

**DECADE RESOURCES LTD.**  
611 – 8th Street, Box 211  
Stewart, British Columbia V0T 1W0  
Telephone: (250) 636-2264  
Facsimile: (250) 636-2265

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the shareholders of DECADE RESOURCES LTD. (the "**Company**") will be held at 10<sup>th</sup> Floor, 595 Howe Street, Vancouver, British Columbia, on Tuesday, November 16, 2021, at the hour of 10:00 A.M. (Pacific time).

At the Meeting, the shareholders will consider resolutions, for the following purposes:

1. To receive and consider the financial statements of the Company together with the auditor's report thereon for the financial year ended April 30, 2021.
2. To fix the number of directors at four (4).
3. To elect directors for the ensuing year.
4. To appoint the auditor for the ensuing year.
5. To consider and, if thought fit, to pass an ordinary resolution approving the Company's 10% rolling stock option plan, as more fully set forth in the Information Circular accompanying this notice.

The accompanying information circular provides additional information relating to the matters to be dealt with at the meeting and is deemed to form part of this notice.

**All shareholders are entitled to attend and vote at the Meeting in person or by proxy; however, the board of directors (the "Board") is requesting that due to the current COVID-19 pandemic that all shareholders vote their shares by proxy and not attend in person. Shareholders should read, complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.**

DATED this 8 day of October, 2021.

**BY ORDER OF THE BOARD**

"Edward Kruchkowski"  
Edward Kruchkowski  
President and Chief Executive Officer

**DECADE RESOURCES LTD.**

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**INFORMATION CIRCULAR**

(As at October 8, 2021, except as indicated)

Decade Resources Ltd. (the "**Company**") is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the Annual General Meeting (the "**Meeting**") of the Company to be held on Tuesday, November 16, 2021 and at any adjournments. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

**APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. Brian Morrison, whose name is printed in the enclosed form of proxy, is a Director of the Company, and Brian Lindsay, whose name is printed in the enclosed form of proxy, is the solicitor for the Company (the "**Management Proxyholders**").

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

**VOTING BY PROXY**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

**If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

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

**COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## **NON-REGISTERED HOLDERS**

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("**NOBOs**"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**").

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

## **NOTICE-AND-ACCESS**

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

## **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "shares" or "common shares"), of which 254,001,485 shares are issued and outstanding. Persons who are registered shareholders at the close of business on October 8, 2021 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

## ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of Directors of the Company at four (4).

Pursuant to the advance notice policy of the Company adopted by the Board of Directors on April 2, 2013 (the "**Advance Notice Policy**"), any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on October 15, 2021.

The Company does not have an executive committee and is required to have an audit committee. Members of the audit committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, Jurisdiction of Residence and Position</b>	<b>Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years</b>	<b>Previous Service as a Director</b>	<b>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(2)</sup></b>
Edward Kruchkowski Calgary, Alberta, Canada President, Chief Executive Officer and Director	Businessman. President and owner, K-6 Consulting Group. Contract Geologist.	Since January 5, 2007	14,215,719 <sup>(3)</sup>
Randolph Kasum <sup>(1)</sup> Stewart, B.C., Canada Chief Financial Officer, Secretary and Director	Equipment operator, Kasum Tractor Ltd. from January, 1989 to present in seasonal winter. Mine Manager, Ranmar Ventures Ltd. from April 1997 to present in seasonal summer.	Since March 3, 2006	2,406,574 <sup>(4)</sup>
Lance Robinson <sup>(1)</sup> Nanaimo, B.C., Canada Director	President, Locar Industries from January 2007 to present.	Since January 5, 2007	98,000
Brian Patrick Morrison <sup>(1)</sup> North Vancouver, B.C. Canada Director	Self-employed business consultant from 2008 to present.	Since August 27, 2012	1,075,000 <sup>(5)</sup>

<sup>(1)</sup> Member of the audit committee.

- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 9, 2020, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.
- (3) Of these shares, 8,253,400 of these shares are held indirectly in the name of K-6 Consulting Group, a private company wholly-owned by Edward Kruchkowski.
- (4) Of these shares, 2,210,000 of these shares are held indirectly in the name of Greenback Ventures Ltd., a private company wholly-owned by Randolph Kasum.
- (5) Of these shares, 1,050,000 of these shares are held indirectly in the name of Matrik Consulting Inc., a private company wholly-owned by Brian Patrick Morrison.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:
  - (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as 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; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The following Directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer*
Edward Kruchkowski	Teuton Resources Corp.
Randolph Kasum	N/A
Lance Robinson	N/A
Brian Morrison	M3 Metals Corp. K9 Gold Corp. Letho Resources Corp. BMGB Capital Corp. Castlebar Capital Corp.

