

## **KAPA GOLD INC.**

### **INFORMATION CIRCULAR**

THIS INFORMATION CIRCULAR CONTAINS INFORMATION AS AT JULY 7, 2022.

This Information Circular is furnished in connection with the solicitation of Proxies by the management of the Company for use at the Annual and Special General Meeting (the "Meeting") of the shareholders of KAPA GOLD INC. (the "Company") to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof.

"Beneficial Shareholders" means shareholders who do not hold Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

### **GENERAL PROXY INFORMATION**

#### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the voting common shares in the capital of the Company (the "Shares") held on a record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

#### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy are directors, officers or other representatives of the Company. A shareholder entitled to vote at the Meeting has the right to appoint a person or company, who need not be a shareholder, to attend and act for the shareholder on the shareholder's behalf at the Meeting other than either the persons or company designated in the accompanying form of proxy, and may do so either by inserting the name of that other person in the blank space provided in the accompanying form of proxy or by completing and delivering another suitable form of proxy.

#### **Voting by Proxyholder**

The persons named in the accompanying form of proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If the shareholder has specified a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. The proxy confers discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the proxy, the persons named in the accompanying form of proxy will vote the Shares represented by the proxy at their own discretion for the approval of such matter.

## Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by choosing one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered 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 proxy access number; or
- (c) log onto Computershare's website at [www.investorvote.com](http://www.investorvote.com). Registered 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 proxy access number.

Registered Shareholders must ensure the proxy is received by COMPUTERSHARE TRUST COMPANY OF CANADA, 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ON M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof, unless otherwise provided in the instructions accompanying the proxy.

## Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares, or as set out in the following disclosure, can be recognized and acted upon at the Meeting.

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for "*Objecting Beneficial Owners*") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "*Non-Objecting Beneficial Owners*").

The Company is availing itself under National Instrument 54-101 for the Company to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a Voting Instruction Form (“VIF”) from our transfer agent, COMPUTERSHARE TRUST COMPANY OF CANADA, 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ON M5J 2Y1. The VIF is to be completed and returned to the transfer agent in the envelope provided or by facsimile, or a NOBO has the option to submit their proxy vote either by telephone or via the internet in the manner described on the VIF. The transfer agent shall tabulate the results of the voting on the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by those VIFs.

These securityholder materials are sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting.

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”) in the United States and in Canada. Broadridge mails a VIF in lieu of the form of proxy provided by the Company. The VIF will name the same persons as the proxy to represent the Beneficial Shareholder at the Meeting, and that person may be the Beneficial Shareholder themselves. A Beneficial Shareholder has the right to appoint a person (who need not be a Beneficial Shareholder of the Company) other than the persons designated in the VIF, to represent the Beneficial Shareholder at the Meeting. To exercise this right, the Beneficial Shareholder should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Beneficial Shareholder receiving a VIF from Broadridge cannot use it to vote Shares directly at the Meeting - the VIF must be returned to Broadridge, as the case may be, well in advance of the Meeting in order to have the Shares voted. Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting 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 Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, Beneficial Shareholders may request in writing that their broker send to them a legal proxy which would enable them to attend at the Meeting and vote their Shares.

## Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to COMPUTERSHARE TRUST COMPANY OF CANADA, 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ON M5J 2Y1 or at the address of the registered office of the Company at Suite 1780 - 400 Burrard Street, Vancouver, B.C. V6C 3A6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a proxy may be revoked by the registered shareholder personally by attending the Meeting and voting the registered shareholder's Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "Board") has fixed as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

As of **July 7, 2022**, the Company had outstanding **55,560,744** fully paid and non-assessable Shares without par value, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, only the following person beneficially owned, directly or indirectly, or exercised control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
CDS & Co. <sup>(1)</sup>	25,708,220	46.27%

<sup>(1)</sup> The beneficial shareholders represented by this registered holder(s) are unknown.

The above information was supplied to the Company by the Company's transfer agent.

**FINANCIAL STATEMENTS**

The comparative audited financial statements of the Company for the year ended April 30, 2021 and the report of the auditor thereof will be placed before the Meeting. The audited financial statements, the report of the auditor, together with the management's discussion and analysis can be found on [www.sedar.com](http://www.sedar.com).

**VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to approve the resolutions described herein. A special resolution is a resolution passed by a majority of not less than **two-thirds (2/3rds)** of the votes cast by the shareholders who, being entitled to do so, voted in person or by proxy at the Meeting. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

**ELECTION OF DIRECTORS**

The size of the Board of Directors of the Company is currently determined at **four (4)**. The Board proposes that the number of directors remain at **four (4)**. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at **four (4)**.

Management of the Company recommends that you vote **FOR** fixing the number of directors at **four (4)**. Unless instructed otherwise, the individuals named as proxy holders in the enclosed form of proxy intend to vote any Shares represented thereby as recommended

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the British Columbia Business Corporations Act ("BCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at July 7, 2022.

Name, Present Office Held and Province or State of Residency	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised at the	Principal Occupation and if not at present an elected director, occupation during the past five (5) years
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<p><b>David K. Paxton</b>  Director and CEO  Sussex, United Kingdom</p>	<p>May 19, 2022</p>	<p>810,000</p>	<p>Mr. Paxton has been the CEO and a director of the Quantus Resources Corp. He has been a director of Pelangio Exploration Inc. since December 2017 till August 2020. Mr. Paxton trained as a mining engineer in the South African Mining Industry. From November 2008 to April 2014, Mr. Paxton served as CEO of Vatukoula Gold Mines, PLC, a UK publicly listed gold production company holding assets in Fiji.</p>
<p><b>George Nicholson</b>  Director  Langley, B.C.</p>	<p>May 19, 2022</p>	<p>2,811,706</p>	<p>Mr. Nicholson has been a director (June 2010 – present) and former President (June 2017 – November 2017) of Quantus Resources Corp. He is a director of EVI Global Group Developments Corp. (August 2014 – present). Mr. Nicholson was also a director of Canabo Medical Inc. (March 2010 – April 2013). Mr. Nicholson’s principal occupation is a geologist.</p>
<p><b>Alexander Tsakumis</b>  Director  Richmond, B.C.</p>	<p>May 19, 2022</p>	<p>1,430,282</p>	<p>Mr. Tsakumis has been a director of Quantus Resources Inc. He was the Vice President, Corporate Development of the following companies: Dolly Varden Silver Corp. (June 2017 – February 2020), Barsele Minerals Corp. (June 2017 – July 2020) and Orex Minerals Inc. (June 2017 – July 2020). Mr. Tsakumis was also a director of Cobaltech Mining Inc. (May 2017 – December 2017) and Maxtech Ventures Inc. (April 2017 – July, 2020). Mr. Tsakumis was the Vice President, Corporate Development of Timmins Gold Corp. (November 2007 – April 2017).</p>

Vivian A. Katsuris Vancouver, B.C	May 19, 2022	100,000	Ms. Katsuris has been a director of ACME Lithium Inc. since November 2020; CFO, director, and corporate secretary of Colossus Resources Corp since October 2020; director of Brascan Gold Inc. since October 2020, Zenith Capital Corporation since December 2019, and Kapa Gold Inc. (formerly Kapa Capital Inc.) since January 2018 and was also the CFO and corporate secretary until May 2022. Previously had been the president, director, and corporate secretary of Plymouth Rock Technologies Inc. (formerly, Alexandra Capital Corp.) during periods between August 2014 and February 2021, director of mCloud Technologies Corp. from April 2014 to October 2017, and director and corporate secretary of ArcPacific Resources Corp. (formerly, Plate Resources Inc.) from January 2014 to July 2016 and CFO from July 2015 to July 2016.
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Unless instructions are given to abstain from voting with respect to the election of directors, the persons named as proxy holders in the enclosed form of proxy intend to **FOR** the election of management's nominees. If, for any reason, any of the above proposed nominees are unable or unwilling to stand for election or to serve as directors, the Company may nominate such alternative nominees as it may see fit.

If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be elected.

Other than as set out above, no proposed director (including any personal holding company of a proposed director), is:

- (1) as at the date of the Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (a) was the subject of a cease trade order (including a management cease trade order which applies to directors or executive officers), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (b) was subject to an order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (2) 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;

- (3) 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
- (4) has been subject to:
  - (a) any penalties or sanctions imposed by a court relation to securities legislation or by a securities regular authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
  - (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director. 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.

