LABRADOR GOLD CORP.

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

WITH RESPECT TO

THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 27, 2024

Dated May 15, 2024

These materials are important and require your immediate attention. They require the shareholders of Labrador Gold Corp. to make important decisions. Please carefully read this Management Information Circular, including the schedules hereto, as they contain detailed information relating to, among other things, the Transaction as defined in this Management Information Circular. If you are in doubt as to how to deal with these materials or the matters they describe, please consult your broker, lawyer or other professional advisor.

Neither the TSX Venture Exchange Inc. nor any other securities regulatory authority has in any way passed upon the merits of the Transaction described in this Management Information Circular and any representation to the contrary is an offence.

Labrador Gold Corp.
The Canadian Venture Building
82 Richmond Street East
Toronto, Ontario
M5C 1P1

May 15, 2024

Dear Shareholder,

As you know, Labrador Gold, or LabGold, has entered into a Property Purchase Agreement with New Found Gold to sell the Kingsway Project to them for $20 million in New Found Gold common shares. The details of the transaction are presented elsewhere in this circular, but I would like to outline for you why I think it is in the best interest of shareholders of LabGold and how we came to this agreement.

The benefits of the proposed sale to shareholders are the ownership in a company that will have a significant cash position of approximately $6 million and marketable securities that will be worth $20 million at the time of closing. This is far better than many junior exploration companies that are currently struggling to raise money and consequently lack the funds to carry out significant exploration. The New Found Gold common shares give us the optionality of holding them as an investment that could grow in value if New Found Gold continues making discoveries at Queensway and has success at Kingsway, especially if the gold price appreciates. Alternatively, the shares could be monetized and used to acquire and explore an advanced stage project.

Shareholders will also have continued exposure to our district-scale, 100% owned Hopedale property that covers 40km strike length of an Archean greenstone belt. Such greenstone belts are prolific hosts of gold mineralization elsewhere in Canada and the rest of the world. But the Florence Lake greenstone belt is significantly underexplored with LabGold having carried out most of the exploration in the belt in recent times. Since working at Hopedale, we have discovered significant gold, copper and nickel prospects that we will be working on again this year to get them drill ready.

The Board of Directors met in November to assess our ongoing exploration at Kingsway and specifically to discuss whether or not we could expect more significant results than we had seen to date, and more along the lines that New Found Gold had achieved on their Queensway project to the south. Based on the amount of drilling we had done, and the results obtained, we decided that significantly more drilling would be required to obtain different results.

Since we were spending almost $1 million per month on the drilling program, we had about seven months left before we would need to raise money. The fact is, outlining a deposit in this type of gold system takes a lot of drilling which requires significant funding. We did our best over the past three years, and made several discoveries, but were unable to replicate the long intervals of high-grade mineralization similar to those seen at Queensway. Except for the summer of 2021, when all companies working in Newfoundland were trading at high valuations, LabGold was not rewarded by the market for the results we achieved.

Any deal has to be done in the context of the market. Shortly after the PDAC Convention in early March, our market capitalization was approximately $23 million. Our cash in the bank was $6.6 million. So, taking the cash out left $16.4 million for all four properties. Based on the carrying value of the properties on December 31, 2023, Kingsway represented 83.7% of that value, or $13.73 million. So, the negotiated price of $20 million for Kingsway was $6.27 million (or 46%) higher than what the market thought it was worth at the time.

As I hope you will agree, the LabGold team worked hard to create value at Kingsway over the past four years. We did exactly what we set out to do, generate targets and drill them to find gold. I am proud of the success we had, having generated nine targets from scratch, drilled them and found significant gold mineralization in seven of them. But we can't fight the market, which has been difficult for a couple of years now. While some believe that things will improve towards the end of the year, we also can't rely on optimistic scenarios for some future date that may or not come to pass. We need to make decisions based on the facts at hand, which is exactly what we did in this case.

As such, the Board of Directors believes the sale of the Kingsway Project, as laid out in this circular, is in the best interests of the shareholders, and unanimously recommend that shareholders vote for the sale.

Yours Sincerely,

"Roger Moss"

ROGER MOSS
President and CEO
Labrador Gold Corp.

LABRADOR GOLD CORP.
82 RICHMOND STREET EAST
TORONTO, ONTARIO
M5C 1P1

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of Shareholders (the "**Meeting**") of Labrador Gold Corp. ("**LabGold**" or the "**Corporation**") will be held at the offices of **Gardiner Roberts LLP, Bay-Adelaide Centre- East Tower, 22 Adelaide Street West, Suite 3600, Toronto, Ontario, M5H 4E3, in the Islands Boardroom, at the hour of 11:00 o'clock in the morning (Toronto time), on Thursday, the 27th day of June, 2024** for the following purposes:

(1) to elect the Directors as nominated by Management;

(2) to appoint DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;

(3) to ratify the Corporation's 2023 Stock Option Plan;

(4) to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Transaction Resolution**") of the Corporation, the full text of which is set forth in the accompanying management information circular of the Corporation dated May 15, 2024 (the "**Circular**"), approving the sale of the Kingsway Project, being substantially all of the assets of the Corporation (the "**Disposition**"), in accordance with Section 184(3) of the *Business Corporations Act* (Ontario) ("**OBCA**") as contemplated in the Property Purchase Agreement between the Corporation and New Found Gold Corp.; and

(5) to transact such further and other business as may properly come before the said Meeting or any adjournment or postponement thereof.

A copy of the Circular, the audited financial statements of the Corporation for the fiscal years ended September 30, 2023 and 2022 (the "**Annual Financial Statements**") and the Corporation's management's discussion and analysis for the fiscal year ended September 30, 2023 (the "**Annual MD&A**") accompany this Notice of Meeting.

Shareholders entitled to vote who do not expect to be present at the Meeting are urged to date, sign and return the form of Proxy or voting instruction form delivered to them with the Notice-and-Access Notification (defined below).

NOTICE-AND-ACCESS

LabGold has elected to use the "notice-and-access" provisions under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting in respect of mailings to its non-registered shareholders ("**Beneficial Shareholders**") but not in respect of mailings to its Registered Shareholders. The Notice-and-Access Provisions are rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

LabGold has also elected to use procedures known as 'stratification' in relation to its use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Notice of Meeting, Circular, the Annual Financial Statements and Annual MD&A and other meeting materials (collectively the "**Meeting Materials**") to some shareholders. In relation to the Meeting, Registered Shareholders will receive a paper copy of the Meeting Materials and a form of proxy; whereas, Beneficial Shareholders will receive a notification (the "**Notice-and-Access Notification**") with information on how they may access the Meeting Materials electronically along with a voting instruction form. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and will also reduce the cost of printing and mailing materials to shareholders. Furthermore, a paper copy of the Annual Financial Statements and Annual MD&A will be mailed to those Beneficial Shareholders who have previously requested to receive them. **Shareholders are reminded to view the Meeting Materials prior to voting.**

Websites Where Meeting Materials Are Posted:

Meeting Materials can be viewed online under the Corporation's profile at www.sedarplus.com or on https://docs.tsxtrust.com/2339.

How to Obtain Paper Copies of the Meeting Materials

Beneficial Shareholders may request paper copies of the Meeting Materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Meeting Materials are posted on the Corporation's website. In order to receive a paper copy of the Meeting Materials or if you have questions concerning Notice-and-Access, please call TSX Trust toll free at 1-866-600-5869 or email TSX Trust at tsxtis@tmx.com.

Requests should be received by Tuesday June 18, 2024 in order to receive the Meeting Materials in advance of the proxy deposit date and Meeting.

RECORD DATE AND PROXY DELIVERY DATE

The Board of Directors of the Corporation has, by resolution, fixed the close of business on May 15, 2024 as the Record Date, being the date for determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting or any adjournment thereof.

The Board of Directors of the Corporation has, by resolution, fixed the hour of 11:00 a.m. in the morning (Toronto time) on Tuesday, June 25, 2024, being not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the day of the Meeting, or any adjournment thereof, as the time before which the instrument of proxy to be used at the Meeting must be deposited with the Transfer Agent of the Corporation, TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 provided that a proxy may be delivered to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time for voting to revoke a proxy previously delivered in accordance with the foregoing.

RIGHT OF DISSENT

Registered shareholders (the "**Shareholders**") of common shares of the Corporation (the "**LabGold Shares**") have the right to dissent with respect to the Transaction Resolution, if the Transaction Resolution becomes effective, and to be paid the fair value of their LabGold Shares in accordance with the provisions of Section 185 of the *Business Corporations Act* (Ontario) (the "**OBCA**"). A Shareholder's right to dissent is more particularly described in the Circular. The text of section 185 of the OBCA is set forth in **Schedule "C"** to the accompanying Circular. A dissenting Shareholder must send a written objection to the

Transaction Resolution, which written objection must be received by LabGold's Corporate Secretary at Suite 3600 – 22 Adelaide Street West, Toronto, ON M5H 4E3, Attention: William R. Johnstone or the Chairman of the Meeting on or before the date of the Meeting.

Failure to strictly comply with the requirements set forth in Section 185 of the OBCA may result in the loss of any right to dissent. Persons who are beneficial owners of LabGold Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of LabGold Shares are entitled to dissent. Accordingly, a beneficial owner of LabGold Shares desiring to exercise the right to dissent must make arrangements for the LabGold Shares beneficially owned by such holder to be registered in the holder's name prior to the time the written objection to the Transaction Resolution is required to be received by LabGold or, alternatively, make arrangements for the registered holder of such LabGold Shares to dissent on behalf of the holder.

Shareholders entitled to vote who do not expect to be present at the Meeting are urged to date, sign and return the form of proxy or voting instruction form delivered to them with the Notice-and-Access Notification.

DATED the 15th day of May, 2024.

BY ORDER OF THE
BOARD OF DIRECTORS

"Roger Moss"

ROGER MOSS
President and CEO

TABLE OF CONTENTS

LIST OF SCHEDULES

GLOSSARY OF DEFINED TERMS

Unless the context otherwise provides, the following terms used in this Circular and Schedules hereto shall have the meanings ascribed to them as set forth below, in addition to other terms defined elsewhere in this Circular.

"**A&R Royalty Agreement**"	means the royalty agreement between the Royalty Holder and NFG with respect to the Existing Royalties and the Remaining Expenditure Target Payment.
"**Acquisition Proposal**"	means, other than the transactions contemplated by the Property Purchase Agreement, any offer, proposal or inquiry from any Person or group of Persons, whether or not in writing and whether or not delivered to the Shareholders, after the date hereof relating to: (a) any acquisition or purchase, direct or indirect, of: any of the Purchased Assets; (b) 20% or more of any voting or equity securities of LabGold; (c) any take-over bid, tender offer or exchange offer that, if consummated, would result in such Person or group of Persons beneficially owning 50% or more of any class of voting or equity securities of LabGold; or (d) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving LabGold.
"**Affiliate**"	means, with respect to any Person, any other Person who directly or indirectly controls, is controlled, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate.
"**Authorization**"	means with respect to any Person, any order, permit, approval, consent, waiver, licence, registration or similar authorization of any Governmental Entity having jurisdiction over the Person.
"**Books and Records**"	means all information in any form relating to the Purchased Assets, including, without limitation, books of account, personnel records, sales and purchase records, supplier lists, reports and records, business reports, plans and projections, equipment logs, operating guides and manuals and all other documents, files, correspondence, Authorizations, environmental management systems (including data collected for the purpose of compliance with Environmental Laws and the preparation of reports to Governmental Entities) and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).
"**Business Day**"	means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Vancouver, British Columbia.
"**Change in Recommendation**"	shall have the meaning ascribed to such term on **page 46** of the Circular.
"**Circular**"	means this management information circular sent to the Shareholders in connection with the Meeting.
"**Closing**"	means the closing of the purchase and sale of the Purchased Assets.
"**Closing Date**"	means five (5) Business Days following the date on which all of the conditions precedent to the completion of the Transaction have been satisfied or waived in accordance with the Property Purchase Agreement, or such earlier or later date as the Parties may agree in writing, such date to occur not later than the Outside Date.
"**Consideration Shares**"	means that number of NFG Shares determined by dividing the Purchase Price by

	the Issue Price.
"**Contract**"	means any agreement, commitment, engagement, contract, franchise, licence, lease, obligation, undertaking or joint venture (written or oral) relating to the Purchased Assets and to which LabGold is a party or by which LabGold is bound or under which it has rights or obligations.
"**Deed of Conveyance**"	has the meaning ascribed thereto on **page 44** of the Circular.
"**Dissent Rights**"	means the rights of dissent in respect of the Transaction provided for under Section 185 of the OBCA.
"**Encumbrance**"	means any encumbrance of any kind whatsoever on property including any privilege, mortgage, hypothec, lien, charge, pledge, security interest, adverse claim or any other option, right or claim of others of any kind whatever, whether contractual, statutory or otherwise, arising.
"**Environment**"	means soil, land surface or subsurface strata, surface waters (including navigable waters, ocean waters, streams, ponds, drainage basins and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life, sewer system, and any other environmental medium or natural resource and the environment in the workplace.
"**Environmental Laws**"	means all Laws and agreements with Governmental Entities and all other statutory requirements relating to the Environment, public health and safety, noise control, pollution, reclamation or the protection of the Environment or to the generation, production, installation, use, storage, treatment, disposal, handling, transportation, Release or threatened Release of Hazardous Substances, including civil responsibility for acts or omissions with respect to the Environment, and all Authorizations issued pursuant to such Laws, agreements or other statutory requirements.
"**Existing Royalties**"	shall have the meaning ascribed to such term on **page 32** of the Circular.
"**Governmental Entity**"	means (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.
"**GST/HST**"	means the goods and services tax and harmonized sales tax imposed under Part IX of the Excise Tax Act (Canada) and its regulations made thereunder.
"**Hazardous Substances**"	means any element, waste or other substance, whether natural or artificial and whether consisting of gas, liquid, solid or vapor that is prohibited, listed, defined, judicially interpreted, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials or any substance which is regulated under Environmental Laws.
"**IFRS**"	means International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

"**Issue Price**"	means the closing price of the NFG Shares on the TSXV on the last trading day prior to the Closing Date.
"**Kingsway Mining Licences**"	means mineral licences 027636M and 027637M acquired by LabGold pursuant to the Kingsway Option Agreement.
"**Kingsway Option Agreement**"	means the Kingsway option agreement, dated August 18, 2020, between LabGold and the Royalty Holder.
"**Kingsway Project**"	means the Mineral Licences.
"**Kingsway Report**"	means the technical report with respect to the Mining Property, dated April 16, 2024 with an effective date of March 14, 2024, prepared by Tanya Tettelaar, M,Sc., P.Geo.
"**knowledge**"	means, with respect to (i) the Purchaser, the actual knowledge of Michael Kanevsky, the Chief Financial Officer of the Purchaser or Greg Matheson, Chief Operating Officer of the Purchaser and a "Qualified Person" under NI 43-101, and (ii) LabGold, John Clarke, Project Manager of LabGold and Roger Moss, President and Director of LabGold, a "Qualified Person" under NI 43-101 in each case, after making reasonable inquiry to inform himself or herself as to the relevant matter, but without any obligation to make any inquiries of any other person, including Governmental Entities, and without the requirement to perform any search of any public registry office or system and includes the knowledge that the applicable individual would have had if such reasonable enquiry had been conducted.
"**LabGold**"	means Labrador Gold Corp., a corporation existing under the laws of Ontario.
"**LabGold Board**"	means the board of directors of LabGold.
"**LabGold Shares**"	means the common shares of LabGold.
"**Law**"	means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.
"**Material Adverse Effect**"	means any fact or state of facts, circumstance, change, effect, occurrence or event which individually or in the aggregate is, or individually or in the aggregate could reasonably be expected to: (i) with respect to LabGold, be material and adverse to the Purchased Assets; (ii) with respect to the Purchaser, be material and adverse to the business of the Purchaser taken as a whole; or (iii) prevent, or materially delay or hinder LabGold or the Purchaser, as applicable, from performing its obligations under the Property Purchase Agreement; provided, however, that no fact or state of facts, circumstance, change, effect, occurrence or event arising from or relating to any of the following shall be deemed to constitute a Material Adverse Effect, or shall be taken into account in determining whether a Material Adverse Effect has occurred: (a) any change or condition generally affecting the mining industry, (b) the state of the securities, credit, banking, capital or commodity markets in general, (c) any change in the price of gold, any change relating to the rate at which any currency can be exchanged for any other currency, (e) general political, economic or financial conditions, including in Canada or the United States, (f) any adoption, implementation, change or proposed change in applicable Laws or accounting standards (or in any

	interpretation of applicable Laws or accounting standards), (g) any natural disaster or general outbreak of illness, (h) any terrorist attack, armed hostilities, military conflicts, or any governmental responses to any of the foregoing, or (i) the announcement or execution of the Property Purchase Agreement or the implementation of the transactions contemplated herein, except, in the case of subparagraphs (a), (e), (f), (g) or (h) where such fact or state of facts, circumstance, change, effect, occurrence or event has a materially disproportionate effect on the Purchased Assets or the Purchaser, as applicable, taken as a whole, relative to other comparable operations or companies, as applicable in the mining industry generally.
"**MCR**"	means the Mineral Claims Recorder for the Province of Newfoundland and Labrador.
"**Meeting**"	means the Annual General and Special Meeting of the Shareholders, including any adjournment or postponement thereof, to be called and held to consider resolutions to approve the Meeting Matters.
"**Meeting Matters**"	means, *inter alia*, the following items to be presented for approval by the Shareholders at the Meeting, as a condition of the completion of the Transaction: (a) the sale of the Purchased Assets in accordance with the terms of the Property Purchase Agreement; and (b) such other matters as shall properly come before the Meeting, or as may be required by the TSXV in order to give effect to the transactions contemplated by the Property Purchase Agreement.
"**Mineral Act**"	means the *Mineral Act*, SNL 1990 c.M-12.
"**Mineral Licences**"	means mineral licences 027636M, 027637M, 023940M and 035204M issued pursuant to the Mineral Act.
"**Mineral Rights**"	means the rights to prospect and explore for, to develop and to mine minerals on, in or under any lands.
"**Mining Property**"	means the property commonly known as the "Kingsway Project" property or project, comprised of the Mineral Licences, together with all renewals or extensions thereof and all Mineral Rights, surface, water and ancillary or appurtenant rights attached or accruing thereto.
"**Misrepresentation**"	has the meaning ascribed thereto under Securities Laws.
"**NFG**"	means the Purchaser.
"**NFG Shares**"	means common shares in the capital of the Purchaser.
"**NI 43-101**"	means National Instrument 43-101- *Standards of Disclosure for Mineral Projects.*
"**NYSE American**"	means the NYSE American, LLC.
"**OBCA**"	means the Business Corporations Act (Ontario) as from time to time amended or re-enacted.
"**Ordinary Course**"	means, with respect to an action taken by LabGold, that such action is consistent with the past practices of LabGold and is taken in the ordinary course of the

normal day-to-day operations of the business of LabGold.

"**Outside Date**" means October 18, 2024.

"**Parties**" means, collectively, the Purchaser and LabGold, and "**Party**" means either of them.