\* TSX Venture Exchange listed company.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The objectives of the Company's compensation program are to attract, hold and inspire performance by members of senior management of a quality and nature that will enhance the growth of the Company.

The independent Directors of the Company have the responsibility for determining compensation for Named Executive Officers (defined below) and other senior executives of the Company.

To determine future compensation payable, the independent Directors will review compensation paid to Named Executive Officers and other senior executives of companies of a similar size and stage of development in the Company's industry sector and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Named Executive Officers while taking into account the financial and other resources of the Company. It is expected that the Company's executive compensation program will be comprised of an annual base salary and annual bonus and, where appropriate, incentive stock options ("**Stock Options**"). The Stock Option award components of the program will be designed to reward long term commitment of executives to sustainable growth of the Company and annual salary ranges will be based on the level of responsibility and the importance of the executive's position to the Company's future objectives, the level of experience of the executive officer, and competitiveness with the base salaries paid by comparative companies.

Other than option-based awards pursuant to the Company's 10% rolling stock option plan (the "**Stock Option Plan**"), the Company does not have any long-term incentive plans, including any supplemental executive retirement plans.

### **Stock Option Plan**

The Stock Option Plan is designed to advance the interests of the Company by encouraging eligible participants, being Directors, employees, management company employees, officers and consultants, to have equity participation in the Company through the acquisition of shares.

The Stock Option Plan has been used in the past and will be used in the future to provide share purchase options which are awarded based on the recommendations of the independent Directors, taking into account the level of responsibility of the executive as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of the Company. In determining the number of Stock Options to be granted to the Company's executive officers, the Board takes into account the number of Stock Options, if any,

previously granted to each executive officer, and the exercise price of any outstanding Stock Options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange (the "TSXV") and to closely align the interests of executive officers with the interests of Shareholders. The Board determines the vesting provisions of all Stock Option grants. Please refer to "Particulars of Other Matters to be Acted Upon – *Approval and Ratification of Stock Option Plan*" in this Information Circular for more complete details regarding the Stock Option Plan.

### ***Compensation Risk Assessment and Governance***

In light of the Company's size and limited elements of executive compensation, the Board does not have a Compensation Committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company's compensation policies and practices. Also, there are no risks which have been identified in the Company's practices to date which would reasonably be likely to have a material adverse effect on the Company.

As previously mentioned, Stock Options are granted to retain executive officers and motivate the executive officers by rewarding sustained, long-term development and growth that will result in increases in Share value. There is no formal process for assessing when Stock Options are to be granted, rather they are granted at a time determined necessary by the Board, in its discretion, and are priced at market-value at the time of grant.

The Company does not permit its executive officers or Directors to hedge any of the equity compensation granted to them.

### ***Named Executive Officers***

For the purposes of the remainder of this Information Circular, a Named Executive Officer of the Company means each of the following individuals:

- (a) the Chief Executive Officer of the Company ("CEO");
- (b) the Chief Financial Officer of the Company ("CFO");
- (c) the most highly compensated executive officer of the Company other than the individuals identified in paragraphs (a), (b) and (c) above, at April 30, 2021, whose total compensation was more than \$150,000; and
- (d) each individual who would be named an executive officer under paragraph (d) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at April 30, 2021.

(collectively the "Named Executive Officers" or "NEOs").

### **Director and Named Executive Officer Compensation**

#### ***Excluding Compensation Securities***

The following table sets forth a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the two most recently completed financial years, *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 (\$)
Edward Kruchkowski <i>CEO/President/Director</i>	2021	192,000 <sup>(1)</sup>	Nil	Nil	Nil	50,000	242,000
	2020	202,930 <sup>(1)</sup>	Nil	Nil	Nil	8,437	211,367
Randolph Kasum <i>CFO/Secretary/Director</i>	2021	162,000 <sup>(1)</sup>	Nil	Nil	Nil	40,000	202,000
	2020	174,000 <sup>(1)</sup>	Nil	Nil	Nil	8,437	182,437
	2019						
Lance Robinson <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Brian Morrison <i>Director</i>	2021	36,000	Nil	Nil	Nil	30,000	66,000
	2020	96,000	Nil	Nil	Nil	Nil	96,000

(1) Management fees were invoiced by K-6 Consulting Group Ltd., a company wholly-owned by Edward Kruchkowski, and Greenback Ventures Ltd., a company wholly-owned by Randolph Kasum.