## CORPORATE GOVERNANCE DISCLOSURE

The Board is committed to sound corporate governance practices which contribute to effective and efficient decision making in the interest of all shareholders.

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* 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. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

### 1. Board of Directors

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- (a) the *Business Corporations Act* (British Columbia);
- (b) the Company's articles of incorporation;
- (c) the charters of the Board and the Board committees; and
- (d) other applicable laws and Company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

Of the Company's proposed slate of **four (4)** directors, **two (2)** would be considered independent. The definition of independence used by the Board is that used by the TSX Venture Exchange. A director is independent if he has no "material relationship" with the Company. A "material relationship" is a relationship which could, in view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Certain types of relationships are by their nature considered to be material relationships.

The Board has determined that George Nicholson and Alexander Tsakumis are independent directors. David K. Paxton is not independent because he is the CEO of the Company.

The Board is responsible for determining whether or not each director is an independent director. The President, CEO, CFO and Secretary and any other officer are not considered independent. None of the other directors work in the day-to-day operations of the Company, are party to any material contracts with the Company, or receive any fees from the Company except as disclosed in this Information Circular.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.

The Board is responsible for choosing the President and CEO and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Company's major communications, including annual and quarterly reports, financing documents and press releases. The Company communicates with its stakeholders through a number of channels including its website. The Board approved the Company's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its audit committee ("Audit Committee"), examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the external auditor and management of the Company to ensure the integrity of these systems. The external auditor submits a report to the Audit Committee each year on the quality of the Company's internal control processes and management information systems.

## 2. Directorships

The following table sets forth the directors of the Company who currently hold directorships on other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Position	Exchange	From (Year/Month)	To
Alexander P. Tsakumis	American Lithium Corp.	Director	TSX.V	2021/09	Present
	Magna Gold Corp.	Director	TSX.V	2018/07	Present
	Letho Resources Corp.	Director	TSX.V	2017/12	Present
Vivian A. Katsuris	Zenith Capital Corporation	Director	TSX.V	2019-12-11	Present
	Brascan Gold Inc.	Director	CSE	2021-10-05	Present
	Colossus Resources Corp.	Director	Not listed	2022-03-31	Present
	ACME Lithium Inc.	Director	CSE	2020-11-06	Present

## 3. Orientation and Continuing Education

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

#### 4. Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

#### 5. Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

#### 6. Compensation

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of Directors with the return to shareholders. The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

#### 7. Other Board Committees

The Company has a Corporate Governance, Nominating and Compensation Committee having the following charter:

1. The committee was established to review when requested by the Board or Management and articulate the Company's corporate governance philosophy.
2. The committee if requested by the Board shall review the composition and size of the Board.

3. The committee, on an ad hoc basis, shall be responsible for implementing and monitoring the procedures in place to control flow of important information, reviewing potential candidates for Board and management vacancies and assessing and making suitable recommendations for nomination for election to the Board and also to make recommendations in regard of compensation of executive management.

#### 8. Assessments

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

## **AUDIT COMMITTEE**

### **The Audit Committee Charter**

The Audit Committee's mandate and charter can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board, in good standing, and the majority of the members of the Audit Committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.
3. Review the Audit Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of the management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the Audit Committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review and evaluate the performance of the independent auditors and review with the full Board any proposed discharge of the independent auditors.
8. Review with the management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the management and the independent auditors about significant risks or exposures facing the Company; assess the steps the management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.

11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the “quality of earnings” of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with the Management's responses thereto.
14. Review with the management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with the management the annual financial reports before they are filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of each alternative and the treatment preferred by the Company.
17. Review all material written communications between the independent auditors and the management.
18. Review with the management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the management encountered during the audit.
19. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
20. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
21. The Audit Committee will perform such other functions as assigned by law, the Company's articles, or the Board.

## Composition of the Audit Committee

Following the election of directors pursuant to this Information Circular, the following will be members of the Audit Committee:

Name	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>	Education and/or Experience
David K. Paxton	No	Yes	Director and/or officer of several other reporting issuers
George Nicholson	Yes	Yes	Director and/or officer of several other reporting issuers
Alexander Tsakumis	Yes	Yes	Director and/or officer of several other reporting issuers

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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.

## 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 (currently, Saturna Group Chartered Accountants LLP, of Vancouver, British Columbia) not adopted by the Board.