"**Permitted Encumbrance**" means, in respect of the Purchased Assets:

(a) the reservations, limitations, provisos and conditions expressed in any original grant from a Governmental Entity;

(b) agreements with any Governmental Entity and any public utilities or private suppliers of services that in each case, and in the aggregate, do not materially detract from the value or materially interfere with the use of the real or immovable property subject thereto, provided that same have been complied with;

(c) liens for Taxes and utilities which are not due or in arrears; and

(d) the Existing Royalties.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Property**" means, collectively, the Mining Property and the Real Property.

"**Property Purchase Agreement**" means the agreement between NFG and LabGold dated April 21, 2024 relating to the Transaction.

"**Purchase Price**" means $20,000,000.

"**Purchased Assets**" means the Mineral Licences and the Real Property.

"**Purchaser**" means New Found Gold Corp., a corporation existing under the laws of British Columbia.

"**Real Property**" means Lots 33, 34, 35 and 36 Simms Road in the Town of Appleton, together with all ancillary or appurtenant rights attached or accruing thereto.

"**reclamation**" means the reclamation, restoration or closure of any facility or land utilized in any exploration, mining or processing operation required by any Law or any franchises, approvals, authorizations, permits, licenses, easements, registrations, qualifications, leases, variances and similar rights obtained from any governmental authority, including those required under Environmental Law.

"**Records**" means all records and documents in the possession and control of LabGold relating to the Kingsway Project.

"**Release**" has the meaning prescribed in any Environmental Law and includes any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the Environment or migration of a Hazardous Substance into or through the Environment or into or out of any lands or waters, including the movement of a

	Hazardous Substance through or in any part of the Environment.
"**Remaining Expenditure Target Payment**"	means the remaining $750,000 payment due to the Royalty Holder under the Kingsway Option Agreement.
"**Representatives**"	means, with respect to a Person, such Person's Affiliates or any officer, director, employee, representative, advisor or agent of such Person or any of its Affiliates.
"**Required Consents and Approvals**"	means approval of the TSXV, the NYSE American and approval of the Shareholders to the Meeting Matters.
"**Royalty Holder**"	means collectively, Shawn Ryan and Wildwood Exploration Inc.
"**Securities Act**"	means the *Securities Act* (British Columbia).
"**Securities Laws**"	means the Securities Act and all rules, regulations, published notices and instruments thereunder, and all comparable Securities Laws in each of the provinces and territories of Canada.
"**Shareholders**"	means, at any time, the holders of common shares of LabGold.
"**Subsidiary**"	means, with respect to a Person, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such Person and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to subsidiary.
"**Superior Proposal**"	means a bona fide, unsolicited, written Acquisition Proposal made by a third party or group of Persons with whom LabGold and each of its officers and directors deals at arm's length to, directly or indirectly, acquire assets that individually or in the aggregate constitute all or substantially all of the assets (on a consolidated basis) of LabGold or not less than all of the common shares of LabGold, whether by way of merger, amalgamation, statutory arrangement, share exchange, take-over bid, tender offer, business combination, or otherwise, and that the LabGold Board determines in good faith after consultation with its financial advisors and outside legal counsel: (a) is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the Person or group of Persons making such proposal; (b) is not subject to any due diligence condition; (c) is not subject to any finance condition and is fully financed; (d) is offered or made to all Shareholders on the same terms and conditions; and (e) would, in the opinion of the LabGold Board acting in good faith, if consummated in accordance with its terms (without assuming away the risk of non-completion), result in a transaction more favourable to the Shareholders from a financial point of view, than the Transaction (including any amendments proposed by the Purchaser pursuant to paragraph (b) of the Right to Accept a Superior Proposal on **page 47** of the Circular.
"**Tax Act**"	means the *Income Tax Act* (Canada).
"**Taxes**"	means, with respect to any Person, (a) any and all supranational, national, federal, provincial, state, local or other taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness,

	surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions, global minimum or "Pillar 2" taxes, GST/HST and any requirement to pay or repay any amount to a Governmental Entity in respect of a tax credit, refund, rebate, governmental grant or subsidy, overpayment, or similar adjustment of Taxes; (b) all interest, penalties, fines, instalments, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of or in lieu of amounts of the type described in clause (a) above or this clause (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.
"**Termination Fee**"	means an amount equal to $500,000.
"**Transaction**"	means, collectively, the transactions contemplated by the Property Purchase Agreement in relation to the purchase of the Purchased Assets by the Purchaser and the sale of the Purchased Assets by LabGold, as contemplated therein.
"**Transaction Resolution**"	has the meaning ascribed to it in the Notice of Meeting.
"**Transfer Instruments**"	has the meaning ascribed thereto on **page 44** of the Circular.
"**TSXV**"	means the TSX Venture Exchange.
"**Voting Agreements**"	means the voting and support agreements (including all amendments thereto) between the Purchaser and each of the officers and directors of LabGold.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Circular and the documents incorporated by reference herein contain certain statements or disclosures that may constitute forward-looking information or statements (collectively, "forward-looking information") under applicable Securities Laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that management of LabGold anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as "forecast", "future", "may", "will", "expect", "anticipate", "believe", "could", "potential", "enable", "plan", "continue", "contemplate", "pro forma" or other comparable terminology.

Forward-looking information presented in this Circular includes statements or disclosures which, among other things, relate to: completion of the Transaction and satisfaction of the closing conditions relating thereto, the anticipated benefits from the Transaction, the expected completion and implementation date of the Transaction; certain combined operational and financial information, the nature of the operations following the Transaction, future exploration and development at the Kingsway Project and the Queensway Project of NFG, sources of funds, forecasts of capital expenditures, including general and administrative expenses, and the sources of the financing thereof, expectations regarding the ability to raise capital, the business outlook following the Transaction, plans and objectives of management for future operations, forecast business results, and anticipated financial performance and the value of the Consideration Shares.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to LabGold, including information obtained from third party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this Circular in connection with the statements or disclosure containing the forward-looking information. You are

cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to:

- the approval of the Transaction by the Shareholders;
- the receipt of all required regulatory approvals, including approval of the TSXV, to complete the Transaction;
- satisfaction of the conditions to closing of the Transaction;
- no unforeseen changes in the legislative and operating framework for the business of LabGold or NFG;
- a stable competitive environment; and
- no significant event occurring outside the ordinary course of business such as a natural disaster or other calamity.

The forward-looking information in statements or disclosures in this Circular is based (in whole or in part) upon factors which may cause actual results, performance or achievements of LabGold to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Those factors are based on information currently available to LabGold, including information obtained from third-party sources. Actual results or outcomes may differ materially from those predicted by such statements or disclosures. While LabGold does not know what impact any of those differences may have, its business, results of operations, financial condition and credit stability may be materially adversely affected. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things:

- the inability of LabGold, for any reason, to complete the Transaction, including the failure to obtain required shareholder approval or the failure of LabGold to satisfy all of the conditions to closing as set out in the Property Purchase Agreement;
- the timing and unpredictability of regulatory actions;
- a downturn in general economic conditions;
- the loss of key management or technical personnel;
- the inability to locate and acquire additional projects;
- exploration, development and operating risks;
- substantial capital requirements and liquidity;
- regulatory, legal or other setbacks with respect to LabGold's operations or business;
- fluctuating mineral prices and the marketability of minerals, the uncertainty in commodity prices and market volatility;
- regulatory, permit and license requirements;
- financing risks and dilution to shareholders;
- claims by indigenous peoples;
- environmental risks;
- local resident concerns;
- conflicts of interest;
- uninsurable risks; and
- litigation and other factors beyond the control of LabGold.

LabGold is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by Securities Laws. Because of the risks, uncertainties and assumptions contained herein,

security holders should not place undue reliance on forward-looking statements or disclosures. The foregoing statements expressly qualify any forward-looking information contained herein.

The reader is further cautioned that the preparation of financial statements in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes. Please refer to the notes to the financial statements appended to this Circular for additional details regarding such judgments, estimates and assumptions.

LabGold cautions you that the above list of risk factors is not exhaustive. Other factors which could cause actual results, performance or achievements of LabGold to differ materially from those contemplated (whether expressly or by implication) in the forward-looking statements or other forward-looking information contained herein are disclosed in LabGold's publicly filed disclosure documents, including those disclosed under "Risk Factors" in this Circular.

DATE OF INFORMATION

Except as otherwise indicated in this Circular, all information disclosed in this Circular is as of May 15, 2024 and the phrase "as of the date hereof" and equivalent phrases refer to such date.

CURRENCY

In this Circular, all dollar amounts are expressed in Canadian dollars, except as otherwise indicated. References to "$" or "dollars" are to Canadian dollars and references to "US$" are to United States dollars.

SUMMARY

The following is a summary of information relating to LabGold (assuming completion of the Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular. This summary is provided for convenience only and is qualified in its entirety by the more detailed information appearing elsewhere in the Notice of Meeting and this Circular, including the Schedules hereto and the documents incorporated by reference herein.

THE MEETING

Time, Date and Place of Meeting

The Meeting will be held at the offices of Gardiner Roberts LLP Bay Adelaide Centre-East Tower, 22 Adelaide Street West, Suite 3600, Toronto, M5H 4E3, in the Islands Boardroom on Thursday June 27, 2024 at 11:00 a.m. (Eastern Daylight Time).

The Record Date

The Record Date for determining the Shareholders eligible to vote at the Meeting is May 15, 2024

Purpose of the Meeting

This Circular is furnished in connection with the solicitation of proxies by management of LabGold for use at the Meeting.

At the Meeting, the Shareholders will be asked to consider and approve: the election of directors as nominated by Management for the ensuing year; the appointment of DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Corporation for the ensuing year and authorizing the directors to fix their remuneration; ratifying the 2023 Stock Option Plan; to consider and, if deemed advisable, to pass, with or without variation, the Transaction Resolution, the full text of which is set forth this Circular, approving the sale of the Kingsway Project, being substantially all of the assets of the Corporation (the "**Disposition**"), in accordance with Section 184(3) of the OBCA as contemplated in the Property Purchase Agreement between the Corporation and New Found Gold Corp.; and such other matters as may properly be brought before the Meeting or any adjournment or postponement thereof. See "Particulars of Matters to be Acted Upon at the Meeting" and "Description of the Transaction".

THE TRANSACTION

The proposed sale of the Kingsway Project constitutes the sale of substantially all of the assets of the Corporation which requires the approval of 66 2/3% of the Shareholders voting at the Meeting, excluding the votes of NFG and its Associates and Affiliates. Pursuant to the Property Purchase Agreement, NFG will acquire a 100% interest in the Kingsway Project, including all property and mining rights associated with the property, in exchange for the Purchase Price payable and satisfied by the delivery to LabGold of the Consideration Shares. The Consideration Shares will be subject to a resale restriction of four months and one day from the closing of the Transaction. For further particulars, see **pages 29 to 32** under the headings "Particulars of Matters to Be Acted Upon – Approval of the Sale of the Kingsway Project" and "Particulars of Matters to Be Acted Upon – Rights of Dissenting Shareholders", **pages 32 to 40** under the heading "Description of the Transaction" and **pages 40 to 51** under the heading "The Transaction Agreement".

The principal asset of the Corporation following the closing of the Transaction will be the Consideration Shares. For details relating to NFG, reference is made to **Schedule "E"** to this Circular setting out particulars of NFG. The information in **Schedule "E"** has been prepared and provided by NFG. Pursuant to the terms of the Property Purchase Agreement, NFG is required to ensure that the information it has provided in **Schedule "E"** does not contain any Misrepresentation.

RECOMMENDATION OF THE LABGOLD BOARD

The LabGold Board has considered the proposed Transaction on the terms and conditions as provided in the Property Purchase Agreement and has unanimously concluded that the Transaction is in the best interests of the Corporation and fair, from a financial point of view, to the shareholders of the Corporation.

Accordingly, the LabGold Board recommends that shareholders vote for the Transaction Resolution.

In reaching their determination, the LabGold Board considered information with respect to the business and affairs of LabGold and NFG, and particulars of the Kingsway Project. See heading "Description of the Transaction – Recommendation of the Board of Directors".

SHAREHOLDER APPROVAL

The Transaction Resolution must be approved, with or without variation, by the affirmative vote of a 66⅔ of the votes cast at the Meeting by the Shareholders excluding the votes of NFG and Affiliates and Associates of NFG. See heading "Particulars of Matters to be Acted Upon – Approval of the Sale of the Kingsway Project".

SELECTED PRO-FORMA FINANCIAL INFORMATION

The following table summarizes selected pro-forma financial information for LabGold as at December 31, 2023. The information should be read in conjunction with LabGold's pro-forma statement of financial position and related notes and other financial information included as **Schedule "D"** to this Circular.

	Labrador Gold Crop. (as at December 31, 2023 – unaudited)	**Pro Forma Adjustment**	**Pro Forma (as at December 31, 2023)**
	$	**$**	**$**
Cash and cash equivalents	7,605,072		7,605,072
Marketable securities	-	20,000,000	20,000,000
Amounts receivable	386,984		386,984
Prepaid expenses and deposits	86,062		86,062
Total current assets	8,078,118	20,000,000	28,078,118
Equipment	16,923		16,923
Unproven mineral right interest	41,978,697	(31,151,948)	6,826,749
Total assets	**50,073,738**	**(15,151,948)**	**34,921,790**
Current liabilities	679,040	-	679,040
Deferred income tax liability	817,809		817,809
Total liabilities	**1,496,849**	**-**	**1,496,849**
Share capital	61,472,277		61,472,277
Share -based payments reserves	4,628,785		4,628,785
Deficit	(17,524,173)	(15,151,948)	(32,676,121)
Total shareholders' equity	**48,576,889**	**(15,151,948)**	**33,424,941**
Total shareholders' equity and liabilities	**50,073,738**	**(15,151,948)**	**34,921,790**

CONFLICTS OF INTEREST

There are potential conflicts of interest to which the insiders and promoters of LabGold will be subject to in connection with the operations of LabGold. Some of the insiders and promoters have been and will continue to be engaged in the identification and evaluation of businesses and companies, with a view to the potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where such insiders and promoters will be in direct

competition with the LabGold. Conflicts, if any, will be subject to the procedures and remedies prescribed by the OBCA and Securities Laws.

INTERESTS OF EXPERTS

To the knowledge of LabGold, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Circular or prepared or certified a report or valuation described or included in this Circular has a direct or indirect interest in the property of LabGold, or in an associate or affiliate of LabGold.

RISK FACTORS

There are certain risk factors associated with the Transaction which should be carefully considered by Shareholders, including the fact that the Transaction may not be completed if, among other things, the Transaction Resolution is not approved at the Meeting or if any other conditions precedent to the completion of the Transaction are not satisfied or waived as applicable. See "Risk Factors".

If the Transaction is completed as contemplated, LabGold will continue the business of a junior resource exploration company. There are numerous risks associated with such business and such risk factors are more particularly described in "Risk Factors".

GENERAL PROXY INFORMATION

SOLICITATION OF PROXIES

The Circular is furnished in connection with the solicitation of proxies by and on behalf of the management (the "Management") of Labrador Gold Corp. (the "Corporation") for use at the Meeting of the Corporation to be held at the offices of Gardiner Roberts LLP, Bay-Adelaide Centre- East Tower, 22 Adelaide Street West, Suite 3600, Toronto, Ontario, M5H 4E3, in the Islands Boardroom, at the hour of 11:00 o'clock in the morning (Toronto time), on Thursday, the 27th day of June, 2024, for the purposes set out in the accompanying Notice of Meeting. The cost of solicitation will be borne by the Corporation.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally by the Directors and/or officers of the Corporation at nominal cost. 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 common shares ("**Common Shares**") held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

NOTICE-AND-ACCESS

The Corporation has elected to use the "notice-and-access" provisions under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* (the "**Notice-and-Access Provisions**") for the Meeting in respect of mailings to its non-registered shareholders ("**Beneficial Shareholders**") but not in respect of mailings to its Registered Shareholders. The Notice-and-Access Provisions are rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

The Corporation has also elected to use procedures known as 'stratification' in relation to its use of the Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Notice of Meeting, Circular, the Annual Financial Statements and Annual MD&A and other meeting materials (collectively the "**Meeting Materials**") to some shareholders. In relation to the Meeting, Registered Shareholders will receive a paper copy of the Meeting Materials and a form of proxy; whereas, Beneficial Shareholders will receive a notification (the "**Notice-and-Access Notification**") with information on how they may access the Meeting Materials electronically along with a voting instruction form.

The Corporation has posted the Circular, the Corporation's audited financial statements for the years ended September 30, 2023 and 2022 (the "**Annual Financial Statements**") and the Corporation's management discussion and analysis for the year ended September 30, 2023 (the "**Annual MD&A**") on the website, https://docs.tsxtrust.com/2339.

Although the Meeting Materials will be posted electronically online, as noted above, the non-registered shareholders (subject to the provisions set out below under the heading "Advice to Non-Registered Shareholders") (the "**Notice-and-Access Shareholders**") will receive the Notice-and-Access Notification by prepaid mail, which includes the information prescribed by NI 54-101, and a voting instruction form from their respective intermediaries. Notice-and-Access Shareholders should follow the instructions for completion and delivery contained in the voting instruction form. Notice-and-Access Shareholders are reminded to review the Circular before voting.

Notice-and-Access Shareholders will not receive a paper copy of the Meeting Materials unless they contact TSX Trust Company ("**TSX Trust**") in which case TSX Trust will mail the requested materials within three business days of any request provided the request is made prior to the Meeting. Notice-and-Access Shareholders with questions about notice-and-access may contact TSX Trust toll free at 1-866-600-5869 or by email at tsxtis@tmx.com. **In order to receive a paper copy of the Meeting Materials in time to vote before the Meeting, your request should be received by Tuesday, June 18, 2024.**

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the form of proxy or voting instruction form are officers or Directors of the Corporation (the "**Management Designees**"). **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO** by inserting such other person's name in the blank space provided in the form of proxy or voting instruction form and depositing the completed proxy with the Transfer Agent of the Corporation, **TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1 ATTN: Proxy Dept.** A proxy can be executed by the shareholder or his attorney duly authorized in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

In addition to any other manner permitted by law, the proxy may be revoked before it is exercised by instrument in writing executed and delivered in the same manner as the proxy at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or delivered to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting and upon either such occurrence, the proxy is revoked.

Please note that Shareholders who receive their Notice-and-Access Notification from Broadridge Investor Communication Solutions, Canada ("**Broadridge**") or an Intermediary (as defined in the "Advice to Non-Registered Shareholders" section below) must return the voting information forms, once voted, to Broadridge or their Intermediary, as applicable, for the proxy to be dealt with.

DEPOSIT OF PROXY

By resolution of the Directors duly passed, **ALL PROXIES TO BE USED AT THE MEETING MUST BE DEPOSITED BY 11:00 A.M. (TORONTO TIME) ON TUESDAY, JUNE 25, 2024, BEING NOT LESS THAN 48 HOURS, EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS, PRECEDING THE DATE OF THE MEETING, OR ANY ADJOURNMENT THEREOF, WITH THE CORPORATION'S TRANSFER AGENT, TSX TRUST COMPANY,** provided that a proxy may be delivered to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time for voting to revoke a proxy previously delivered in accordance with the foregoing.

ADVICE TO NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares owned by a person are registered either (a) in the name of an intermediary (an "**Intermediary**") that the non-registered holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant (a "**Non-Registered Holder**").