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

The Company issued compensation securities in the most recently completed financial year (April 30, 2021) for services provided or to be provided, directly or indirectly, to the Company as set out in the table below.

The following table sets forth a summary of all compensation securities paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the most recently completed financial year.

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	No. of Compensation Securities, no. of underlying securities and percentage of class	Date of issuance 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
Edward Kruchkowski <i>CEO/President/Director</i>	Stock Option	1,250,000 0.49%	June 3, 2020	\$0.05	\$0.04	\$0.05	June 3, 2025
Randolph Kasum <i>CFO/Secretary/Director</i>	Stock Option	1,000,000 0.39%	June 3, 2020	\$0.05	\$0.04	\$0.05	June 3, 2025
Brian Morrison <i>Director</i>	Stock Option	750,000 0.29%	June 3, 2020	\$0.05	\$0.04	\$0.05	June 3, 2025

#### *Exercise of Compensation Securities*

There were no compensation securities exercised by any Director and Named Executive Officer in the most recently completed financial year.

### *Employment, Consulting and Management Agreements*

During the most recently completed financial year ended April 30, 2021, the Company had no contract, agreement, plan or arrangement under which compensation was provided or is payable in respect of services provided to the Company that were: (a) performed by a Director or Named Executive Officer, or (b) performed by any other party, but are services typically provided by a Director or a Named Executive Officer, except as follows:

Pursuant to a management agreement between the Company and Edward Kruchkowski dated April 15, 2007, the Company engaged the services of Mr. Kruchkowski as Manager to act as the Company's President and CEO wherein the Company agreed to pay Mr. Kruchkowski a management fee of \$2,000 per month commencing on December 18, 2007. Commencing in 2014, these management fees were paid to K-6 Consulting Group Ltd., a company wholly-owned by Edward Kruchkowski.

Pursuant to a consulting agreement (the "**CFO Agreement**") between the Company and Randolph Kasum dated April 15, 2007, the Company engaged the services of Mr. Kasum as consultant to act as the Company's CFO wherein the Company agreed to pay Mr. Kasum a management fee of \$2,000 per month commencing on December 18, 2007. The CFO Agreement was amended on September 30, 2009 to provide that Mr. Kasum ceased to be the Company's CFO and instead agreed to provide field administrative services for the same fee. Commencing in 2014, these management fees were paid to Greenback Ventures Ltd., a company wholly-owned by Randolph Kasum.

Furthermore, during the most recently completed financial year ended April 30, 2020, the Company had no agreements or arrangements which provided for payments to a Named Executive Officer or Director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in responsibilities of the NEO or Director following a change in control.

### *Pension Plan Benefits*

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Company has no defined benefit or actuarial plans.

### **Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	11,523,000	\$0.06	10,459,290
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>11,523,000</b>	<b>-</b>	<b>10,459,290</b>

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

As at October 8, 2021, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit

or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

in relation to a securities purchase program or other program.

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

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

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

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or its subsidiaries.

#### **APPOINTMENT OF AUDITORS**

Manning Elliott LLP, Chartered Professional Accountants, of Vancouver, British Columbia, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Manning Elliott LLP as the auditors of the Company to hold office for the ensuing year.

#### **MANAGEMENT CONTRACTS**

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company. See "Employment, Consulting and Management Agreements" for disclosure on the existing management contracts between the Company and certain Directors or officers of the Company.

#### **AUDIT COMMITTEE**

##### **Audit Committee Charter**

##### **I. Mandate**

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and

the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

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

## **II. Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

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

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

## **III. Meetings**

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

## **IV. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

### **Documents/Reports Review**

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

### **External Auditors**

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

### **Financial Reporting Processes**

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

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

#### **Risk Management**

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

#### **Other**

26. Review any related-party transactions.

#### **V. Annual Work Plan**

	Spring	Fall
Review audit plan and year-end statements template	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review accounting systems and procedures	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review auditors' letter of recommendation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review financial and accounting human resources	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review Committee's charter and membership	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review and recommend year-end financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review MD&A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review external auditors' work, independence and fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Spring	Fall
Recommend auditors for the ensuing year	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Risk Management Performance	<input checked="" type="checkbox"/>	
Review and reassess the adequacy of the Code of Ethics for Financial Reporting Officers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review any proposed prospectus filings or similar filings		

### Composition of the Audit Committee

The following are the members of the Committee:

Randolph Kasum	Not Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Lance Robinson	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Brian Morrison	independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

<sup>(1)</sup> As defined by NI 52-110.