## Reliance on Certain Exemptions

During the most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of National Instrument 52-110 *Audit Committees*. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of all the non-audit services not pre-approved is reasonably expected to be no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of the Instrument, in whole or in part.

## Pre-Approval Policies and Procedures

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

### External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor during the last two financial years (for which financial statements have been prepared):

<b>KAPA GOLD INC.</b>				
<b>Financial Year Ending April 30</b>	<b>Audit Fees</b>	<b>Audit- Related</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2020	\$5,500	Nil	Nil	Nil
2021	\$5,500	Nil	Nil	Nil

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and if applicable, quarterly reviews of the Company’s consolidated financial statements. Audit Fees include 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, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. These fees relate to preparing and filing the Company’s Canadian tax return and related schedules.
- (4) “All Other Fees” includes all other non-audit services.

### Exemption

The Company is relying upon the exemption in section 6.1 of National Instrument 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

The following table discloses the fees billed to the Company’s subsidiary, Quantus Resources, by its external auditor during the last two financial years (for which financial statements have been prepared):

<b>QUANTUS RESOURCES CORP.</b>				
<b>Financial Year Ending December 31</b>	<b>Audit Fees(1)</b>	<b>Audit Related Fees(2)</b>	<b>Tax Fees(3)</b>	<b>All other Fees</b>
2021	\$23,500	Nil	Nil	Nil
2020	\$45,549	Nil	Nil	Nil

(1) The aggregate audit fees (accrual basis).

(2) The aggregate fees billed for audit related services that are reasonably related to the performance of the audit of the Company’s financial statements, which are not included under the heading “Audit Fees”.

- (3) Preparation of corporate tax returns.

## **APPOINTMENT OF AUDITOR**

Saturna Group Chartered Accountants LLP, of Vancouver, British Columbia, will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the directors.

## EXECUTIVE COMPENSATION (KAPA Gold Inc.)

### **Compensation Discussion and Analysis**

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

The following persons are considered the “**Named Executive Officers**” or “**NEOs**” for the purposes of this disclosure:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);
- (c) each of the Company’s most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the April 30, 2021 year end; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at April 30, 2021.

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

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiaries to each Named Executive Officer and director of the Company during the Company’s two most recent financial years ended April 30, 2020 and April 30, 2021.

**TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES  
(KAPA GOLD INC. for the fiscal year ended April 30, 2021)**

SUMMARY COMPENSATION TABLE							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Charalambos (Harry) Katevatis,</b> President, CEO and Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
<b>Vivian A. Katsuris, CFO,</b> Corporate Secretary and Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
<b>Alan Williams,</b> Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil

"Named Executive Officer" means each Chief Executive Officer, each Chief Financial Officer and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year and each individual who would be an NEO but for the fact that the individual was neither an executive officer of KAPA Gold Inc., nor acting in a similar capacity, at the end of that financial year.

Securities Authorized For Issuance Under Equity Compensation Plans

The following table sets forth certain information pertaining to the Company's equity compensation plan as at the end of the most recently completed financial year:

**COMPENSATION SECURITIES**  
**(KAPA GOLD INC. for the fiscal year ended April 30, 2021)**

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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**PENSION PLAN BENEFITS**

The Company does not have a pension plan or provide any benefits following or in connection with retirement.

**TERMINATION AND CHANGE OF CONTROL BENEFITS**

In fiscal year ended 2021, KAPA Gold Inc. did not have a compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 to compensate such executive officers in the event of resignation, retirement or other termination, a change of control of KAPA or its subsidiaries or a change in responsibilities following a change in control, except as disclosed herein.

**EQUITY COMPENSATION PLAN INFORMATION**  
**(KAPA GOLD INC. for the fiscal year ended April 30, 2021)**

	Number of securities to be issued upon exercise of outstanding options, warrants and rights  (#)	Weighted-average exercise price of outstanding options, warrants and rights  (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
<b>Plan Category</b>	500,000	\$0.10	11,327
<b>Equity compensation plans approved by securityholders</b>	Nil	Nil	Nil
<b>Equity compensation plans <i>not</i> approved by securityholders</b>	Nil	\$0.10	Nil

<b>Total</b>	<b>500,000</b>		<b>11,327</b>
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There are no employment contracts between KAPA Gold Inc. and the above-named executive officers other than disclosed herein or in the financial statements.