The Corporation has decided to use Notice-and-Access in accordance with the requirement of NI 54-101 to deliver the Meeting Materials to Notice-and-Access Shareholders by posting the Meeting Materials on TSX Trust's website https://docs.tsxtrust.com/2339**.** The Meeting Materials will be available on TSX Trust's website https://docs.tsxtrust.com/2339 on or before **May 27, 2024**, and will remain on the website for a full year thereafter. The Meeting Materials will also be available on the Corporation's profile on SEDAR+ at www.sedarplus.com. The Corporation will only be mailing the Notice-and-Access Notification to Non-Registered Holders as set out below.

Non-Registered Holders fall into two categories – those who object to their identity being made known to the issuers of securities which they own ("**Objecting Beneficial Owners**" or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**" or "**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries via their transfer agent. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly to such NOBOs.

If you are a Non-Objecting Beneficial Owner and the Corporation or its agent has sent the Notice-and-Access Notification directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

The Corporation's decision to deliver proxy-related materials directly to its NOBOs will result in all NOBOs receiving a VIF (as defined below) from TSX Trust Company. Please complete and return the VIF to TSX Trust Company in the envelope provided or by facsimile. In addition, instructions in respect of the procedure for internet voting can be found in the VIF. TSX Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs received by TSX Trust Company.

Non-Registered Shareholders who are NOBOs may make their request for paper copies of the Meeting Materials **without charge** by calling TSX Trust Company's toll free number at 1-866-600-5869 or emailing TSX Trust Company at tsxtis@tmx.com on or before the day of the Meeting, or any adjournment thereof, or thereafter contact the Corporation at 416-704-8291 or by email at info@labradorgold.com.

In order to receive a paper copy of the Meeting Materials in time to vote before the Meeting, your request should be received by Tuesday, June 18, 2024.

OBOs may expect to receive their materials related to the Meeting from Broadridge or other Intermediaries. If a reporting issuer does not intend to pay for an Intermediary to deliver materials to OBOs, OBOs will not receive the materials unless their Intermediary assumes the cost of delivery. The Corporation intends to pay for Intermediaries to deliver the proxy-related materials to OBOs.

Intermediaries are required to forward the Notice-and-Access Notification to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies such as Broadridge to forward the Notice-and-Access Notification to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Notice-and-Access Notification will either:

(a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number and class of securities beneficially owned by the Non-Registered Holder but which is not otherwise completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to vote by proxy should otherwise properly complete the form of proxy and deliver it as specified; or

(b) be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "**Voting Instruction Form**" or "**VIF**") which the Intermediary must follow. Typically the Non-Registered Holder will also be given a page of instructions which contains a removable label containing a bar code and other information. In order for the form of proxy to validly constitute a Voting Instruction Form, the Non-Registered Holder must remove the label from the instructions and affix it to the Voting Instruction Form, properly complete and sign the Voting Instruction Form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In any case, the purpose of this procedure is to permit Non-Registered Holders including NOBOs to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder who receives a form of proxy or VIF wish to vote at the Meeting in person, the Non-Registered Holder should strike out the persons named in such form of proxy and insert the Non-Registered Holder's name in the blank space provided. Non-Registered Holders should carefully follow the instructions on the VIF or the instructions received from their Intermediary including those regarding when and where the form of proxy, VIF is to be delivered.

All references to Shareholders in this Circular, the accompanying Notice of Meeting and any proxy or voting instruction form sent to Shareholders with the Notice-and-Access Notification are to Shareholders of record unless specifically stated otherwise.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the form of proxy or voting instruction form for use at the Meeting will vote the Common Shares in respect of which they are appointed in accordance with the directions of the shareholders appointing them. **IN THE ABSENCE OF SUCH DIRECTIONS, SUCH SHARES SHALL BE VOTED "FOR":**

(a) election of the Directors as nominated by Management;

(b) appointment of DeVisser Gray LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and authorizing the Directors to fix their remuneration;

(c) ratification of the 2023 Stock Option Plan;

(d) to consider and, if deemed advisable, to pass, with or without variation, the Transaction Resolution, the full text of which is set forth in this Circular, approving the sale of the Kingsway Project, being substantially all of the assets of the Corporation, in accordance with Section 184(3) of the OBCA as contemplated in the Property Purchase Agreement between the Corporation and New Found Gold Corp.;

(e) to transact such further and other business as may properly come before the said Meeting or any adjournment of adjournments thereof.

All as more particularly described in this Circular.

As of the date of this Circular, Management of the Corporation knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

The form of proxy or voting instruction form confers discretionary authority upon the persons named therein with respect to any amendment, variation or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **HOWEVER, IF ANY SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH ARE NOT NOW KNOWN TO THE MANAGEMENT DESIGNEES SHOULD PROPERLY COME BEFORE THE MEETING, THE COMMON SHARES REPRESENTED BY THE PROXIES HEREBY SOLICITED WILL BE VOTED THEREON IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING SUCH PROXIES.**

EFFECTIVE DATE

The effective date of this Circular is May 15, 2024.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation presently consists of an unlimited number of Common Shares of which 170,009,979 Common Shares are currently outstanding as fully paid and non-assessable Common Shares.

Each shareholder of record will be entitled to one (1) vote for each Common Share held at the Meeting.

Holders of record of the Common Shares of the Corporation on May 15, 2024 (the "**Record Date**") will be entitled either to attend and vote at the Meeting in person shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation as described herein, to attend and vote thereat by proxy the shares held by them.

To the knowledge of the Directors and executive officers of the Corporation, there are no parties who beneficially own, directly or indirectly, or exercise control or direction over 10% or more of any class of outstanding voting securities of the Corporation other than as follows:

Name of Shareholder	Number of Common Shares	Percentage of Common Shares
2176423 Ontario Ltd.	18,611,111[(1)]	10.9%

Note:
(1) 2176423 Ontario Ltd. is beneficially owned by Eric S. Sprott.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Corporation, no proposed nominee for election as a director of the Corporation, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the appointment of officers except as disclosed herein.

EXECUTIVE COMPENSATION

The information contained below is provided as required under Form 51-102F6 for Venture Issuers (the "**Form**"), as such term is defined in National Instrument 51-102.

In this section "**Named Executive Officer**" or "**NEO**" means the Chief Executive Officer (the "**CEO**") and the Chief Financial Officer (the "**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation exceeds $150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year end.

Compensation Discussion and Analysis

The Board of Directors as a whole has the responsibility of determining the compensation for the CEO and the CFO and of determining compensation for directors and senior management.

The Corporation's compensation objectives include the following:

- to assist the Corporation in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Corporation and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Corporation.

Compensation

The compensation program is designed to provide competitive levels of compensation. The Corporation recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Corporation's NEOs may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;
- Stock option grants; and/or
- Bonuses.

The objective and reason for this system of compensation is to allow the Corporation to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The independent directors rely on the general experience of its members in setting base salary amounts.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Corporation, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of Directors of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

Compensation of Directors

For a description of the compensation paid to the company's Named Executive Officer(s) who also act as directors as at the end of the financial years ended September 30, 2022, September 30, 2021 and September 30, 2020, see "Summary Compensation Table" below.

Other than as disclosed elsewhere in this Circular, no director of the Corporation who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

- any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- any arrangement for the compensation of directors for services as consultants or experts.

The Corporation may grant incentive stock options to directors of the Corporation from time to time pursuant to the stock option plan of the Corporation and in accordance with the policies of the TSX-V.

Summary Compensation Table

The following table contains information about the compensation paid to, earned by and payable to, the Corporation's Chief Executive Officer, Roger Moss and the Chief Financial Officer, Eric Myung, for the fiscal years ending September 30, 2023, September 30, 2022 and September 30, 2021. In accordance with the Form, the Corporation does not have any other "Named Executive Officers" given that no executive officer receives total salary and bonus in excess of $150,000. Specific aspects of compensation payable to the Named Executive Officers of the Corporation are dealt with in further detail in subsequent tables.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Option-Based Awards [1] ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compen-sation ($)	Total Compen-sation ($)
					Annual Incentive Plans	Long-Term Incentive Plans			
Roger Moss, C.E.O. [2]	2023	170,093	Nil	89,100	Nil	Nil	Nil	56,000[4]	315,193
	2022	168,000	Nil	Nil	Nil	Nil	Nil	50,000[4]	218,000
	2021	144,000	Nil	Nil	Nil	Nil	Nil	Nil	144,000
Eric Myung, C.F.O. [3]	2023	51,500	Nil	17,820	Nil	Nil	Nil	Nil	69,320
	2022	42,027	Nil	Nil	Nil	Nil	Nil	Nil	42,027
	2021	34,567	Nil	Nil	Nil	Nil	Nil	Nil	34,567

Notes:

(1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Corporation uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.

(2) This amount comprises fees for consulting services provided by Moss Exploration Services Ltd., a company controlled by Dr. Moss.

(3) This amount comprises fees for professional services provided by Marrelli Support Services Inc. ("**Marrelli**"), a company of which Eric Myung is an employee.
(4) Bonus paid to the CEO in fiscal 2023 and fiscal 2022.

Outstanding Share-Based and Option-Based Awards Granted to Named Executive Officers as of September 30, 2023

The following table summarizes all share-based and option-based awards granted by the Corporation to its Named Executive Officers which are outstanding as of September 30, 2023.

	Option-Based Awards				Share-Based Awards	
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-The-Money Options ($)[1]	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share- Based Awards that have not Vested ($)
Roger Moss	500,000	0.23	April 3, 2028	Nil	N/A	N/A
	750,000	0.45	July 27, 2025	Nil	N/A	N/A
	200,000	0.25	May 15, 2024	Nil	N/A	N/A
Eric Myung	100,000	0.23	April 3, 2028	Nil	N/A	N/A
	150,000	0.45	July 27, 2025	Nil	N/A	N/A

Notes:
(1) The value of the unexercised in-the-money options was calculated based on the difference between the closing price of the Common Shares underlying the options as at September 29, 2023, which was $0.155, and the exercise price of the options.

Value Vested or Earned by Named Executive Officers During the Year Ended September 30, 2023 Under Option-Based Awards, Share-Based Awards and Non-Equity Incentive Plan Compensation

The following table summarizes the value vested or earned during the year by Named Executive Officers in respect of option-based awards, share-based awards and non-equity incentive plan compensation during the year ended September 30, 2023.

Name	Option-Based Awards- Value Vested During the Year ($)[1]	Share-Based Awards- Value Vested During the Year ($)	Non-Equity Incentive Plan Compensation- Value Earned During the Year ($)
Roger Moss	Nil	Nil	Nil
Eric Myung	Nil	Nil	Nil

Note:
(1) Determined based on the difference between the market price of the underlying Common Shares on the vesting date and the exercise price of the options.

Employment/Consulting Contracts

Pursuant to a contract made as of February 2, 2022 as amended on April 3, 2023 (the "**Moss Contract**") between the Corporation and Moss Exploration Services Ltd. ("**Moss**"), the Corporation agreed to pay to Moss a fee of $15,000 per month plus applicable taxes effective October 1, 2022.

Marrelli charges a monthly retainer for accounting services to the Corporation.

Termination and Change of Control Benefits

The Corporation has no compensatory plan or arrangement with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other termination of employment of any such officer's employment with the Corporation, from a change of control of the Corporation or a change in the responsibilities of a Named Executive Officer following a change in control except as noted below.

The Moss Contract contains termination provisions, which may be summarized as follows:

- Moss may terminate the Moss Contract by giving notice to the Corporation at least one month prior to termination;
- The Corporation may terminate the Moss Contract immediately upon the death of Dr. Moss or for cause, upon which Moss is entitled to the prorated portion of its fee through the date of termination and reimbursement for expenses properly incurred prior to the date of termination plus the prorated portion of its fee for an additional period of one month. "Cause" is defined as existing if:
- Moss commits a breach of any of the material provisions contained in the Moss Contract;
- Moss is guilty of any misconduct or neglect in the discharge of its duties pursuant to the Moss Contract;
- Moss becomes bankrupt or makes any arrangements or assignments with its creditors; or
- Moss or Dr. Moss is convicted of any criminal offence or misdemeanor involving moral turpitude.
- The Corporation may terminate the Moss Contract in any other circumstance on three (3) months' notice to Moss, provided that if Moss is terminated without Cause or voluntarily resigns for "Good Reason" within ninety (90) days following a "Change in Control", the Corporation is required to pay to Moss an amount equal to twelve (12) months payment of the fee then in effect (the "Control Payment"). "Good Reason" is defined to mean (1) a reduction in the fee, (2) a material reduction in Moss' responsibilities or duties or (3) a requirement that Moss relocate its residence from its present location. The Moss Contract states that a "Change in Control" will be evidenced by the election or appointment of a majority of new directors of the Corporation or the acquisition by any person or by any person and such person's associates or related bodies corporate, as such terms are define in the *Securities Act* (British Columbia), and whether directly or indirectly, of shares of the Corporation which, when added to all other shares of the Corporation at the time held by such person and such person's associates and related bodies corporate, totals for the first time fifty percent (50%) or more of the outstanding shares of the Corporation. The Moss Contract further provides that the Corporation is not required to make the Control Payment to Moss if, after a Change in Control, Moss is offered a reasonably equivalent position with the surviving corporation and does not accept such position.

Compensation of Directors for the year ended September 30, 2023

The following table contains information about the compensation awarded to, earned by, paid to or payable to, the Corporation's Directors, other than its Named Executive Officers, the compensation of whom is detailed above under "Summary Compensation Table", for the fiscal year ended September 30, 2023.

Name	Fees Earned ($)	Share-Based Awards ($)	Option-Based Awards ($)[1]	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total ($)
				Annual Incentive Plans	Long-Term Incentive Plans			
James S. Borland	18,000	Nil	44,550	Nil	Nil	Nil	Nil	62,550
Trevor Boyd	12,000	Nil	44,550	Nil	Nil	Nil	Nil	56,550
Leo Karabelas	12,000	Nil	44,550	Nil	Nil	Nil	Nil	56,550
Kai Hoffmann	12,000	Nil	44,550	Nil	Nil	Nil	Nil	56,550

Notes:

(1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Corporation uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.

All Directors are reimbursed by the Corporation for travel and other out-of-pocket expenses incurred in attending Directors and shareholders meetings and meetings of Board committees. Directors are also entitled to receive compensation to the extent that they provide services to the Corporation at rates that would be charged by such Directors for such services to arm's length parties.

Outstanding Share-Based and Option-Based Awards Granted to Directors (Other Than Directors Who are Named Executive Officers) as of September 30, 2023

The following table summarizes all share-based and option-based awards granted by the Corporation to its Directors

(other than Directors who are Named Executive Officers whose share-based and option-based awards outstanding as of September 30, 2023 are detailed above) which are outstanding as of September 30, 2023.

	Option-Based Awards				Share-Based Awards	
Name	**Number of Securities Underlying Unexercised Options[1] (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised In-The-Money Options ($)[1]**	**Number of Shares or Units of Shares that have not Vested (#)**	**Market or Payout Value of Share- Based Awards that have not Vested ($)**
James S. Borland	250,000	0.23	April 3, 2028	Nil	N/A	N/A
	350,000	0.45	July 27, 2025	Nil	N/A	N/A
	200,000	0.25	May 15, 2024	Nil	N/A	N/A
Trevor Boyd	250,000	0.23	April 3, 2028	Nil	N/A	N/A
	350,000	0.45	July 27, 2025	Nil	N/A	N/A
	200,000	0.25	May 15, 2024	Nil	N/A	N/A
Leo Karabelas	250,000	0.23	April 3, 2028	Nil	N/A	N/A
	750,000	0.45	July 27, 2025	Nil	N/A	N/A
	200,000	0.25	May 15, 2024	Nil	N/A	N/A
Kai Hoffmann	250,000	0.23	April 3, 2028	Nil	N/A	N/A
	350,000	0.45	July 27, 2025	Nil	N/A	N/A
	500,000	0.25	May 15, 2024	Nil	N/A	N/A

Note:

(1) The value of the unexercised in-the-money options was calculated based on the difference between the closing price of the Common Shares underlying the options as at September 29, 2023, which was $0.155, and the exercise price of the options.

Value Vested or Earned During the Year Ended September 30, 2023 by Directors (Other Than Directors Who are Named Executive Officers) Under Option-Based Awards, Share-Based Awards and Non-Equity Incentive Plan Compensation

The following table summarizes the value vested or earned during the year ended September 30, 2023 by Directors of the Corporation (other than Directors who are Named Executed Officers whose value vested or earned during the year ended September 30, 2023 under option-based awards, share-based awards and non-equity incentive plan compensation is detailed above) in respect of option-based awards, share-based awards and non-equity incentive plan compensation.

Name	**Option-Based Awards-Value Vested During the Year ($)[1]**	**Share-Based Awards- Value Vested During the Year ($)**	**Non-Equity Incentive Plan Compensation-Value Earned During the Year ($)**
James S. Borland	Nil	Nil	Nil
Trevor Boyd	Nil	Nil	Nil
Leo Karabelas	Nil	Nil	Nil
Kai Hoffmann	Nil	Nil	Nil

Note:

(1) Determined based on the difference between the market price of the underlying Common Shares on the vesting date and the exercise price of the options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of September 30, 2023 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	7,650,000	$0.32	9,350,997
Equity compensation plans not approved by security holders	Nil	Nil	Nil
TOTAL	7,650,000	$0.32	9,350,997

STOCK OPTION PLAN

On April 3, 2023, the Shareholders of the Corporation adopted a new 10% rolling stock option plan (the "**2023 Stock Option Plan**"). The 2023 Stock Option Plan provides that eligible persons hereunder include any Director, employee (full-time or part-time), officer or consultant of the Corporation or any subsidiary thereof. A consultant means an individual (including an individual whose services are contracted through a personal holding company) with whom the Corporation or a subsidiary has a contract for substantial services. The 2023 Stock Option Plan allows the Corporation to attract new executive officers and Directors by allowing it to offer stock options as inducements to join the Corporation.

Pursuant to the 2023 Stock Option Plan, the options are not be transferable other than by will or the laws of descent and distribution, the option price to be such price as to be fixed by the 2023 Stock Option Plan's administrator but shall not be less than the closing price of the Corporation's Common Shares on the date prior to the date of the grant of the stock options on the principle exchange on which it trades or in accordance with the pricing rules of any other stock exchanges on which the Common Shares of the Corporation may trade in the future and full payment thereof shall be made in cash upon the exercise thereof. The terms of the options may not exceed five (5) years and shall be subject to earlier redemption upon the termination of employment. If an optionee ceases to be an eligible person for any reason whatsoever other than death, each option held by such optionee will cease to be exercisable in a period not exceeding six (6) months following the termination of the optionee's position with the Corporation but only up to and including the original option expiry date. If an optionee dies, the legal representative of the optionee may exercise the optionee's options for a period of not exceeding one (1) year after the date of the optionee's death but only up to and including the original option expiry date. The 2023 Stock Option Plan also contains anti-dilution provisions usual to plans of this type.

The Corporation will not provide any optionee with financial assistance in order to enable such optionee to exercise stock options granted under the 2023 Stock Option Plan. The Corporation has no other compensation plans or arrangements in place and none are currently contemplated.

