of National Instrument 52-110 *Audit Committees*.

#### MEETINGS

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give Committee members 24 hours' advance notice of each meeting and the matters to be discussed at it. Notice may be given personally, by telephone, facsimile or e-mail.

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

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

participate in a meeting of the Committee by a communications medium other than telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the external auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the external auditor and management annually to review the Company's financial statements.

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

## **RESPONSIBILITIES AND DUTIES**

### ***Financial Accounting and Reporting Process and Internal Controls***

The Committee is responsible for reviewing the Company's financial accounting and reporting process and system of internal control. The Committee shall:

- (a) Review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable generally accepted accounting principles ("GAAP") and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements.
- (b) With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors and have meetings with the Company's auditors without management present, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- (c) Review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.
- (d) Review and satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, management's discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.
- (e) Review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws, before the Company publicly discloses this information.
- (f) Meet no less frequently than annually with the external auditors and the Chief Financial Officer to review accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deem appropriate.

- (g) Inquire of management and the external auditors about significant financial risks or exposures, both internal and external, to which the Company may be subject, and assess the steps management has taken to minimize such risks.
- (h) Review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- (i) Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### ***Audit***

#### External Auditor

The Committee has primary responsibility for the selection, appointment, dismissal and compensation and oversight of the external auditors, subject to the overall approval of the Board of Directors. In carrying out this duty, the Committee shall:

- (a) Require the external auditor to report directly to the Committee.
- (b) Recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment as the external auditor for the ensuing year and the compensation for the external auditors, or, if applicable, the replacement of the external auditor.
- (c) Review, annually, the performance of the external auditor.
- (d) Review and confirm the independence of the external auditor.
- (e) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the external auditor and former independent external auditor of the Company.
- (f) Pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor.

#### Audit and Review Process and Results

The Committee is directly responsible for overseeing the work by the external auditor (including resolution of disagreements between management and the external auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit or review services for the Company. The Committee shall:

- (a) Review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- (b) Review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.

- (c) Obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information with GAAP that were discussed with management, their ramifications, and the external auditors' preferred treatment.
- (d) Ensure that all material written communications between the Company and the external auditors are sent to the Committee.
- (e) Review fees paid by the Company to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- (f) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Company.

***Other***

- (a) Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.
- (b) Report regularly and on a timely basis to the Board of Directors on matters coming before the Committee.
- (c) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

**AUTHORITY**

The Committee is authorized to:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties;
- (b) to engage, at the Company's expense, independent legal counsel or other professional advisors on any matter within the scope of the role and duties of the Committee under this Charter;
- (c) to set and pay the compensation for any advisors engaged by the Committee; and
- (d) to communicate directly with the internal and external auditors of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.