### **Management Contracts**

Management functions of the Company are not, to any degree, performed by a person or persons other than the directors or executive officers of the Company and no consulting fees were payable or paid.

### **Indebtedness of Directors and Senior Officers**

None of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, and no associates or affiliates of any of them, is or has been indebted to the Company or its subsidiaries at any time since the beginning of the Company's last completed financial year.

### **Exercise of Compensation Securities by Directors and NEOs**

During the financial year ended April 30, 2021, none of the Named Executive Officers or directors exercised any stock options.

For information about the material terms of the Company's stock option plan, please refer to the heading "*Particulars of Matters to be Acted On – Shareholder Approval of Stock Option Plan*".

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

The Company during fiscal year ended 2021 was a Capital Pool Company (CPC) under the policies of the TSX Venture Exchange ("**Exchange**") and was not permitted to pay salaries or consulting fees until completion of the Company's Qualifying Transaction, so accordingly the Company does not have any such agreements in place.

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

#### *Director compensation*

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but the Company may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the Exchange.

#### *Named Executive Officer Compensation*

The Board determines executive compensation from time to time. The Company, as a CPC, is limited by the policies of the Exchange and is not permitted to pay cash compensation until the Company completes its Qualifying Transaction. The Named Executive Officers were granted incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the Exchange.

**EXECUTIVE COMPENSATION**  
**(Quantus Resources Inc.)**

**Compensation Discussion and Analysis**

Quantus Resources is disclosing its executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*.

The following persons are considered the “Named Executive Officers” or “NEOs” for the purposes of this disclosure:

- (e) the chief executive officer (“CEO”);
- (f) the chief financial officer (“CFO”);
- (g) each of the most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the December 31, 2021 year end; and
- (h) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at December 31, 2021.

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

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiaries to each Named Executive Officer and director of the Company during the Company’s two most recent financial years ended December 31, 2020 and December 31, 2021.

**TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES  
(QUANTUS RESOURCES INC. for the fiscal year ended December 31, 2021)**

SUMMARY COMPENSATION TABLE							
Name and Principal Position of Named Executive Officer	Year Ended Dec. 31	Salary (\$)	Option-Based Awards (#/\$)	Non-Equity Incentive Plan Compensation <sup>(2)</sup>		All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)		
David K. Paxton <i>Director and Chief Executive Officer</i>	2021	18,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	18,000
	2020	33,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	33,000
Darren Prins	2021	30,750 <sup>(1)</sup>	Nil	Nil	Nil	Nil	30,750

SUMMARY COMPENSATION TABLE							
Name and Principal Position of Named Executive Officer	Year Ended Dec. 31	Salary (\$)	Option-Based Awards (#/\$)	Non-Equity Incentive Plan Compensation <sup>(2)</sup>		All Other Compensation (\$)	Total Compensation (\$)
				Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)		
Chief Financial Officer	2020	34,304 <sup>(1)</sup>	Nil	Nil	Nil	Nil	34,304
Jason Leikam President	2020	Nil	Nil	Nil	Nil	Nil	Nil

(1) Paid personally or to their service corporations.

"Named Executive Officer" means each Chief Executive Officer, each Chief Financial Officer and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year and each individual who would be an NEO but for the fact that the individual was neither an executive officer of Quantus Resources, nor acting in a similar capacity, at the end of that financial year.

Securities Authorized For Issuance Under Equity Compensation Plans

The following table sets forth certain information pertaining to Quantus Resources' equity compensation plan as at the end of the most recently completed financial year:

**COMPENSATION SECURITIES**  
(QUANTUS RESOURCES INC. for the fiscal year ended December 31, 2021)

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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**PENSION PLAN BENEFITS**

Quantus Resources does not have a pension plan or provide any benefits following or in connection with retirement.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

In fiscal year ended 2021, Quantus Resources did not have a compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 to compensate such executive officers in the event of resignation, retirement or other termination, a change of control of Quantus Resources or a change in responsibilities following a change in control, except as disclosed herein.

### EQUITY COMPENSATION PLAN INFORMATION (QUANTUS RESOURCES INC. for the fiscal year ended December 31, 2021)

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

There are no employment contracts between Quantus Resources and the above-named executive officers other than disclosed herein or in the financial statements.