As of the date of this Circular, there are currently 7,325,000 stock options outstanding under the 2023 Stock Option Plan and 9,675,997 options available for grant as follows:

Name and Position	Common Shares Under Option	Exercise Price Range	Expiry Date
Directors	3,900,000	$0.23-$0.45	May 15, 2024 to April 3, 2028
Directors who are also Executive Officers	1,450,000	$0.23-$0.45	May 15, 2024 to April 3, 2028
Executive Officers	750,000	$0.23-$0.45	July 27, 2025 to April 3, 2028
Consultants and Employees	1,225,000	$0.23-$0.45	June 4, 2023 to April 3, 2028
TOTAL	7,325,000		

INDEBTEDNESS OF OFFICERS AND DIRECTORS

No officer or Director of the Corporation is indebted to the Corporation for any sum.

MANAGEMENT CONTRACTS

No Management functions of the Corporation are performed to any substantial degree by a person other than the Directors or executive officers of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No insider of the Corporation, no proposed nominee for election as a Director of the Corporation, and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of its subsidiaries, other than disclosed under the headings "Executive Compensation" and "Stock Option Plan" and as disclosed below.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Corporation, as a Venture Issuer, to disclose annually in its information circular certain information relating to the Corporation's audit committee and its relationship with the Corporation's independent auditors.

The Audit Committee's Charter

The Corporation's Audit Committee is governed by its Audit Committee Charter, a copy of which is annexed hereto as **Schedule "A"**.

Composition of the Audit Committee

The Corporation's Audit Committee currently comprises three (3) Directors, James S. Borland (Chair), Trevor Boyd and Leo Karabelas. As defined in NI 52-110, all members are independent. Also as defined in NI 52-110, all members of the Audit Committee are financially literate.

Audit Committee Oversight

Since the commencement of the Corporation's two (2) most recently completed fiscal years, the Corporation's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Relevant Education and Experience

The following is a summary of the relevant education and experience of each of the members or proposed members of the Corporation's Audit Committee:

James S. Borland (Chair) has been involved in the mining industry for more than 25 years.

Trevor Boyd is a professional geologist with over 30 years of experience, holds a Ph.D in geology and has worked with both private and public companies.

Leo Karabelas has more than 14 years of experience in the capital markets industry.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. 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 auditors, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditors in the fiscal year in which the non-audit services

were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Committee will review the engagement of non-audit services as required.

External Auditors Service Fees (By Category)

The fees paid to the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees[(1)]	Tax Fees[(2)]	All Other Fees[(3)]
2023	$25,000	Nil	1,500	Nil
2022	$25,000	Nil	1,500	Nil

Notes:

(1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under Audit Fees.

(2) Fees charged for tax compliance, tax advice and tax planning services.

(3) Fees for services other than disclosed in any other column.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 for venture issuers which allows for an exemption from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2.

CORPORATE GOVERNANCE

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**").

The Board of Directors believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the "**CSA**") have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of its corporate governance practices. This section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "**material relationship**" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

There are currently five (5) members of the Board of Directors. The current independent members of the Board of Directors of the Corporation are James S. Borland, Trevor Boyd, Leo Karabelas and Kai Hoffmann. The current non-independent director is Roger Moss, the Corporation's President and Chief Executive Officer.

To facilitate the Directors of the Corporation functioning independent of management, where appropriate, during regularly scheduled meetings, non-independent Directors and members of management are excluded from certain discussions. The Board implemented a Board Charter in March 2021 and confirmed in February 2023, which sets out its responsibilities and duties of its members. A copy of the Board Charter of the Corporation is attached hereto as **Schedule "B"**.

Directorships — No Director of the Corporation or nominee for director of the Corporation is presently a Director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction except for:

Director	Name of Reporting Issuer	Market	Positions with Issuer
Kai Hoffman	Trifecta Gold Ltd.	TSXV	Director

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Corporation's properties and on director responsibilities.

Board meetings may also include presentations by the Corporation's management and employees to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available to discussions with all Board members.

Ethical Business Conduct

The Board of Directors is committed to the establishment and maintenance of appropriate ethical standards to underpin the Corporation's operations and corporate practices. The Corporation's Code of Business Conduct and Ethics (the "**Code**") was implemented in March 2021 and confirmed in February 2023, which aims to encourage the appropriate standards of conduct and behavior of the Directors, officers, employees and contractors (collectively the "**Corporation Representatives**") in carrying out their roles for the Corporation. The Corporation Representatives are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Corporation. The Corporation has also implemented an Insider Trading Policy, which imposes basic trading restrictions on all employees and consultants of the Corporation, and a Whistleblower Policy, which encourages the reporting of any non-compliance with the Code.

All Directors are required to notify fellow Directors of any material personal interest in any matter under the Board's consideration. Having regard to the nature and extent of such interest, the affected Director may be required to remove himself from discussion and consideration of, and voting on, such matter.

Nomination of Directors

The Board of Directors considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

Compensation is determined by the Independent Directors of the Corporation with reference to compensation of officers and directors in similar industries performing similar functions.

Other Board Committees

The Corporation has no other committees aside from the Audit Committee.

The Audit Committee provides an open avenue of communication between management, the Corporation's independent auditors and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation's independent auditors.

The Audit Committee also performs any other activities consistent with the Audit Committee Charter, the Corporation's Articles and governing laws as the Audit Committee or Board deems necessary or appropriate. See heading "Audit Committee and Relationship with Auditors".

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 the Audit Committee.

PARTICULARS OF MATTERS TO BE ACTED UPON

PRESENTATION OF FINANCIAL STATEMENTS

The Annual Financial Statements and the Annual MD&A will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Annual Financial Statements for the Corporation's last completed fiscal period will not constitute approval or disapproval of any matters referred to therein. The Annual Financial Statements and the Annual MD&A can be obtained from the Corporation's profile on the SEDAR+ website at www.sedarplus.com. Upon receiving a written request to the address on the first page of this Circular, the Corporation will mail a copy of the Annual Financial Statements and Annual MD&A to you.

ELECTION OF DIRECTORS

The Board of Directors of the Corporation currently consists of five (5) Directors. The Directors have passed a resolution fixing the number of Directors to be elected at five (5). The persons named in the enclosed form of proxy intend to vote for the election as Directors of each of the five (5) nominees of management whose names are set forth in the table below. The Board of Directors has adopted a majority voting policy in order to promote enhanced Director accountability. Each Shareholder is entitled to cast their votes for, or withhold their votes from, the election of each Director. If the number of shares "withheld" for any nominee exceeds the number of shares voted "for" the nominee, then, notwithstanding that such Director was duly elected as a matter of corporate law, he shall tender his written resignation to the Corporation. The Board will consider such offer of resignation and the Director's suitability to continue to serve as a Board member after considering, among other things, the stated reasons, if any, why certain shareholders "withheld" votes for the Director, the qualifications of the Director and whether the Director's resignation from the Board would be in the best interests of the Corporation.

These nominees have consented to being named in this Circular and to serve if elected. The Corporation's management does not contemplate that any of the nominees will be unable or unwilling to serve as a Director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly submitted proxies given in favour of such nominee(s) may be voted by the persons whose names are printed in the form of proxy, in their discretion, in favour of another nominee.

The following table and notes thereto state the names of all the persons proposed to be nominated for election as Directors, all of the positions and offices with the Corporation now held by them, their present principal occupations or employments for the last five (5) years and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of May 15, 2024. The information as to shares beneficially owned has been furnished to the Board of Directors by the respective nominees.

Name & Municipality of Residence	Position with Corporation	Principal Occupation or Employment for the Last Five Years	Director From	Number of Shares Beneficially Owned or Controlled
Roger Moss Ontario, Canada	President, C.E.O. and Director	President of Moss Exploration, Services since September, 1997; President, CEO and Director of the Corporation since March 2004	March 22, 2004	3,121,218 Common Shares
James Borland(1) Ontario, Canada	Director	Retired mining executive	January 7, 2014	447,167 Common Shares
Trevor Boyd(1) Ontario, Canada	Director	Professional Geologist, Self Employed Consultant	February 9, 2016	260,000 Common Shares
Leo Karabelas(1) Ontario, Canada	Director	President, Focus Communications Ltd., an investor relations company	October 19, 2017	100,428 Common Shares
Kai Hoffmann Hattersheim am Main, Germany	Director	CEO, Soar Financial Group, a boutique merchant bank and corporate communications company	May 14, 2019	202,380 Common Shares

Note:
(1) Member of the Audit Committee.

In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of the election of Management's nominees as directors of the Corporation.

The shareholders are urged to elect Management's nominees as directors of the Corporation.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the knowledge of the Corporation, no Director or proposed Director of the Corporation is, as at the date of this Circular, or has been in the last 10 years before the date of this Circular, a Director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity,

- was subject to an order that was issued while the Director or executive officer was acting in the capacity as Director, chief executive officer or chief financial officer; or

- was subject to an order that was issued after the Director or executive officer ceased to be a Director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as Director, chief executive officer or chief financial officer.

For the purposes of subsections (a) and (b) above, "order" means (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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.

Bankruptcies

To the knowledge of the Corporation, no Director or proposed Director of the Corporation:

- is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a Director or executive officer of any company (including the Corporation) 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

- has, within 10 years before the date of this 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 Director or proposed Director.

Penalties or Sanctions

To the knowledge of the Corporation, none of the Directors or proposed Directors of the Corporation have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or have entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflict of Interest

To the best of the Corporation's knowledge and other than as disclosed herein, there are no existing or potential conflicts of interest among the Corporation, its promoters, Directors, officers or other members of management of the Corporation except that certain of the Directors, officers, promoters and other members of management serve as Directors, officers, promoters and members of management of other public companies and therefore it is possible that a conflict may arise between their duties as a Director, officer, promoter or member of management of such other companies and their duties as a Director, officer, promoter or management of the Corporation.

The Directors and officers of the Corporation are aware of the existence of laws governing accountability of Directors and officers for corporate opportunity and requiring disclosure by Directors of conflicts of interest and the Corporation will rely upon such laws in respect of any Directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its Directors and officers.

APPOINTMENT OF AUDITOR

The persons named in the enclosed form of proxy intend to vote for the appointment of DeVisser Gray LLP, of Vancouver, British Columbia, as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the Directors of the Corporation to fix the auditors' remuneration.

On the representations of the said auditors, neither that firm nor any of its partners has any direct financial interest nor any material indirect financial interest in the Corporation or any of its subsidiaries nor has had any connection during the past three years with the Corporation or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, Director, officer or employee.

In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of the appointment of DeVisser Gray LLP, as the Corporation's auditors, and authorizing the Board of Directors to fix their remuneration.

The shareholders are urged by Management to appoint DeVisser Gray LLP, as the Corporation's auditors, and to authorize the Board of Directors to fix their remuneration.

RATIFICATION OF THE STOCK OPTION PLAN

The Corporation received shareholder approval on April 3, 2023 to adopt the 2023 Stock Option Plan (the "**2023 Plan**") which plan is a "rolling" stock option plan whereby a maximum of 10% of the issued shares of the Corporation, from time to time, may be reserved for issuance pursuant to the exercise of options.

The TSX-V requires listed companies that have "rolling" stock option plans in place to receive shareholder approval of such plans on a yearly basis at the Corporation's Annual General Meeting. Accordingly, Shareholders will be asked at the Meeting to ratify the 2023 Plan. For particulars of the 2023 Stock Option Plan, see heading "Stock Option Plan" **on page 22.**

It is proposed that shareholders approve the following ordinary resolution:

"**BE IT RESOLVED THAT:**

1. the Corporation's 2023 Stock Option Plan is hereby ratified; and

2. any one director or officer of the Corporation be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution."

In the absence of contrary directions, the Management Designees intend to vote proxies in the accompanying form in favour of ratification of the 2023 Stock Option Plan.

Management urges shareholders to approve the ratification of the 2023 Stock Option Plan.

APPROVAL OF THE SALE OF THE KINGSWAY PROJECT

The Board of Directors of the Corporation is seeking shareholder approval of a special resolution approving the sale of the Kingsway Project to NFG in exchange for the Purchase Price payable and satisfied by the delivery to the Corporation of the Consideration Shares. The Consideration Shares will be subject to a resale restriction of four months and one day from the closing of the Transaction. The Disposition is subject to certain conditions, including approval of the TSXV and approval of the Shareholders of the Company.

The TSXV conditionally approved the sale of the Kingsway Project and the Property Purchase Agreement (as defined herein) on April 19, 2024. Final TSXV approval is subject to certain conditions, including Shareholder approval.

The Board of Directors has unanimously concluded that the Transaction is in the best interests of the Corporation and the Shareholders of the Corporation. Accordingly, the Board of Directors unanimously recommends that the Shareholders vote IN FAVOUR of the Transaction Resolution (as defined herein). The management representatives named in the attached form of proxy intend to vote the LabGold Shares, represented by such proxy, IN FAVOUR of the approval of the Transaction Resolution unless a Shareholder specifies in the proxy that their LabGold Shares are to be voted against the approval of the Transaction Resolution.

For details of the factors considered by the Board of Directors in reaching the conclusion that the Transaction is in the best interests of the Corporation and is fair from a financial point of view to the Shareholders of the Corporation, see **pages 33 to 35** under the headings "Description of the Transaction – Reasons for the Transaction" and "Description of the Transaction – Recommendation of the Board of Directors", respectively.

Recommendation of the Board of Directors

The Board of Directors has reviewed and considered all material facts relating to the Transaction which it has considered to be relevant to Shareholders of the Corporation. **It is the unanimous recommendation of the Board of Directors that Shareholders of the Corporation vote for the Transaction Resolution.**

The sale of the Kingsway Project will constitute a disposition of substantially all of the assets of the Corporation which requires the approval of not less than two-thirds (2/3) of the votes cast in person or by proxy by those shareholders who vote in respect of the Transaction Resolution (as defined herein). The votes of NFG and NFG's Affiliates and Associates (as such terms are defined in TSXV Policy 1.1 – Interpretation) must be excluded from the approval of the Transaction Resolution.

Special Resolution Approving the Sale of the Kingsway Project

Pursuant to Subsections 184(3) and 184(7) of the OBCA, a disposition of all or substantially all of the assets or undertaking of a company, such as the proposed sale of the Kingsway Project, which represents 83.7% of the assets held by the Corporation, requires approval by a special resolution of the shareholders of the Corporation. To approve a special resolution, approval by not less than two-thirds (2/3) of the votes cast in person or by proxy by those shareholders entitled to vote who vote in respect of the special resolution is required.

At the Meeting, shareholders will be asked to consider, and if thought fit, to approve the following Transaction Resolution to approve the sale of the Kingsway Project to NFG, subject to TSXV approval, and to ratify execution of the Property Purchase Agreement:

"**BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT**:

1. the execution and delivery by the Corporation of the Property Purchase Agreement is ratified, approved and confirmed, subject to final approval from the TSXV;

2. the performance by the Corporation of its obligations under the Property Purchase Agreement be and is hereby authorized and approved;

3. the disposition of substantially all of the Corporation's assets, in accordance with the terms and conditions of the Property Purchase Agreement, is hereby authorized, approved and adopted;

4. notwithstanding that this resolution has been passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered, without further approval of the shareholders of the Corporation to: (i) amend the Property Purchase Agreement to the extent permissible therein, and (ii) not proceed with the Disposition; and

5. any director or officer of the Corporation be and is hereby authorized and directed for and on behalf of and in the name of the Corporation to do all acts and things and sign, execute and deliver all such applications, documents and instruments as may be necessary or advisable to effect the Disposition in accordance with the Property Purchase Agreement and to further the transactions contemplated by the Property Purchase Agreement."

For the purposes of the approval of the Transaction Resolution, all Shareholders of the Corporation are entitled to vote other than NFG, as to 12,555,556 LabGold Shares, Palisades Gold Corp. ("**Palisades**"), as to 7,433,000 LabGold Shares, and 2176423 Ontario Ltd. ("**SprottCo**"), as to 18,611,111 LabGold Shares, for an aggregate of 38,599,667 LabGold Shares excluded from voting on the Transaction Resolution. Palisades and SprottCo are Associates of NFG.

Subsection 185(6) of the OBCA provides that any shareholder of a company may send a written objection to a company in respect of a special resolution under subsection 185 (1) of the OBCA. Accordingly, shareholders have the right to dissent in respect of the Transaction Resolution. See heading "Rights of Dissenting Shareholders" below for details of this dissent right.

Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the Corporation will be voted "FOR" the approval of the sale of the Kingsway Project and to ratify the execution of the Property Purchase Agreement.

The Board and management of the Corporation unanimously recommend that shareholders vote in favour of the above Transaction Resolution.

RIGHTS OF DISSENTING SHAREHOLDERS

The following description of the right of dissenting Shareholders in respect of the Transaction Resolution is not a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the fair value of his or her LabGold Shares and is qualified in its entirety by the reference to the full text of Section 185 of the OBCA which is attached to this Circular as **Schedule "C"**. The statutory provisions covering the Right of Dissent and appraisal are technical and complex. **Any Shareholders who wish to exercise their Right of Dissent and appraisal in respect of the Transaction Resolution should seek their own legal advice, as failure to comply strictly with the provisions of Section 185 of the OBCA may result in a loss of all rights thereunder.** The Property Purchase Agreement provides that the Transaction may be terminated at the option of the Corporation if holders of 7.5% or more of LabGold Shares, exercise their right to dissent and to be paid the fair value of their LabGold Shares as described herein.

Any registered Shareholder is entitled, in addition to any other right he or she may have, to dissent ("**Dissenting Shareholder**") and to be paid by the Corporation the fair value of the LabGold Shares owned by him or her in respect of which he or she dissents, determined as of the close of business on the last business day before the day on which the resolution from which he or she dissents was adopted.

A Dissenting Shareholder is not entitled to dissent with respect to any LabGold Shares if such Dissenting Shareholder votes (or instructs or is deemed, by submission of an incomplete proxy, to have instructed a proxyholder to vote) any

shares in favour of the Transaction, but such Dissenting Shareholder may abstain from voting on the Transaction Resolution (or from submitting a proxy) without affecting the Dissenting Shareholder's dissent rights.

A Dissenting Shareholder may dissent only with respect to all of the LabGold Shares owned by such Dissenting Shareholder on his or her own behalf or on behalf of any one beneficial owner and registered in his or her name. **Persons who are beneficial owners of LabGold Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered owner of such LabGold Shares is entitled to dissent. Accordingly, a beneficial owner of LabGold Shares desiring to exercise his or her right to dissent must make arrangements for the LabGold Shares beneficially owned by him or her to be registered in his or her name prior to the time the written objection to the Transaction Resolution is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of his or her LabGold Shares to dissent on his or her behalf.**

A Dissenting Shareholder must send to the Corporation a written objection to the Transaction Resolution, which written objection (the "**Objection Notice**") must be received by the Corporate Secretary of the Corporation at its counsel's mailing address at Suite 3600, 22 Adelaide Street West, Toronto, Ontario M5H 4E3 Attention of William R. Johnstone or by the Chairman of the Meeting at or before the Meeting unless the Corporation did not give notice to the Dissenting Shareholder of the purpose of the Meeting and of his or her Right of Dissent. A vote against the Transaction Resolution, an abstention or the execution of a proxy to vote against the Transaction Resolution does not constitute such written objection, but a Shareholder need not vote his or her LabGold Shares against the Transaction Resolution in order to dissent.

If the Transaction Resolution is passed, the Corporation is required to give each Dissenting Shareholder who filed an Objection Notice, notice of the adoption of the Transaction Resolution (the "**Adoption Notice**"). The Adoption Notice shall set out the rights of the Dissenting Shareholder and the procedure to be followed to exercise those rights. The Dissenting Shareholder is then required upon receipt of the Adoption Notice to make a demand for payment of fair value of his or her LabGold Shares (the "**Demand for Payment**").