### Relevant Education and Experience

Randolph Kasum has received one year of post secondary education. He has been involved in public companies since 1999 and the stock market for over 25 years. He has been a part of Kasum Tractor Ltd, a private heavy equipment company, for over 31 years, which specializes in road construction and mineral exploration in the Stewart, British Columbia area. He has coordinated all active road construction and drill pad development on the Silver Coin Project for Mountain Boy Minerals Ltd., where he has sat on the Board of Directors and as CFO for the past 18 years. Through the managing of Kasum Tractor Ltd. and all of Mountain Boy Minerals Ltd.'s projects, he applies that knowledge as a member of the audit committee. Mr. Kasum was appointed as CFO of the Company on March 22, 2012.

Lance Robinson has received two years of post secondary education. He is a businessman and owner of heavy equipment on Vancouver Island. He has experience in business for over 26 years and public companies for over 18 years. Mr. Robinson has the business knowledge that allows him to have a complete understanding of the responsibility of the audit committee.

Brian Morrison is a self-employed management consultant to public companies and has provided services in a variety of management and financial oversight roles. He has directorships in numerous public companies. He has an in-depth knowledge of securities markets, regulatory affairs and investor/public relations. Mr. Morrison obtained a Bachelor of Commerce degree, from the University of Northern British Columbia in 2004 and completed the Canadian Securities Course in 2006.

### Audit Committee Oversight

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

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

**External Auditors Service Fees (By Category)**

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</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2021	\$25,500	Nil	\$3,500	Nil
2020	\$24,000	Nil	\$3,500	Nil

**Exemption in Section 6.1 of NI 52-110**

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

**CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

**Independence of Members of Board**

The Company's Board consists of four Directors, two of whom are independent based upon the tests for independence set forth in NI 52-110. Lance Robinson and Brian Morrison are independent. Edward Kruchkowski is not independent as he is the President and CEO of the Company. Randolph Kasum is not independent as he is the Secretary and CFO of the Company.

**Management Supervision by Board**

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance.

**Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

**Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

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

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

### **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the resource exploration industry are consulted for possible candidates.

### **Compensation of Directors and the CEO**

The independent Directors are Lance Robinson and Brian Morrison. These Directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in mineral and oil and gas exploration and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the independent Directors annually review the performance of the CEO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

### **Board Committees**

As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger Board of Directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

### **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the

individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

### **Nomination and Assessment**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

### **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

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

#### **Approval and Ratification of Stock Option Plan**

The Board of Directors of the Company implemented a Stock Option Plan effective September 19, 2011, which was approved by the TSXV and the shareholders of the Company. The number of common shares which may be issued pursuant to options previously granted and those granted under the Stock Option Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to insiders as a group is 10%, to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Under TSXV policy, all such rolling Stock Option Plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"UPON MOTION IT WAS RESOLVED that the Company approve and ratify, subject to regulatory approval, the Stock Option Plan pursuant to which the Directors may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis."

The purpose of the Stock Option Plan is to allow the Company to grant options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted. Pursuant to the Stock Option Plan, the Board of Directors may from time to time authorize the issue of options to Directors, officers employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Stock Option Plan contains no vesting requirements (other than on consultants performing investor relations activities), but permits the Board of Directors to specify a vesting schedule in its discretion. The Stock Option Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

If the optionee ceases to be an eligible person as a result of termination for cause of such optionee by the Company any outstanding option held by such optionee on the date of such termination, whether in respect of option shares that are vested or not, shall be cancelled as of that date. If the optionee ceases to be an eligible person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option then held by the optionee shall be exercisable to acquire unissued option shares at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee or, the Board of Directors of the Company may, in its sole discretion if it determines such is in the best interests of the Company, extend the expiry date of the option of an optionee to a later date within a reasonable period in accordance with TSXV Policy 4.4.

The full text of the Stock Option Plan will be available for review at the Meeting.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Stock Option Plan.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at 611 - 8th Street, Box 211, Stewart, British Columbia, V0T 1W0, Telephone: (250) 636-2264, Facsimile: (250) 636-2265 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **OTHER MATTERS**

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

DATED this 8<sup>th</sup> day of October, 2021.

APPROVED BY THE BOARD OF DIRECTORS

"Edward Kruchkowski"

Edward Kruchkowski

President and Chief Executive Officer