### Management Contracts

Management functions of Quantus Resources are not, to any degree, performed by a person or persons other than the directors or executive officers of Quantus Resources. Quantus Resources had the following consulting agreements with management:

- a) Consulting agreement with David K. Paxton (Director) dated January 1, 2018 for a monthly fee of \$10,000 and 500,000 stock options.
- b) Consulting agreement with Mr. Prins' accounting firm, Invictus Accounting Group LLP dated for reference December 10, 2021 which will provide CFO services through Darren Prins with a projected annual remuneration of \$50,000.
- c) Consulting agreement with Anjula Trikala (Corporate Secretary) dated January 31, 2018, for a one year term, renewable upon annual review, for a monthly fee of \$2,500 and 200,000 stock options.

## **Indebtedness of Directors and Senior Officers**

None of the directors or senior officers of the Quantus Resources, no proposed nominee for election as a director of the Quantus Resources, and no associates or affiliates of any of them, is or has been indebted to the Quantus Resources or its subsidiaries at any time since the beginning of Quantus Resources last completed financial year.

## **NARRATIVE DISCUSSION**

Under the Company's current 10% Stock Option Plan (the "**Current Plan**"), the Board may grant up to 10% of the issued and outstanding number of shares as of the date of grant. The following is a summary of the material terms of the Current Plan:

1. The options are non-assignable and non-transferable (except that the Optionee's heirs or administrators can exercise any portion of the outstanding option, up to one year from the Optionee's death).
2. The number of shares subject to each option is determined by the Board of Directors provided that the Current Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12 month period, result in:
  - (a) the number of options granted to any one Person exceeding 5% of the issued shares of the Company; or
  - (b) the number of options granted to any one Consultant exceeding 2% of the issued shares of the Company; or
  - (c) the number of options granted to all Persons retained to provide Investor Relations Activities of a number shares exceeding 2% of the issued shares of the Company.
3. The exercise price of an option may not be set at less than Discounted Market Price.
4. The options may be exercisable for a period of up to 5 years, (subject to extension where the expiry date falls within a "blackout period").
5. Disinterested shareholder approval will be obtained for any reduction in the exercise price if the Optionee is an Insider of the Company at the time of the proposed amendment.
6. For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
7. Any options granted to any Optionee who is a Director, Employee, Consultant or Management Company Employee must expire within a reasonable period following the date the Optionee ceases to be in that role (in general, the Exchange considers anything not exceeding 12 months to be a reasonable period for these purposes).

**Shareholders will be asked to pass the following, ordinary resolution, approving the Company's Current Plan:**

**"IT IS RESOLVED, AS AN ORDINARY RESOLUTION approving the 10% Stock Option Plan of the Company, as more particularly described in the accompanying Information Circular and to authorize the**

**Directors to make modifications thereto in accordance with the Plan and the policies of the TSX Venture Exchange.**

#### **PENSION PLAN BENEFITS**

The Company does not have a pension plan or provide any benefits following or in connection with retirement.

#### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

Neither the Company or any of its subsidiaries has any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of employment of the executive officers' employment with the Company and its subsidiaries or from a change of control of the Company or any subsidiary of the Company or a change in the executive officers' responsibilities following a change in control.

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

Other than as disclosed hereunder, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end most recently completed financial year or as at the date hereof.

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

For purposes of the following discussion, “**Informed Person**” means (a) a Director or Executive Officer of the Company; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company's financial statements for the financial years ended April 30, 2020 and April 30, 2021, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the years ended April 30, 2020 and April 30, 2021, or has any interest in any material transaction in the current year other than as set out herein.

## **MANAGEMENT CONTRACTS**

Except as set out herein, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is included in the Company's audited comparative financial statements for the year ended April 30, 2021 and the prior fiscal year, the auditor's report and related management discussion and analysis. Copies of such statements and the Company's most current interim financial statements and related management discussion and analysis, and additional copies of this proxy circular, may be obtained from SEDAR at [www.sedar.com](http://www.sedar.com) and upon request from the Company's Secretary at the address of the Company.

## **OTHER MATTERS**

The Directors are not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular.

**DATED July 7, 2022.**

**BY ORDER OF THE BOARD OF DIRECTORS**

**"Dave K. Paxton"**

**Dave K. Paxton,  
CEO**