A Dissenting Shareholder ceases to have any rights as a Shareholder, other than the right to be paid the fair value of his or her LabGold Shares, on the earliest of the delivery of a Demand for Payment, the making of an agreement between the Corporation and the Dissenting Shareholder as to the payment to be made for the Dissenting Shareholder's shares or the pronouncement of the order of the Court fixing the fair value of the shares. Until any of the foregoing events occur, the Dissenting Shareholder may withdraw his or her dissent, or the Corporation may rescind the Transaction Resolution and in either event, proceedings under Section 185 shall be discontinued.

Upon receipt of a Demand for Payment, the Corporation is then required to send to each Dissenting Shareholder delivering a Demand for Payment a written offer to pay (the "**Offer to Pay**") the amount considered by the directors of the Corporation to be the fair value thereof accompanied by a statement showing how the fair value was determined.

If the Corporation fails to make an Offer to Pay or a Dissenting Shareholder fails to accept the Offer to Pay, the Corporation may apply to the Court to fix the fair value. If the Corporation fails to apply to the Court, a Dissenting Shareholder may apply.

A Dissenting Shareholder may make an agreement with the Corporation for the purchase of the Dissenting Shareholder's shares by the Corporation, in the amount of the offer by the Corporation or otherwise, at any time before the Court pronounces an order fixing the fair value of the LabGold Shares.

On an application under Section 185, the Court must make an order fixing the fair value of the LabGold Shares of all Dissenting Shareholders, giving judgment in that amount against the Corporation and in favour of each Dissenting Shareholder, and fixing the time within which the Corporation must pay that amount to a Dissenting Shareholder. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder of the Corporation until the date of payment.

The Dissenting Shareholder is not required to give security for costs in respect of an application to the Court to fix the fair value of the Dissenting Shareholder's shares. If the Corporation fails to deliver the Offer to Pay, then the costs of a Shareholder application to the Court are to be borne by the Corporation, unless the Court otherwise orders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder of the Corporation who seeks payment of the fair value of his or her LabGold Shares.

DESCRIPTION OF THE TRANSACTION

The proposed sale of the Kingsway Project constitutes the sale of substantially all of the assets of the Corporation which requires the approval of 66 2/3% of the Shareholders voting at the Meeting, excluding the votes of NFG and its Associates and Affiliates. Pursuant to the Property Purchase Agreement, NFG will acquire a 100% interest in the Kingsway Project, including all property and mining rights associated with the property, in exchange the Purchase Price payable and satisfied by the delivery to LabGold of the Consideration Shares. The Consideration Shares will be subject to a resale restriction of four months and one day from the closing of the Transaction.

The Officers and Directors of the Corporation entered into Voting Agreements agreeing to vote their LabGold Shares in favour of the Transaction. The Board of Directors of the Corporation unanimously recommends that the Shareholders vote in favour of the Transaction Resolution.

Pursuant to the terms of the Property Purchase Agreement, NFG has agreed to assume the obligation under the Kingsway Option Agreement to pay the Remaining Expenditure Target Payment due to the Royalty Holder once an aggregate of $30 million has been spent on the Kingsway Mining Licences. The Corporation has agreed to cooperate with NFG in the preparation of the A&R Royalty Agreement with the Royalty Holder to formalize the royalty payments payable under the terms of the Kingsway Option Agreement. The A&R Royalty Agreement will include the obligation of NFG to pay the Remaining Expenditure Target Payment and will supersede and replace the Kingsway Option Agreement.

Pursuant to the Kingsway Option Agreement mineral licences 027636M, 207637M and 035204M (a staked mineral claim within the area of interest of the Kingsway Option Agreement and subject to the Existing Royalties) are subject to the following royalty (the "**Existing Royalties**") in favour of the Royalty Holder:

> a 1% net smelter return (NSR) royalty, plus $1 per ounce of gold in the "indicated mineral resource" and "measured mineral resource" categories, as defined by the Canadian Institute of Mining, Metallurgy and Petroleum, and established in a NI 43-101 or like technical report for the development of the Mining Property.
>
> an advance royalty of $50,000 per annum will be payable, at the election of the Royalty Holder, in cash or common shares, commencing on March 3, 2026 and continuing each year thereafter until commencement of Commercial Production (as defined in the Kingsway Option Agreement).
>
> which Existing Royalty shall be superseded and replaced in its entirety by the A&R Royalty Agreement.

The Property Purchase Agreement includes customary deal-protection provisions. LabGold has agreed not to solicit or initiate any discussion regarding any other business combination or acquisition. In the event that LabGold validly terminates the Property Purchase Agreement to accept a Superior Proposal (as defined in the Property Purchase Agreement), LabGold will be required to pay NFG a termination fee of $500,000.

Upon the closing of the Transaction, the Corporation will have cash of approximately $6 million and $20 million in NFG Shares at Closing. Reference is made to the Pro Forma Financial Information for the Corporation as at December 31, 2023 included as **Schedule "D"** to this Circular.

The principal asset of the Corporation following the closing of the Transaction will be the Consideration Shares. For details relating to NFG, reference is made to **Schedule "E"** to this Circular setting out particulars of NFG. The information in **Schedule "E"** has been prepared and provided by NFG. Pursuant to the terms of the Property Purchase Agreement, NFG is required to ensure that the information it has provided in **Schedule "E"** does not contain any Misrepresentation.

Following the closing of the Transaction, the Corporation will be focusing on the further exploration of its Hopedale property. The Hopedale property covers much of the Florence Lake greenstone belt that stretches over 60 km. The belt is typical of greenstone belts around the world but has been underexplored by comparison. Work to date by

LabGold shows gold anomalies in rocks, soils and lake sediments over a 3 kilometre section of the northern portion of the Florence Lake greenstone belt in the vicinity of the known Thurber Dog gold showing where grab samples assayed up to 7.8g/t gold. In addition, anomalous gold in soil and lake sediment samples occur over approximately 40 km along the southern section of the greenstone belt. LabGold now controls approximately 40km strike length of the Florence Lake Greenstone Belt.

Once the Transaction is closed, the Corporation will be well-positioned to acquire further properties of merit as a result of its strong financial position.

For particulars relating to the reasons for the Transaction, see the headings "Description of the Transaction – Reasons for the Transaction" and "Description of the Transaction – Recommendation of the Board of Directors"." For particulars relating to the Kingsway Project, reference is made to the Kingsway Report under the heading "Description of the Transaction - The Kingsway Report". For details relating to the Property Purchase Agreement, reference is made to the heading "The Transaction Agreement".

The Board of Directors has reviewed and considered all material facts relating to the Transaction which it has considered to be relevant to Shareholders of the Corporation. **It is the unanimous recommendation of the Board of Directors that Shareholders of the Corporation vote for the Transaction Resolution.**

Qualified Person Statement

Roger Moss, PhD., P.Geo., President and CEO of LabGold, a Qualified Person in accordance with Canadian regulatory requirements as set out in NI 43-101, has read and approved the scientific and technical information that forms the basis for the disclosure contained in this section of the Circular.

REASONS FOR THE TRANSACTION

Considerations of the Board of Directors

In the course of their evaluation of the sale of the Kingsway Project by the Corporation to NFG pursuant to the Transaction, the Board of Directors consulted with the Corporation's senior management and legal counsel and reviewed an extensive amount of information. The conclusions and recommendations of the Board of Directors are based upon the following factors, among others:

- Shareholders will benefit from NFG's experienced Board of Directors, management team and strong balance sheet
- Shareholders will be able to participate, indirectly, in the further exploration and possible development of the Kingsway Project through the Corporation's shareholding interest in NFG
- the current cash position of the Corporation and the current trading price of the Corporation's LabGold shares
- the lack of activity in the junior capital markets
- the funds spent by the Corporation to date on the Kingsway Project
- the difficulty of raising funds to continue exploration of the Kingsway Project and the dilutive effect of any financing based upon the current market price of the LabGold shares
- the fact that the recommended Phase 1 program in the Kingsway Report has a budget of $5.9 million which represents substantially all of the available cash of the Corporation
- the fact that the recommended Phase 2 program in the Kingsway Report has a budget of $3.5 million which would require further financing by the Corporation

- the fact that further discoveries at Kingsway will require large drilling budgets and hence highly dilutive financings

- the fact that NFG is assuming the obligation to pay the final $750,000 payment due to the optionors of the Kingsway Mining Licences once an aggregate of $30 million has been expended on the Kingsway Mining Licences

- the fact that the Corporation will benefit from any further appreciation in the price of the NFG Shares as a result of exploration at either the Kingsway Project or the Queensway Project of NFG

- the fact that the Corporation will be well-funded with approximately $6 million in cash and $20 million in NFG Shares to allow the Corporation to further explore its Hopedale property and to search for further property acquisitions to add shareholder value

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors has considered the proposed Transaction on the terms and conditions as provided in the Property Purchase Agreements and has unanimously concluded that the Transaction is in the best interests of the Corporation and fair, from a financial point of view, to the shareholders of the Corporation. **The Board of Directors unanimously recommends that the Shareholders vote in favour of the Transaction.**

The Board of Directors believes that the Transaction would provide a number of benefits to Shareholders, including:

1. a strong management team in NFG to manage future exploration and development of the Kingsway Project;

2. the Corporation will have adequate funding to further explore the Hopedale property and search for other potential property acquisitions to add shareholder value; and

3. the Transaction leads to the transformation of the Corporation to a well-funded, resource Corporation with management experience in both exploration and capital markets with the potential to take advantage of the current depressed prices of resource assets to make strategic acquisitions.

In arriving at its conclusion and recommendations, the Board of Directors considered, among other matters, the following:

1. the requirement for approval of 66 2/3% of the votes cast by all Shareholders, excluding the votes of NFG and Affiliates and Associates of NFG, represented at the Meeting in person or by proxy;

2. information with respect to the financial condition, business and operations, on both a historical and prospective basis, of the Corporation and NFG;

3. the relative values of the Corporation and NFG;

4. the historical issue price of securities for the Corporation and the recent trading price of the securities of the Corporation;

5. the risks associated with the Transaction and the alternatives available to the Corporation;

6. current industry, economic and market conditions and trends; and

7. the exploration success of the management group and technical team of the Corporation and the ability to identify new exploration opportunities for potential acquisition.

The Board of Directors also identified and considered disadvantages associated with the Transaction, including that the Shareholders after the Transaction will be subject to:

1. the risks associated with exploration of the Kingsway Project, which will be assumed by NFG, and the risks associated with the exploration activities of NFG generally which will be reflected in the stock price of NFG;

2. the restrictions contained in the Property Purchase Agreement on the ability of the Corporation to solicit further expressions of interest from third parties; and

3. the risks to the Corporation if the Transaction is not completed, including the costs incurred in pursuing the Transaction and the diverting of significant management attention away from the conduct of the Corporation's business.

The foregoing summary of the information and factors considered by the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Transaction, the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. After consideration of all of the above-noted factors and in light of the Board of Directors' collective knowledge of the business, financial condition and prospects of the Corporation and the advice of legal and technical advisors to the Corporation, the Board of Directors considered that the Transaction and the terms of the Transaction, overall, represent a reasonable business risk for the Corporation. In addition, individual members of the Board of Directors may have assigned different weights to different factors. **See "Risk Factors".** The Board of Directors' recommendation also involves forward-looking information and is subject to the inherent risks and assumptions associated with forward-looking statements. **See "Cautionary Statements Regarding Forward-Looking Information" on page 8.**

THE KINGSWAY REPORT

The following disclosure relating to the Kingsway Project has been derived from the Kingsway Report completed by Tanya Tettelaar, M.Sc., P.Geo, who meets the requirements of an independent qualified person as described in National Instrument 43-101 and the Companion Policy 43-101CP. The Kingsway Report can be viewed under the Corporation's SEDAR profile at www.sedarplus.com.

Executive Summary

The Kingsway Project is located in the central part of the island of Newfoundland 18km northwest of Gander, Newfoundland and Labrador, Canada. The Kingsway Project is located on NTS 1:50,000 map sheet 02E/02 and the geographical centre of the Kingsway Project area is approximately 663,840mE, 5,442,480mN, (UTM NAD83, Zone 21). The Kingsway Project can be accessed using four wheel drive vehicles by exiting the Trans-Canada Highway near the town of Glenwood and following a series of dirt logging roads.

The Kingsway Project consists of four contiguous mineral licences, 023940M, 027636M, 027637M, and 035204M, totaling 311 mineral claims and 7,775 ha and Labrador Gold Corp. is the owner of all mineral licences by staked claims and completing all requirements of two option agreements, earing 100% undivided interest in three licences 023940M, 027636M, and 027637M. The latter two licences also includes payment to the original owner, Shawn A. Ryan, of a 1% NSR royalty plus $1 per ounce of gold in the measured and indicated categories, as defined by NI 43-101 standards, for the development of either of the mineral licences. An "Expenditure Target Payment" of $750,000 is payable upon incurring an aggregate of $30 million in exploration expenditures on either of the licences and an advance royalty of $50,000 per annum to be paid to Mr. Ryan commencing on March 3, 2026. As of the effective date of March 14, 2024 of this technical report, all four mineral licences were in good standing with the Government of Newfoundland and Labrador Mineral Lands Division. Labrador Gold Corp. has acquired all necessary permits pertaining to conducting exploration work and the Qualified Person of this report is not aware of any environmental liabilities or significant risks that would prevent exploration work to continue.

The Kingsway Project lies within the Exploits Subzone of the Dunnage Zone, which represents the vestiges of the Iapetus Ocean that closed by the Early Silurian at the end of the Salinic Orogeny. The Exploits Subzone is bound by two suture zones, the Red Indian Line to the west and the Gander River Complex Line to the east. The property

geology consists of greenschist facies metamorphosed sedimentary rocks, predominantly Cambrian to Ordovician shales and marine siliciclastic rocks of the Davidsville Group and the Silurian non-marine siliciclastic rocks of the Indian Islands Group. The sedimentary rocks are intruded by gabbro, mafic and lamprophyre dykes. The rocks have undergone three phases of deformation: phase D1, represented by a penetrative, ductile, northeast to north-northeast-trending S1 foliation and locally axial planar to F1 fold hinges of close to isoclinal folds; phase D2, a late phase of progressive D1 and associated with the formation of gold-bearing quartz-carbonate-arsenopyrite-pyrite veining; and phase D3, characterized by a steeply dipping northwest to west-northwest brittle, open-spaced S3 cleavage and kink banding. The Kingsway Project overlies two north northeast trending major structures, the Appleton Fault Zone to the east, and the Dog Bay Line suture to the west.

The gold mineralization on the Kingsway Project is characteristic of an orogenic-style gold deposit. There are two historic mineral occurrences on the Kingsway Project, Appleton #2 and Cracker. An additional seven mineral occurrences have been discovered by Labrador Gold Corp., including Big Vein-Big Vein Southwest, Pristine, Dropkick, Knobby, Golden Glove, Midway and HM. Gold mineralization is characterized by auriferous quartz-carbonate veining dominantly hosted in sedimentary rocks of the Davidsville Group in the east and locally in gabbro dykes in the southwest. The auriferous vein zones are focussed along second or third order D2 north northeast to northeast trending structures associated with the Appleton Fault Zone and the Dog Bay Line, respectively. Gold grains are free in quartz or wall rock inclusions, variable in size up to 1mm, and spatially heterogeneous in the gold system. Associated sulphides are typically arsenopyrite and pyrite with lesser chalcopyrite. Rare boulangerite, stibnite and native antimony can also be present in the sedimentary hosted auriferous veins. Alteration mineral assemblages are typically silica-sericite-Fe carbonate forming narrow halos in sedimentary host rock and can also include albite-leucoxene-chlorite in gabbroic host rock with generally broader halos.

Exploration for gold in the region began in the late 1980s prompted by the discovery of gold in bedrock and lake sediment gold anomalies from provincial geological survey work. Historical exploration on the Kingsway Project consisted of geological mapping, prospecting, geochemical sampling of rock, stream sediment, lake sediment, soil, and glacial till. Two gold occurrences were discovered; the Appleton #2 prospect (a 4.96 g/t Au quartz sample), and the Cracker prospect (rock samples up to 67.73 g/t Au). Geophysical surveys were done on the Kingsway Project and included very low frequency electromagnetic, magnetic, gamma-ray spectrometer, and induced polarization. A few of the geochemical and geophysical anomalies were followed up with trenching and channel sampling. There are 12 historical drillholes on the property, G-90-1 to G-92-8, which tested veins in trenches, and SUN-01-02 to SUN-04-02, which tested the Cracker occurrence. These holes intersected quartz-carbonate veining and/or sulphide mineralization but with no significant gold results.

Since acquiring the Kingsway Project in May 2020, Labrador Gold has conducted systematic exploration work consisting of geological mapping, prospecting, and geochemical sampling of rock (2,512 samples), soils (12,145 samples), and till (535 samples). Gold in bedrock sampling led to the discovery of four occurrences, Big Vein, Golden Glove, Knobby, and HM. Geophysical surveys also conducted on the Property included ground geophysical surveys: very low frequency electromagnetic, magnetic, induced polarization, controlled source audio-frequency magnetotellurics, and an airborne versatile time domain electromagnetic survey.

From 2020 to 2022, Rotary air blasting (154 holes totaling 8,382m) and reverse circulation (6 holes totaling 434m) drilling was conducted to test eight geochemical gold anomalies in areas with no bedrock exposure. A total of 7,112 rock chip samples were analyzed for gold and significant gold results were returned from three areas. These include Midway with 1.42 g/t Au over 4.57m from 48.77m in hole KINRAB20-011, Pristine with 1.51 g/t Au over 9.14m from 44.20m in hole KR-21-021, and Dropkick with 0.99 g/t Au over 10.67m from 1.52m in hole KR-21-091.

Since April 2021, Labrador Gold has conducted diamond drilling totaling 91,420m in 341 drillholes at the Big Vein, Doyle Zone-Pristine, Midway, Dropkick, Golden Glove, Knobby, Peter Easton, CSAMT and HM prospects. A total of 65,778 core samples have been submitted for gold analysis with 63,514 gold results returned as of March 14, 2024, the effective date of this report. The diamond drilling has intersected significant gold results at Big Vein, Doyle Zone-Pristine, Midway, Dropkick, Golden Glove, Knobby and HM. Expansion drilling at Big Vein intersected significant gold mineralization at Big Vein Southwest.

The Big Vein-Big Vein Southwest area has defined zones of gold mineralization up to 700m along strike, and from surface up to 400m vertical depth with best results of 1.00 g/t Au over 51.00m from 67.00m, including 1.53 g/t Au over 7.00m from 75.00m in hole K-22-142. The gold mineralization at the Doyle Zone extends approximately 200m

along strike, and from surface up to 85m vertical depth with best results of 1.19 g/t Au over 45.20m from 48.20m including 2.03 g/t Au over 16.20m from 57.20m in hole K-22-139. The Dropkick area has zones of gold mineralization that extend up to 360m along strike and from near-surface up to 150m vertical depth with best results of 1.81 g/t Au over 20.15m from 50.00m including 2.32 g/t Au over 15.15m from 55.00m. All three areas are in proximity to the Appleton Fault Zone and show similar gold mineralization, geological, alteration, and structural characteristics. The Midway area has intersected gold mineralization hosted in quartz veining associated with strongly altered gabbro with best results of 2.20 g/t Au over 13.00m from 45.00m including 7.36 g/t Au over 2.00m from 45.00m in hole K¬22-153. The extent of gold mineralization at Golden Glove, Knobby and HM occurrences is not yet defined.

The Kingsway Project lies in a regional tectonostratograhic setting with multiple orogenic events during geological time periods similar to known global orogenic gold deposits. Two major structures, the Appleton Fault Zone and the Dog Bay Line transect the property to the east and west, respectively. The Kingsway Project contains gold occurrences in proximity to these major structures, two historical gold occurrences and seven gold discoveries made by Labrador Gold Corp. in the span of less than four years of exploration. The Kingsway Project constitutes a property of merit based on:

- Favourable geological and structural setting for an orogenic gold system,
- Drill intersections of near surface gold mineralization with depths up to 150m at Dropkick, 400m at Big Vein-Big Vein Southwest, and 85m at Pristine, with all areas open along strike in both directions and at depth
- Drill intersections of near surface gold mineralization with limited drilling and the potential for expansion at Midway and HM areas, both open along strike in both directions and at depth,
- Areas of untested gold potential in proximity to the Appleton Fault Zone including 2km southwest of Peter Easton-Big Vein area, 2km between Pristine and Dropkick, and 3km of an underexplored area in the northern licences.
- Areas of untested gold potential in proximity to the Dog Bay Line south of Midway with gold in soils and till, and
- The presence of untested geophysical and surface geochemical anomalies.

A $9,400,050.00 contingent two-phase exploration program is recommended with a Phase 1 program with a budget of $5,893,800.00 consisting of 15,000m of diamond drilling to expand and infill gold prospects with focus on delineating gold mineralization at Big Vein and Pristine in preparation for a Mineral Resource Estimate, extension of soil sampling grids, infill of VLF-EM and magnetic surveys, ground IP survey, trenching and channel sampling, and continued mapping and prospecting. Contingent on the Phase 1 results, a Phase 2 program is recommended with a budget of $3,506,250.00 consisting of 10,000m of delineation, expansion and/or exploratory drilling as required, a resource estimate calculation and updated technical report, and follow up infill soil sampling as required to delineate additional drill targets.

Interpretation and Conclusions

Since July 2020, Labrador Gold Corp. has carried out systematic surficial geochemical sampling of till, soil, and rock, and property-scale geological mapping to discover, and aid in understanding of the gold mineralization system on the Kingsway Project. Ground geophysical surveys including VLF-EM, magnetic, IP and CSAMT and an airborne VTEM™ survey have been conducted to explore for geophysical anomalies suggestive of potential gold mineralization undercover. Consultant expertise has been employed to provide geological and structural interpretation and guide gold exploration. RAB and RC drilling was implemented to quickly and inexpensively assess surficial geochemical targets. The culmination of the aforementioned work has led to the discovery of seven gold occurrences on the Kingsway Project, all of which have been diamond drill tested.

Gold mineralization is interpreted to represent an orogenic gold system, characterized by auriferous quartz-carbonate veining dominantly hosted in sedimentary rocks of the Davidsville and Indian Islands groups and focussed along second or third order D2 northeast trending structures associated with the Appleton Fault Zone. Gold grains are free

in quartz or wall rock inclusions, variable in size up to 1mm, and spatially heterogeneous in the gold system. Associated sulphides are typically arsenopyrite and pyrite with lesser chalcopyrite. Rare boulangerite, stibnite and native antimony can also be present. Alteration mineral assemblages are typically silica-sericite-Fe carbonate forming narrow halos in sedimentary host rock and can also include albite-leucoxene-chlorite in gabbroic host rock with generally broader halos.

Diamond drill-testing of ten areas of interest have intersected significant gold at seven of these areas. The Big Vein-Big Vein Southwest area has constituted the most drilling with 200 drillholes totalling 58,192.3m drilled as of the effective date and has defined zones of gold mineralization up to 700m along strike, and from surface up to 400m vertical depth. The Pristine area has been drill tested with 45 drillholes totalling 9,755.7m and intersected gold mineralization, which extends approximately 200m along strike, and from surface up to 85m vertical depth. The Dropkick area has been drill tested with 15 drillholes totaling 2,956.98m drilled and zones of gold mineralization extend up to 360m along strike and from near-surface up to 150m vertical depth. All three areas show similar gold mineralization, geological, alteration, and structural characteristics. The Midway area has been drill tested with eight drillholes totaling 1,835m and has intersected gold mineralization hosted in quartz veining associated with strongly altered gabbro. Gold mineralization has also been intersected at Golden Glove, Knobby and HM occurrences but is limited by either the extent of intersections or sparsity of drilling in these areas and is not fully understood. Re¬evaluation of Golden Glove and Knobby with the use of geophysical data, geological mapping and trenching (if possible) may provide a better understanding to guide future drill planning.

The Kingsway Project constitutes a property of merit based on:

- Favourable geological and structural setting for an orogenic gold system,
- Drill intersections of near surface gold mineralization with depths up to 150m at Dropkick, 400m at Big Vein-Big Vein Southwest, and 85m at Pristine, with all areas open along strike in both directions and at depth,
- Drill intersections of near surface gold mineralization with limited drilling and the potential for expansion at Midway and HM areas, both open along strike in both directions and at depth,
- Areas of untested gold potential in proximity to the Appleton Fault Zone including 2km southwest of Peter Easton-Big Vein area, 2km between Pristine and Dropkick, and 3km of an underexplored area in the northern licences.
- Areas of untested gold potential in proximity to the Dog Bay Line south of Midway with gold in soils and till, and
- The presence of untested geophysical and surface geochemical anomalies.

It is the Qualified Person’s opinion based on the data provided by the Corporation that the geological interpretations, analytical methods for sampling and exploration programs conducted by Labrador Gold Corp.are reasonable for an orogenic gold system and follow CIM Mineral Exploration Best Practices Guidelines (2018).

There are risks and uncertainties toward advancement of the Kingsway Project. While the geological interpretations are reasonable, the structural complexity and continuity of mineralization are not fully understood on the prospects and are hampered by poor outcrop exposure. The heterogeneity of gold grain size and spatial distribution of gold leads to low confidence toward interpreting continuity of mineralization over widely spaced drill intervals. Gold in drill intercepts can have very high-grade gold in narrow veining surrounded by wider low-grade gold, gold grades are not capped on high-grade gold outliers and the true thickness of mineralization has not been estimated. Although drill results are encouraging, further delineation drilling followed by a Mineral Resource Estimate calculation and metallurgical studies would better define the risk. The Gander River is a provincially protected and managed river with salmon pools and water shed. Labrador Gold Corp. has obtained permitting through registration of an Environmental Assessment to drill within 100m buffer of the river but limits the ability to test closer to targets like Golden Glove. There is no guarantee that the Corporation will be able to acquire the necessary permits toward future development of the Kingsway Project. No baseline studies have been carried out by the Corporation to compare to

potential future development. To the best of the Qualified Person's knowledge there are no environmental liabilities, significant factors, or risks that may affect access, title or the right or ability of Labrador Gold Corp. to perform exploration work on the Kingsway Project.

Recommendations

A $9,400,050.00 contingent two-phase exploration program is recommended on the Kingsway Project with costs summarized in the table below. The Phase 1 program with a total budget of $5,893,800.00, including 10% contingency, consists of 15,000m of diamond drilling to expand and infill prospects, extension of soil sampling grids, infill of VLF-EM and magnetic surveys, ground IP survey, trenching and channel sampling, and continued mapping and prospecting. Contingent on the Phase 1 results, a Phase 2 program with a total budget of $3,506,250.00, including 10% contingency, consists of 10,000m of drilling, a mineral resource estimate and updated technical report, and follow up infill soil sampling as required to delineate additional drill targets.

Phase 1:

- Ground VLF-EM and magnetic surveys have been successful in outlining potential structures associated with resistivity and magnetic anomalies. The 4.5km area between 2020 Grids A and CA should be surveyed at an estimated 67.5 line-km with 100m spaced lines and 10m station intervals to cover the prospective Appleton Fault Zone area,

- A 21 line-km ground IP survey over the 2km gap between Pristine and Dropkick should be conducted along 1km lines at 100m line-spacing at 25m station intervals to test for resistivity/conductivity anomalies at depth,

- Expansion drilling of 15,000m at 50m to 100m drill-spaced step-outs along strike and 25m to 50m drill spacing up and down dip testing for Big Vein-Big Vein Southwest, Pristine, Dropkick, the Gap and Midway are warranted. Drilling at Big Vein and Pristine should focus on delineation drilling in preparation for a mineral resource estimate calculation in Phase 2,

- Specific gravity measurements on a suite of barren and mineralized core material should be conducted,

- Deepening holes 50-100m at Big Vein at 25m to 50m spacing to test for mineralization intersected adjacent to the Black Shale Fault at Big Vein Southwest,

- Soil sampling at 100m line spacing and 25m sampling intervals southwest of previous sampling and Gold Anomaly #1 target from consultant Stephen Amor's report (2023),

- Trenching, if overburden thickness is conducive, with one to four 10 x 20m trenches at Big Vein-Big Vein Southwest, Pristine, Dropkick, Midway, Knobby, CSAMT geophysical targets T1 and T2 and over geochemical anomalies to potentially expose bedrock mineralization and follow up with detailed trench mapping and channel sampling, and

- Continued detailed geological mapping and prospecting.

Phase 2:

- Contingent on results and new targets generated from Phase 1, 10,000m of infill and expansion drilling in 35 holes,

- A Mineral Resource Estimate for Big Vein-Big Vein Southwest and Pristine and updated technical report, and

- Follow-up infill soil sampling as required to delineate additional drill targets.

Budget for a Contingent Two-Phase Exploration Program:

Phase 1		
Work	**Description**	**Total**
VLF-EM & Magnetic Survey	67.5 line-km	$28,000.00
IP Survey	21 line-km	$250,000.00
Diamond Drilling (all in)	15,000m	$4,500,000.00
Soil sampling (all in)	1500 samples	$187,500.00
Trenching & Channel Sampling (all in)	24 trenches, 450 samples	$250,000.00
Geological mapping	60 person-days	$120,000.00
Prospecting	500 samples	$22,500.00
10% Contingency		$535,800.00
	Phase 1 Total	**$5,893,800.00**
Phase 2		
Diamond Drilling	10,000m	$3,000,000.00
Soil sampling (all in)	500 samples	$62,500.00
Mineral Resource Estimate and Technical Report		$125,000.00
10% Contingency		$318,750.00
	Phase 2 Total	**$3,506,250.00**
	Grand Total	**$9,400,050.00**

Qualified Person Statement

Tanya Tettelaar, M.Sc., P.Geo. a Qualified Person as defined under NI-43-101, has reviewed and approved the technical information contained in this section, The Kingsway Report, of the Circular relating to the Kingsway Project.

THE TRANSACTION AGREEMENT

Except for the Property Purchase Agreement's status as a contractual document that establishes and governs the legal relations among the parties thereto with respect to the Transaction, the text is not intended to be, and should not be interpreted as, a source of factual, business or operational information about the Corporation. The Property Purchase Agreement contains representations, warranties and covenants that are qualified and limited, including by information disclosed to the Corporation in connection with the execution of the Property Purchase Agreement and certain information disclosed in public filings with Canadian securities regulatory authorities. Representations and warranties may be used as a tool to allocate risks between the respective parties to the Property Purchase Agreement, including where the parties do not have complete knowledge of all facts, instead of establishing such matters as facts. Furthermore, the representations and warranties may be subject to standards of materiality that differ from what may be viewed as material to Shareholders. These representations may or may not have been accurate as of any specific date and do not purport to be accurate as of the date of this Circular. Shareholders may not directly enforce or rely upon the terms and conditions of the Property Purchase Agreement but should consider all information disclosed by the Corporation in their public filings with Canadian securities regulatory authorities.

Conduct of Business of LabGold

LabGold covenants and agrees that, during the period from the date of the Property Purchase Agreement until the earlier of the Closing Date and the time that the Property Purchase Agreement is terminated in accordance with its terms, except with the express prior written consent of the Purchaser, as required or permitted by the Property Purchase Agreement, LabGold shall:

(a) conduct its business in the Ordinary Course and LabGold shall maintain and preserve the Purchased Assets and perform and comply with all of its obligations under all Contracts and Authorizations;

(b) maintain its interest in the Purchased Assets in good standing under applicable Laws, perform all work required to be performed under applicable Law, pay all Taxes, royalties, fees, expenditures and other payments required to be paid or make any necessary Tax, governmental and other filings required in respect to the Purchased Assets in a timely fashion;

(c) not accelerate any expiry dates and/or vesting provisions of any options pursuant to LabGold's 2023 Stock Option Plan;

(d) not sell, dispose of, grant any interest in or transfer possession of all or any portion of the Purchased Assets, or any interest therein;

(e) not grant or permit to exist any Encumbrances on its rights to the Purchased Assets, other than Permitted Encumbrances;

(f) not enter into any contract or any other transaction that could affect any of the Purchased Assets;

(g) not terminate, cancel, modify or amend in any respect any contract related to the Purchased Assets or take or fail to take any action that would entitle any party to a contract related to the Purchased Assets to terminate, modify, cancel or amend such contract; or

(h) not agree, commit or enter into any understanding to take any action set out in paragraphs (c), (d), (e), (f) or (g) above.

Certain Covenants of LabGold Relating to the Transaction

(a) LabGold shall perform all obligations required or desirable to be performed by LabGold under the Property Purchase Agreement, co-operate with the Purchaser in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transaction and, without limiting the generality of the foregoing, LabGold shall:

(i) use commercially reasonable efforts to satisfy all conditions precedent in the Property Purchase Agreement and comply promptly with all requirements imposed by Law on it with respect to the Property Purchase Agreement or the Transaction;

(ii) obtain and maintain all third party or other consents (including from Governmental Entities), waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, including the Required Consents and Approvals required to be obtained by LabGold, that are (A) necessary in connection with the Transaction, (B) required to be obtained in relation to any of the Purchased Assets, or (C) required in order to maintain any Contracts, leases, Authorizations, licenses or other authorizations in respect of the Purchased Assets in full force and effect up to the Closing, in each case, on terms that are reasonably satisfactory to the Purchaser, and without committing the Purchaser or LabGold to pay any additional consideration or incur any liability or obligation without the prior written consent of the Purchaser;

(iii) assist the Purchaser in negotiating the A&R Royalty Agreement with respect to the Existing Royalties pursuant to the Kingsway Option Agreement and the obligation of the Purchaser to pay the Remaining Expenditure Target Payment to the Royalty Holder, in form and substance satisfactory to the Purchaser, acting reasonably, to be entered into between the Purchaser and the Royalty Holder which supersedes and replaces the Kingsway Option Agreement in its entirety;

(iv) in connection with the preceding 1.1(a)(ii) under this subsection, LabGold shall: (A) prior to the Closing, prepare all requisite notification letters (and provide copies to the Purchaser) to be submitted to each applicable Governmental Entity confirming the Transaction and, where applicable, requesting approval for the transfer to the Purchaser or issuance, as applicable of all transferrable Authorizations relating to the Purchased Assets; and (B) provide the Purchaser with all material correspondence made by LabGold or received by LabGold with respect to the Required Consents and Approvals;

(v) effect all necessary registrations, filings and submissions of information required by Governmental Entities relating to the Transaction and coordinating and cooperating with the Purchaser with respect thereto;

(vi) oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Transaction and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Transaction or the Property Purchase Agreement; and

(vii) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Property Purchase Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Transaction.

(b) LabGold shall promptly notify the Purchaser in writing of:

(i) any Material Adverse Effect or any fact or state of facts, circumstance, change, effect, occurrence or event which could reasonably be expected to have a Material Adverse Effect;

(ii) any notice or other communications from any Person or any Governmental Entity relating to or involving or otherwise adversely affecting the Purchased Assets or that relate to the Property Purchase Agreement or the Transaction.

Certain Covenants of the Purchaser Relating to the Transaction

(c) The Purchaser shall perform all obligations required or desirable to be performed by the Purchaser under the Property Purchase Agreement, co-operate with LabGold in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transaction and, without limiting the generality of the foregoing, the Purchaser shall:

(i) use commercially reasonable efforts to satisfy all conditions precedent in the Property Purchase Agreement and comply promptly with all requirements imposed by Law on it with respect to the Property Purchase Agreement or the Transaction;

(ii) obtain and maintain all third-party or other consents (including from Governmental Entities), waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, including the Required Consents and Approvals required to be obtained by the Purchaser, that are (A) necessary in connection with the Transaction or (B) required to be obtained in relation to the issuance of the Consideration Shares to LabGold;

(iii) oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Transaction and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Transaction or the Property Purchase Agreement;

(iv) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Property Purchase Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Transaction.

(d) the Purchaser shall promptly notify LabGold in writing of any Material Adverse Effect or any fact or state of facts, circumstance, change, effect, occurrence or event which could reasonably be expected to have a Material Adverse Effect.

Mutual Conditions Precedent

The Parties are not required to complete the Transaction unless the following conditions are satisfied on or as of the Closing Date, which conditions may only be waived, in whole or in part, by the mutual consent of each of the Parties:

(a) **Illegality.** No Law is in effect that makes the consummation of the Transaction illegal or otherwise prohibits or enjoins either of the Parties from consummating the Transaction.

(b) **Required Consents and Approvals**. The Required Consents and Approvals shall have been obtained in form and substance satisfactory to the Parties, acting reasonably.

(c) **Shareholder Approval**. The resolutions to approve matters set out in paragraph (a) of the definition of "Meeting Matters" shall have been approved by a 66 2/3% majority of the votes cast by Shareholders at the Meeting in compliance with Law and the requirements of the TSXV.

(d) **Exchange Approval**. If approval is required in accordance with the policies of the TSXV or the NYSE American, the TSXV or the NYSE American, as applicable, shall have conditionally approved the disposition of the Purchased Assets by LabGold, the purchase of the Purchased Assets by the Purchaser, and the issuance of the Consideration Shares by the Purchaser to LabGold, subject only to compliance with the requirements of the TSXV and the NYSE American, as applicable.

(e) **Termination**. The Property Purchase Agreement shall not have been terminated.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Transaction unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) **Representations and Warranties.** The representations and warranties of LabGold set forth in the Property Purchase Agreement that are qualified by materiality or Material Adverse Effect qualifications shall be true and correct in all respects and all other representations and warranties of LabGold set forth in the Property Purchase Agreement shall be true and correct in all material respects except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, in each case, as of the Closing Date as if made on and as of such date except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be accordingly true and correct as of such earlier date; and LabGold shall have delivered a certificate confirming same to the Purchaser, executed by a senior officer of LabGold (without personal liability), addressed to the Purchaser and dated the Closing Date.

(b) **Performance of Covenants.** LabGold has fulfilled or complied in all material respects with each of the covenants and obligations of LabGold contained in the Property Purchase Agreement to be fulfilled or complied with by it on or prior to the Closing Date and LabGold has delivered a certificate confirming same to the Purchaser, executed by a senior officer of LabGold (without personal liability), addressed to the Purchaser and dated the Closing Date.

(c) **No Material Adverse Effect.** There shall not have occurred a Material Adverse Effect with respect to the Purchased Assets.

(d) **No Legal Action.** There is no action or proceeding pending in Canada to prohibit or restrict the Transaction or prohibit or restrict the ownership or operation by the Purchaser or its Affiliates of the Purchased Assets.

(e) **Mining Property**. LabGold shall have a good and registered title to the Mining Property, free and clear of all Encumbrances except Permitted Encumbrances and the Mineral Licences shall be in good standing as of the Closing Date.

(f) **Real Property**. LabGold shall have good and marketable title to the Real Property in fee simple as of the Closing Date.

(g) **Royalty Agreement**: The A&R Royalty Agreement shall be agreed between the Purchaser and the Royalty Holder in form and substance satisfactory to the Purchaser.

(h) **Deliveries to the Purchaser.** LabGold shall have delivered, or caused to be delivered, to the Purchaser the following in form and substance satisfactory to the Purchaser, acting reasonably:

(i) the certificates referred to in paragraphs (a) and (b) above;

(ii) certified copies, dated the Closing Date, of (i) the articles and by-laws of LabGold; and (ii) the resolutions of the board of directors of LabGold approving the entering into of the Property Purchase Agreement and the transactions contemplated hereby;

(iii) a Certificate of Status with respect to LabGold issued by the Province of Ontario Ministry of Government Services;

(iv) a Certificate of Good Standing with respect to LabGold issued by the Registrar of Companies for the Province of Newfoundland and Labrador;

(v) Certificates of Good Standing issued by the MCR in respect of each of the Mineral Licences;

(vi) an originally executed Deed of Conveyance and Affidavit of Status and Warranties in agreed registrable form, duly executed by LabGold in front of a notary or commissioner for oaths, transferring the Real Property to the Purchaser free and clear of all Encumbrances, other than the Permitted Encumbrances (the "**Deed of Conveyance**");

(vii) an originally executed copy of a transfer instrument in standard form, duly executed by LabGold in front of a notary or commissioner of oaths, to transfer the Mineral Licences to the Purchaser in accordance with the Mineral Act (the "**Transfer Instruments**");

(viii) a general conveyance duly executed by LabGold transferring the Purchased Assets other than the Real Property and Mineral Licences to the Purchaser free and clear of all liens, charges and Encumbrances, other than the Permitted Encumbrances;

(ix) a certificate from the Town of Appleton confirming that all municipal property and business taxes levied in respect of the Real Property have been paid to date;

(x) a certificate from the Town of Appleton confirming that the Real Property is compliant with all municipal by-laws and development regulations and that there are no outstanding work orders or open building files in respect of the Real Property;

(xi) any other conveyances, transfers, assignments, consents and other documents necessary or reasonably required to transfer legal and beneficial title to the Purchased Assets with good and marketable title, free and clear of all liens, charges and Encumbrances, other than the Permitted Encumbrances;

(xii) an original copy of the A&R Royalty Agreement duly signed by the Royalty Holders in registrable form;

(xiii) all keys, entry devices and passcodes with respect to the Purchased Assets including combinations to any locks or vaults; and

(xiv) all original copies of the Records and Books and Records in possession of LabGold.

Additional Conditions Precedent to the Obligations of LabGold

LabGold is not required to complete the Transaction unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of LabGold and may only be waived, in whole or in part, by LabGold in its sole discretion:

(a) **Representations and Warranties of the Purchaser**. The representations and warranties of the Purchaser set forth in the Property Purchase Agreement that are qualified by materiality or Material Adverse Effect qualifications shall be true and correct in all respects and all other representations and warranties of the Purchaser set forth in the Property Purchase Agreement shall be true and correct in all material respects except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, in each case, as of the Closing Date as if made on and as of such date except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be accordingly true and correct as of such earlier date; and the Purchaser shall have delivered a certificate confirming same to LabGold, executed by a senior officer of the Purchaser (without personal liability), addressed to LabGold and dated the Closing Date.

(b) **Performance of Covenants of the Purchaser**. The Purchaser has fulfilled or complied in all material respects with each of the covenants and obligations of the Purchaser contained in the Property Purchase Agreement to be fulfilled or complied with by it on or prior to the Closing Date and the Purchaser has delivered a certificate confirming same to LabGold, executed by a senior officer of the Purchaser (without personal liability), addressed to LabGold and dated the Closing Date.

(c) **No Material Adverse Effect.** There shall not have occurred a Material Adverse Effect with respect to the Purchaser.

(d) **No Legal Action**. There is no action or proceeding pending in Canada to prohibit or restrict the Transaction.

(e) **No Dissent**. Dissent Rights shall not have been exercised (or, if exercised, shall not remain withdrawn) with respect to 7.5% or more of the issued and outstanding LabGold shares of LabGold.

(f) **Deliveries by the Purchaser**. The Purchaser shall have delivered or caused to be delivered to LabGold the following in form and substance satisfactory to LabGold, acting reasonably:

(i) the certificates referred to in paragraphs (a) and (b) above; and

(ii) a certificate or a DRS statement representing the Consideration Shares.

Covenants Regarding Non-Solicitation

(a) LabGold shall, and shall direct and cause its Subsidiaries and its Subsidiaries' respective Representatives to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation, whether or not initiated by LabGold, with any parties (other than the Purchaser) commenced prior to the date of the Property Purchase Agreement with respect to an Acquisition Proposal, and LabGold shall request the return of information regarding LabGold and its Subsidiaries previously provided to such parties and shall request the destruction of all materials including or incorporating any confidential information regarding LabGold and its Subsidiaries. LabGold agrees not to release any third party from any confidentiality agreement relating to a potential Acquisition Proposal to which such third party is a party. LabGold further agrees not to release any third party from any standstill or similar agreement or obligation to which such third party is a party or by which such third party is bound (it being understood and agreed that the automatic termination of a standstill provision due to the announcement of the Transaction or the entry into the Property Purchase Agreement shall not be a violation of this paragraph (a)).

(b) Subject to the Right to Accept a Superior Proposal referred to below, or unless permitted pursuant to these Covenants Regarding Non-Solicitation, LabGold agrees that it shall not, and shall not authorize or permit any of its or its Subsidiaries' Representatives, directly or indirectly, to:

(i) make, solicit, initiate, entertain, encourage, promote or facilitate, including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding, any inquiries or the making of any proposals regarding an Acquisition Proposal or that may reasonably be expected to lead to an Acquisition Proposal;

(ii) participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to any person any information or otherwise co-operate with, respond to, assist or participate in any Acquisition Proposal or potential Acquisition Proposal;

(iii) remain neutral with respect to, or agree to, approve or recommend, any Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal until five days following announcement of such Acquisition Proposal shall not be considered to be a violation of this paragraph (iii));

(iv) withdraw, modify, qualify or change in a manner adverse to the Purchaser, or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change in a manner adverse to the Purchaser, the approval, recommendation or declaration of advisability of the LabGold Board of either the Transaction or the Property Purchase Agreement, as the case may be (a "**Change in Recommendation**") (it being understood that failing to affirm the approval or recommendation of the LabGold Board of the Transaction or the Property Purchase Agreement within five days after an Acquisition Proposal relating to LabGold has been publicly announced and, in circumstances where no Acquisition Proposal has been made, within two Business Days of being requested to do so by the Purchaser, shall be considered an adverse modification);

(v) enter into any agreement, arrangement or understanding effecting or related to any Acquisition Proposal or requiring it to abandon, terminate or fail to consummate the Transaction, or providing for the payment of any break, termination or other fees or expenses to any person in the event that LabGold completes the Transaction; or

(vi) make any public announcement or take any other action inconsistent with the recommendation of the LabGold Board that Shareholders approve the Transaction.

(c) Notwithstanding paragraph (b) above and any other provisions of the Property Purchase Agreement, the LabGold Board may consider, participate in any discussions or negotiations with, and provide information to any person who has delivered a *bona fide* written Acquisition Proposal which was not solicited, facilitated or encouraged by LabGold after the date of the Property Purchase Agreement and did not otherwise result from a breach of these Covenants Regarding Non-Solicitation by LabGold, if:

(i) the LabGold Board first determines in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute a Superior Proposal and that it is necessary to take such action in order to discharge properly its fiduciary duties;

(ii) such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction;

(iii) prior to providing any confidential non-public information to such Person, LabGold obtains a confidentiality and standstill agreement from the Person making such Acquisition Proposal on terms no more favorable to such Person than those in the confidentiality agreement between LabGold and the Purchaser, provided, for greater certainty, that such standstill shall not preclude such Person from making a Superior Proposal; and

(iv) LabGold sends a copy of any such confidentiality and standstill agreement to the Purchaser promptly upon its execution and the Purchaser is provided with a list of the information provided to such Person and is immediately provided with access to all information to which such Person was provided.

(d) Nothing contained in these Covenants Regarding Non-Solicitation or elsewhere in the Property Purchase Agreement shall prohibit the LabGold Board from making a Change in Recommendation or from making any disclosure to the Shareholders if, in the good faith judgment of the LabGold Board after consultation with outside legal counsel, such action is necessary for the LabGold Board to act in a manner consistent with its fiduciary duties or is otherwise required under applicable Laws; *provided, however,* that:

(i) LabGold shall give the Purchaser not less than 48 hours prior written notice of the LabGold Board's intention to make a Change in Recommendation; and

(ii) this paragraph (d) shall not relieve LabGold from its obligation to proceed to call and hold the Meeting and to hold the vote on the Meeting Matters, except in circumstances where the Property Purchase Agreement is terminated in accordance with the terms hereof.

(e) From and after the date of the Property Purchase Agreement, LabGold shall promptly (and in any event within 24 hours) notify the Purchaser, at first orally and then in writing, of any proposals, offers or inquiries relating to or constituting an Acquisition Proposal, or any request for non-public information relating to LabGold or its Subsidiaries. Such notice shall include a copy of such proposal, offer or inquiry and any documents related thereto, a description of the terms and conditions of any proposal, inquiry or offer, the identity of the Person making such proposal, inquiry or offer and provide such other details of the proposal, inquiry or offer as LabGold may reasonably request. LabGold shall keep the Purchaser fully informed on a prompt basis of the status, including any change to the terms, of any such inquiry, proposal or offer.

Right to Accept a Superior Proposal

(a) If LabGold has complied with the Covenants Regarding Non-Solicitation, LabGold may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of a Superior Proposal received prior to the date of approval of the Transaction by the Shareholders and terminate the Property Purchase Agreement if, and only if: (1) LabGold has provided the Purchaser with a copy of all documents related to the Superior Proposal; (2) LabGold has provided the

Purchaser with the information regarding such Superior Proposal required under paragraph (e) of the Covenants Regarding Non-Solicitation; (3) the LabGold Board has determined in good faith after consultation with outside legal counsel and its financial advisors that such Acquisition Proposal constitutes a Superior Proposal and that it is necessary in order for the LabGold Board to discharge properly its fiduciary duties to withdraw or modify its approval or recommendation of the Property Purchase Agreement and to approve or recommend such Superior Proposal; and (4) five Business Days shall have elapsed from the later of the date the Purchaser received written notice (a "**Superior Proposal Notice**") advising it that the LabGold Board has resolved to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal subject only to this Right to Accept a Superior Proposal and, and the date the Purchaser received a copy of all Superior Proposal documentation. In the event that LabGold provides the Purchaser with a Superior Proposal Notice on a date that is less than seven Business Days prior to the Meeting, LabGold shall, at the request of the Purchaser, adjourn the Meeting to a date that is not less than six Business Days and not more than 15 days after the date of the Superior Proposal Notice. If the Circular has been sent to the Shareholders prior to the expiry of the five Business Day period set forth in this paragraph (a) and, during such period, the Purchaser requests in writing that the Meeting proceed, LabGold shall continue to take all reasonable steps necessary to hold the Meeting and to cause the Transaction to be voted on at such meeting.

(b) During the five Business Day period referred to in paragraph (a) above, LabGold agrees that the Purchaser shall have the right, but not the obligation, to offer in writing to amend the terms of the Property Purchase Agreement. The terms of any proposed amendment to the Property Purchase Agreement shall be provided by the Purchaser to LabGold. The LabGold Board will review any written proposal by the Purchaser to amend the terms of the Property Purchase Agreement in good faith in order to determine, after consultation with outside legal counsel and its financial advisors and in the exercise of its fiduciary duties, whether the amended proposal would, upon acceptance by LabGold, result in such Superior Proposal ceasing to be a Superior Proposal. If the LabGold Board so determines, LabGold will enter into an amended agreement with the Purchaser reflecting the amended proposal. If the LabGold Board does not so determine, LabGold may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of such Superior Proposal, subject to compliance with the provisions relating to the Termination Payment.

(c) Each Party acknowledges and agrees that each successive modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of the requirement under paragraph (a) above, and will initiate an additional five Business Day notice period.

Termination Payment

(d) In the event that the Property Purchase Agreement is terminated:

(i) by LabGold to enter into a definitive written agreement with respect to a Superior Proposal;

(ii) by the Purchaser if the LabGold Board shall have withdrawn or modified its approval or recommendation of the Transaction or shall have approved or recommended an Acquisition Proposal or shall have entered into a definitive agreement with respect to a Superior Proposal;

(iii) by the Purchaser if LabGold is in breach or default of any of its obligations in respect of the Covenants Regarding Non-Solicitation or the provisions of the Right to Accept a Superior Proposal; or

(iv) by either Party, if the Closing does not occur on or prior to the end of the day on the Outside Date or the Meeting Matters are not approved at the Meeting, if, in either case, prior to such termination, a *bona fide* Acquisition Proposal, or the intention to make *a bona fide* Acquisition Proposal, with respect to LabGold has been made to LabGold or publicly announced (other than by the Purchaser or any of its Affiliates) and not withdrawn and within 12 months following the date of such termination:

(A) a Person (i) directly or indirectly acquires LabGold by takeover bid, arrangement, business combination or otherwise; (ii) directly or indirectly acquires the assets of LabGold that constitute more than 50% of the assets of LabGold; or (iii) directly or indirectly acquires more than 50% of the voting or equity securities of LabGold; or

(B) LabGold and/or one or more of its Subsidiaries enters into a definitive agreement in respect of, or the LabGold Board approves or recommends, any Acquisition Proposal which is subsequently consummated at any time thereafter;

then LabGold shall immediately pay to the Purchaser the Termination Fee by wire transfer of immediately available funds.

Each of the Parties hereby acknowledges that the Termination Fee is a payment of liquidated damages which is a genuine pre-estimate of the damages which the Purchaser will suffer or incur as a result of the event giving rise to such damages and the resultant non-completion of the Transaction and is not a penalty. LabGold hereby irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. Upon receipt by the Purchaser of the Termination Fee to which it is entitled, the Purchaser shall have no further claim against LabGold in respect of the failure to complete the Transaction, provided that nothing herein shall preclude the Purchaser from seeking injunctive relief to restrain any breach or threatened breach by LabGold of any of its obligations hereunder or otherwise to obtain specific performance without the necessity of posting bond or security in connection therewith.

Notice and Cure Provisions

(a) Each Party will give prompt notice to the other Party of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would, or would be reasonably like to:

(i) cause any of the representation or warranties of such Party contained herein to be untrue or inaccurate in any material respect between the date hereof and the Closing Date;

(ii) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such Party hereunder prior to the Closing Date; or

(iii) result in the failure to satisfy any of the conditions precedent in favour of the other Party hereto contained in the Conditions Precedent referred to above as the case may be.

(b) A Party may not exercise any termination rights arising under the Property Purchase Agreement unless such Party has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties and other related matters which the Party delivering such notice is asserting as the basis for the exercise of the termination right. If any such notice is delivered and the Party receiving such notice is proceeding diligently to cure such matter, if such matter is susceptible to being cured, the Party delivering such notice may not terminate the Property Purchase Agreement until the earlier of the Outside Date and the expiration of a period of ten (10) Business Days from the date such notice was delivered to the other Party.

Termination

(a) The Property Purchase Agreement may be terminated prior to the Closing Date:

(i) by the mutual written agreement of the Parties;

(ii) by either LabGold or the Purchaser if:

(A) the Closing does not occur on or prior to the end of the day on the Outside Date, provided that a Party may not terminate the Property Purchase Agreement

pursuant to this subparagraph (A) if the failure of the Closing to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants under the Property Purchase Agreement;

(B) after the date of the Property Purchase Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Transaction illegal or otherwise permanently prohibits or enjoins LabGold or the Purchaser from consummating the Transaction, and such Law has, if applicable, become final and non-appealable, provided the Party seeking to terminate the Property Purchase Agreement pursuant to this subparagraph (B) has used its commercially reasonable efforts to appeal such Law (provided such Law is an order, injunction, judgment, decree or ruling) or otherwise have it lifted or rendered non-applicable in respect of the Transaction;

(C) the Meeting Matters are not approved at the Meeting; or

(D) holders of LabGold shares of LabGold representing in the aggregate 7.5% or more of the issued and outstanding LabGold shares of LabGold immediately prior to the Closing Date have validly exercised Dissent Rights.

(iii) by LabGold:

(A) if a breach of any representation or warranty or failure to perform any covenant on the part of the Purchaser under the Property Purchase Agreement occurs that would cause any Additional Conditions Precedent to the Obligations of LabGold not to be satisfied, and such breach or failure is incapable of being cured or is not cured by the Outside Date;

(B) in order to enter into a definitive written agreement with respect to a Superior Proposal, subject to compliance with the provisions relating to the Right to Accept a Superior Proposal and the payment of the Termination Fee; or

(C) if, after the date of the Property Purchase Agreement, there has occurred a Material Adverse Effect with respect to the Purchaser.

(iv) by the Purchaser if:

(A) a breach of any representation or warranty or failure to perform any covenant on the part of LabGold under the Property Purchase Agreement occurs that would cause any Additional Conditions Precedent to the Obligations of the Purchaser not to be satisfied, and such breach or failure is incapable of being cured or is not cured by the Outside Date;

(B) (i) the LabGold Board shall have withdrawn or modified in a manner adverse to its approval or recommendation of the Transaction (in accordance with the Covenants Regarding Non-Solicitation and the Right to Accept a Superior Proposal); (ii) the LabGold Board shall have approved or recommended an Acquisition Proposal; or (iii) LabGold shall have entered into a definitive agreement with respect to a Superior Proposal; or

(C) LabGold is in breach or default of any of its obligations or covenants set forth in Section (in accordance with the Covenants Regarding Non-Solicitation and the Right to Accept a Superior Proposal);

(D) after the date of the Property Purchase Agreement, there has occurred a Material Adverse Effect with respect to the Purchased Assets.

(b) The Party desiring to terminate the Property Purchase Agreement pursuant to paragraph (a) above shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Effect of Termination

If the Property Purchase Agreement is terminated pursuant to the Termination provisions above, subject to any further assurances required to carry out the intent of the Property Purchase Agreement, the Property Purchase Agreement shall become void and of no further force or effect without liability of any Party to any other Party to the Property Purchase Agreement except that no Party shall be relieved of any liability for any breach by it of the Property Purchase Agreement.

RISK FACTORS

There are a number of risks that could affect the Disposition, the business and prospects of the Corporation and the business and prospects of NFG. They include the speculative nature of the exploration and development of mineral properties, the ability to finance the exploration and development of mineral properties, operating hazards, environmental and other government regulations, competition in the marketplace, markets for the Corporation's securities or the securities of NFG and the demand for gold and other minerals. In the future, the viability of the Corporation's principal assets or the principal assets of NFG which are mineral properties will depend on the successful definition of recoverable and economic resources and the establishment of positive comprehensive feasibility studies leading to production decisions. After completion of positive feasibility studies, success is dependent on maintaining the title and beneficial interest in the properties, obtaining the necessary governmental permits and approvals and the successful financing, construction and operation of a facility to profitably extract the contained metals. There is no assurance that adequate funding can be raised, that any mineral property will have an economically viable mineral deposit, that required exploration and mining authorization permits will be issued or, if issued, will not be revoked by a government or challenged by third parties, that there will be adequate human resources to explore or develop mineral properties or that compliance with environmental regulations won't involve significant costs.

ADDITIONAL INFORMATION

Additional information concerning the Corporation can be obtained from www.sedarplus.com.

Financial information concerning the Corporation is provided in the Corporation's comparative financial statements and Management Discussion and Analysis for its fiscal year ended September 30, 2023. Copies of these documents may be obtained from the Corporation by making a request in writing to the Corporation at 82 Richmond Street East, 1st Floor, Toronto, Ontario, M5C 1P1, email: info@labradorgold.com, Attention: Chief Executive Officer.

APPROVAL OF DIRECTORS

The Circular and the mailing of same to shareholders have been approved by the Board of Directors of the Corporation.

DATED the 15th day of May, 2024.

BY ORDER OF THE

BOARD OF DIRECTORS

"Roger Moss"

ROGER MOSS
President and Chief Executive Officer

SCHEDULE "A"

to Information Circular of
Labrador Gold Corp. dated May 15, 2024

AUDIT COMMITTEE CHARTER

Purpose of the Audit Committee

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of the Corporation is to assist the Board in fulfilling its responsibility for the oversight of the financial reporting process. The purpose of this Charter is to ensure that the Corporation maintains a strong, effective and independent audit committee, to enhance the quality of financial disclosure made by the Corporation and to foster increased investor confidence in both the Corporation and Canada's capital markets. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Corporation's management to ensure that the independent auditors serve the interests of shareholders rather than the interests of management of the Corporation. The Committee's primary duties and responsibilities are to:

- identify and monitor the management of the principal risks that could affect the reliability of financial reporting;
- monitor the integrity of the Corporation's financial reporting process and system of internal control over financial reporting and accounting compliance;
- be directly responsible for overseeing the work of the external auditor including monitoring the independence and performance of the external auditor;
- be directly responsible for overseeing the internal review processes;
- monitor the Corporation's compliance with applicable legal and regulatory requirements affecting financial reporting; and
- provide an avenue for effective communication among the audit committee, external auditor, management and the Board.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditor as well as anyone in the Corporation. The Committee has the authority to retain, at the Corporation's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

Composition of the Audit Committee

The Committee shall consist of at least three (3) directors appointed by the Board as provided for in the by-laws of the Corporation and may be removed by the Board in its discretion. Each member of the Committee must be an independent director and must be financially literate or become financially literate within a reasonable time after his or her appointment to the Committee. At least one (1) member of the Committee shall have accounting or related financial management expertise. The Committee shall establish procedures for quorum, notice and timing of meetings subject to the proviso that a quorum shall be no less than two (2) Committee members. While the Board may recommend a Chair for the Committee, the Committee shall have the discretion to appoint the Chair from amongst its members.

The Canadian Securities Administrators ("CSA") state that an audit committee member is independent if he or she has no direct or indirect material relationship with the issuer; that is, a relationship that could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. The CSA notes that these

relationships may include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships. The regulations also include a list of situations that are defined to be material relationships.

The Board shall determine, in its business judgment, whether an individual is financially literate based upon the regulatory definition of financial literacy, meaning the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. It is the view of the regulators that it is not necessary for a member to have a comprehensive knowledge of generally accepted accounting principles and generally accepted auditing standards to be considered financially literate.

Disclosure must be made in the Corporation's Information Circular ("**IC**") for its annual meeting or in the Corporation's Annual Information Form ("**AIF**"), if applicable, of the name of each Committee member and whether or not the member is independent and financially literate. It should also describe the education and experience of each member that is relevant to his or her responsibilities as a Committee member. If a member is not independent, the Corporation must explain why.

Meetings of the Audit Committee

The Committee shall meet at least four times annually, corresponding with the Corporation's financial reporting cycle, or more frequently as circumstances dictate. The Committee Chair will prepare an agenda in advance of each meeting. The Secretary will circulate the agenda and supporting materials sufficiently in advance of the meeting to allow members an appropriate period of time to prepare for the meeting. The Committee will generally invite members of management and the external auditor to attend each meeting. The Committee shall meet privately at least annually with management and the external auditor to discuss any matters that the Committee or each of these groups believes should be discussed. In addition, the Committee may consider *in camera* sessions at the beginning and/or conclusion of each meeting to discuss privately any matters of interest or concern to the members.

Responsibilities and Duties of the Audit Committee

Management is responsible for adopting and applying sound accounting principles; for designing, implementing and maintaining effective processes related to internal control over financial reporting; and for preparing the annual and interim financial statements, management's discussion and analysis ("**MD&A**") and other continuous disclosure documents. The external auditor is responsible for conducting an independent audit and for forming an opinion on the annual financial statements. The Committee is responsible for overseeing these financial reporting processes.

Committee members should conduct themselves in an informed, vigilant and effective manner.

Members of the Committee should rely on information furnished to them by others only if they believe it to be reliable for the purpose of making their decisions. They should act in accordance with their own knowledge and training.

The Committee shall be responsible for the following specific matters:

1. Accounting policies

   (a) Review all of the Corporation's critical accounting policies and all major issues regarding accounting principles and financial statement presentations (including any significant changes in the Corporation's selection or application of accounting principles).

   (b) Review major changes in the Corporation's accounting policies and practices.

   (c) Review with the external auditor and management the extent to which changes or improvements in financial or accounting practices, as previously reported to the Committee, have been implemented.

2. Financial reporting process and financial statements

(a) In consultation with management and the external auditor, inquire as to the integrity of the Corporation's financial reporting processes, both internal and external, and any major issues as to the adequacy of internal control.

(b) Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas.

(c) Review recent professional and regulatory pronouncements and understand their impact on the financial statements.

(d) Review issues related to liquidity, capital resources and contingencies that could affect liquidity.

(e) Review all plans for treasury operations including financial derivatives and hedging activities.

(f) Review all material off-balance-sheet transactions, contingent liabilities and transactions with related parties.

(g) Discuss with the external auditor the matters that generally accepted auditing standards in Canada require to be communicated with the Committee.

(h) Review and discuss with management and the external auditor the Corporation's quarterly and annual financial statements, MD&A, IC, AIF and annual and interim press releases before they are publicly disclosed by the Corporation and recommend their approval by the Board.

(i) Periodically assess the adequacy of procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.

(j) Consider reviewing other financial information provided to analysts and rating agencies.

(k) Following completion of the annual audit, review with each of management and the external auditor any significant issues, concerns or difficulties encountered during the course of the audit including any major issues that arose during the course of the audit and, which have subsequently been resolved and those issues that have been left unresolved; key accounting and audit judgments; and levels of misstatements identified during the audit, obtaining explanations from management and, where necessary, the external auditor, as to why certain misstatements might remain unadjusted.

(l) Receive and review reports from other Board committees with regard to matters that could affect financial reporting.

(m) Oversee the resolution of disagreements between management and the external auditor regarding financial reporting.

(n) Discuss with the external auditor the quality and not just the acceptability of the Corporation's accounting principles.

(o) Regularly review with the external auditor any audit problems or difficulties and management's response.

3. <u>External auditor</u>

(a) Be directly responsible for the selection, appointment, compensation, retention, termination and oversight of the work of the Corporation's external auditor, and in such regard recommend to the Board the nomination of the external auditor for approval by the shareholders. Monitor audit engagement partner rotation requirements.

(b) Pre-approve all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the external auditor including fees and terms. In this regard, establish which non-audit services the external auditor shall be prohibited from providing. In doing so, the Committee should consider:

i whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services;

ii whether there are safeguards in place to help ensure that there is no threat to the external auditor's objectivity and independence in the conduct of the audit resulting from providing such services; and

iii the nature of the non-audit services, the related fee levels, and the fee levels individually and in aggregate relative to the audit fee.

(c) The Committee satisfies the pre-approval requirement in subsection 3(b) if:

i the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent (5%) of the total amount of fees paid by the Corporation and its subsidiary entities to the Corporation's external auditors during the fiscal year in which the services are provided;

ii the Corporation or the subsidiary entity of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and

iii the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

(d) The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 3(b).

(e) The pre-approval of non-audit services by any member to whom authority has been delegated pursuant to subsection 3(d) must be presented to the Committee at its first scheduled meeting following such pre-approval.

(f) The Committee satisfies the pre-approval requirement in subsection 3(b) if it adopts specific policies and procedures for the engagement of the non-audit services, if:

i the pre-approval policies and procedures are detailed as to the particular service;

ii the Committee is informed of each non-audit service; and

iii the procedures do not include delegation of the Committee's responsibilities to management.

(g) Prior to commencement of the annual audit, review with the external auditor the proposed audit plan and scope of work.

(h) Review the audit representation letters with particular attention to non-standard representations.

(i) Review and monitor the content of the external auditor's management letter, in order to assess whether it is based on a good understanding of the Corporation's business and establish whether recommendations have been acted upon and, if not, the reasons they have not been acted upon.

(j) Consider, assess and report to the Board with regard to the independence and performance of the external auditor, and for such purpose:

i Review the formal written statement and letter submitted by the external auditor that outlines all relationships between the external auditor and the Corporation, and its affiliates and associates.

ii Actively engage in a dialogue with the external auditor with respect to any disclosed relationships or services and their impact on the objectivity or independence of the external auditor.

iii Conduct a periodic evaluation (taking into account the opinions of management) of the external auditor's qualifications, performance and independence, and present to the Board the Committee's conclusion in such regard.

iv Consider obtaining and reviewing at least annually a report from the external auditor describing the firm's quality control procedures and any material issues raised by the firm's most recent review of internal quality control or by any governmental or professional inquiry or investigation.

(k) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.

4. Internal controls and risk management

(a) Receive and review the interim and annual CEO and CFO certifications filed with securities regulatory authorities.

(b) Receive and review reports from management and the external auditors with regard to the reliability and effective operation of the Corporation's accounting system and internal controls.

(c) Discuss with senior management their certification of internal control over financial reporting, as and when required by regulation.

5. Internal review and legal compliance

(a) Review and approve management's decisions related to the need for internal review.

(b) Review the mandate, budget, plan, changes in plan, activities, organization structure and qualifications of the internal review function.

(c) Review significant reports prepared as a result of the internal review together with management's response and follow-up to these reports.

(d) On at least an annual basis, review with the Corporation's counsel any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations, and any inquiries received from regulators or governmental agencies.

6. Additional responsibilities

(a) Review and reassess the adequacy of the Committee's charter on an annual basis.

(b) Determine that the IC or the AIF discloses the text of the Committee's charter, a description of any specific policies and procedures for the engagement of non-audit services, and the aggregate fees billed by the external auditor in each of the last two (2) years, by service fee category.

(c) Review the process for communicating the Corporation's Code of Business Conduct and Ethics and Whistleblower Policy to company personnel, and for monitoring compliance therewith.

(d) Discuss guidelines and policies to govern the process by which risk assessment and risk management have been and are handled, even if the primary responsibility for risk assessment and management is

assigned to another Board committee. The Corporation's major financial and business risks exposures and the steps management has taken to monitor and control such exposures should be discussed.

(e) Establish procedures and policies for the following:

i the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and

ii the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(f) Prepare and review with the Board an annual performance evaluation of the Committee, the Chair of the Committee and its individual members.

(g) Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.

(h) Review financial and accounting personnel succession planning within the Corporation.

(i) Periodically review a summary of all related party transactions and potential conflicts of interest.

(j) Report regularly to the Board, including matters such as the quality or integrity of the Corporation's financial statements, and compliance with legal or regulatory requirements.

(k) Review expenses incurred by selected senior executives.

(l) Conduct or authorize any review or investigation and consider any matters of the Corporation the Committee believes is within the scope of its responsibilities and establish procedures for such review or investigation as may be required.

SCHEDULE "B"

to Information Circular of
Labrador Gold Corp. dated May 15, 2024

BOARD CHARTER

The Board of Directors (the "**Board**") of Labrador Gold Corp. (the "**Corporation**") is responsible for the stewardship of the business and affairs of the Corporation on behalf of the shareholders by whom they are elected and to whom they are accountable.
The Board shall be constituted with at least two (2) individuals who are independent directors in accordance with the requirements for a Venture Issuer. Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Corporation's Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.
The Board may appoint one director as Chairman. If appointed, the Chairman shall be an independent director. If appointed, the Chairman will be responsible for the leadership of the Board and for specific functions to ensure the independence of the Board.
The Senior Officers are accountable to the Board for all authority delegated to the positions. For the purposes of these Corporate Governance Policies, Senior Officer shall be defined as any person holding the position of President, CEO, CFO, COO or Vice President of Exploration.
The Board has the following overall responsibilities:

- in conjunction with management, establishing the direction and strategies for the Corporation and monitoring the implementation of those strategies; and
- monitoring compliance with regulatory requirements and setting the tone for ethical behaviour and standards.

The monitoring and ultimate control of the business of the Corporation is vested in the Board. The Board's primary responsibility is to oversee the Corporation's business activities and management for the benefit of the Corporation and its shareholders. The specific responsibilities of the Board include:

- selection, appointment, monitoring, evaluation, rewarding and if necessary the removal of the Senior Officers of the Corporation;
- in conjunction with management, development of the strategic planning process and approving and appropriately monitoring plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities;
- monitor and review annually the success of management in implementing the approved strategies and plans;
- establishing appropriate levels of delegation to the Senior Officers to allow them to manage the Corporation's operations efficiently;
- monitoring actual performance against planned performance expectations and reviewing operating information;
- appreciation of areas of significant business risk and ensuring arrangements are in place to adequately manage those risks;
- overseeing the management of safety and occupational health, environmental issues and community development;
- satisfying itself that the financial statements of the Corporation fairly and accurately set out the financial position and financial performance of the Corporation for the period under review;
- satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately;
- ensuring that appropriate external audit arrangements are in place and operating effectively;
- developing the Corporation's approach to corporate governance issues;
- having a framework in place to help ensure that the Corporation acts legally and responsibly on all matters consistent with the Code of Business Conduct and Ethics; and
- reporting to shareholders.

At all times the Board retains full responsibility for guiding and monitoring the Corporation; however, in discharging its stewardship the Board has established the Audit Committee. The Board is of the view that with a majority of independent directors, no other

committees are required at this time.
The Corporation also has in place a Disclosure Committee comprised of the Chief Executive Officer and the Corporate Secretary.
Each director has the right to seek independent professional advice on matters relating to his position as a director of the Corporation at the Corporation's expense, subject to the prior approval of the Chairman, which shall not be unreasonably withheld.
The independent members of the Board shall meet regularly during the year without any member of the Corporation's management present. Generally these meetings will be held prior to regular Board meetings. Any material business items arising from these meetings shall be brought to the attention of the Corporate Secretary and such matters will be added to the agenda of the next regularly scheduled Board meeting.
In the event of a conflict of interest or where a potential conflict of interest may arise, involved directors will, unless the remaining directors resolve otherwise, withdraw from deliberations concerning the matter.
The Board does not specify a maximum term for which a director may hold office.
The responsibility for the day-to-day operation and administration of the Corporation is delegated by the Board to the Senior Officers. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Senior Officers.

Policy history

Established:	March 2021
Last review:	May 2024
Review frequency:	Annually

SCHEDULE "C"

to Information Circular of
Labrador Gold Corp. dated May 15, 2024

RIGHT OF DISSENT -

SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

(a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;

(b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;

(c) amalgamate with another corporation under sections 175 and 176;

(d) be continued under the laws of another jurisdiction under section 181;

(d.1) be continued under the *Co-operative Corporations Act* under section 181.1;

(d.2) be continued under the *Not-for-Profit Corporations Act, 2010* under section 181.2; or

(e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1); 2017, c. 20, Sched. 6, s. 24.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or

(b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

(a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);

(b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or

(c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

(b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).

SCHEDULE "D"

to Information Circular of
Labrador Gold Corp. dated May 15, 2024

Labrador Gold Corp.

Unaudited Pro Forma Financial Statements

(Expressed in Canadian Dollars)

December 31, 2023

Labrador Gold Corp.

Pro Forma Statement of Financial Position
As at December 31, 2023
(Unaudited - Expressed in Canadian Dollars)

	Labrador Gold Corp. (As at December 31, 2023)	Note Ref.	Pro Forma Adjustment	Pro Forma
	$		$	$
Assets				
Current assets				
Cash and cash equivalents	7,605,072			7,605,072
Marketable securities	-	4	20,000,000	20,000,000
Amounts receivable	386,984			386,984
Prepaid expenses and deposits	86,062			86,062
Total current assets	8,078,118		20,000,000	28,078,118
Equipment	16,923			16,923
Unproven mineral right interests	41,978,697	4	(35,151,948)	6,826,749
Total assets	50,073,738		(15,151,948)	34,921,790
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	679,040		-	679,040
Total current liabilities	679,040		-	679,040
Deferred income tax liability	817,809			817,809
Total liabilities	1,496,849		-	1,496,849
Shareholders' Equity				
Share capital	61,472,277			61,472,277
Share-based payments reserves	4,628,785			4,628,785
Deficit	(17,524,173)	4	(15,151,948)	(32,676,121)
Total shareholders' equity	48,576,889		(15,151,948)	33,424,941
Total shareholders' equity and liabilities	50,073,738		(15,151,948)	34,921,790

See accompanying notes to the unaudited pro-forma financial statements.

Labrador Gold Corp.

Pro Forma Statement of Loss and Comprehensive Loss
For the Period Ended December 31, 2023
(Unaudited - Expressed in Canadian Dollars)

	Labrador Gold Corp. (Three Months Ended December 31, 2023)	Note Ref.	Pro Forma Adjustment	Pro Forma
	$		$	$
Operating expenses				
Consulting and management fees	45,000		-	45,000
Corporate development	54,640		-	54,640
Office and miscellaneous	15,175		-	15,175
Professional fees	22,806		-	22,806
Regulatory and transfer fees	11,849		-	11,849
Share-based compensation	31,762		-	31,762
Shareholder communications	6,042		-	6,042
Amortization expense	2,707		-	2,707
Loss before other items	(189,981)		-	(189,981)
Other items				
Other income	97,691		-	97,691
Loss from sale of unproven mineral right interests	-	4	(15,151,948)	(15,151,948)
Net loss and comprehensive loss for the period	(92,290)		(15,151,948)	(15,244,238)

See accompanying notes to the unaudited pro-forma financial statements.

1. Basis of presentation

The accompanying unaudited pro forma statement of financial position and statement of net loss and comprehensive loss of Labrador Gold Corp. (the "Company") give effect to the proposed sale of the Company's interest in the Kingsway Project to New Found Gold Corp. (the "NFG") by way of property purchase agreement, as more fully described in Note 3.

The unaudited pro forma statement of financial position and statement of net loss and comprehensive loss (the "pro forma financial statements") have been prepared by the management of the Company based on historical financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

Certain significant estimates have been made by management in the preparation of these pro forma financial statements.

The unaudited pro forma statement of financial position has been compiled from the statement of financial position and statement of loss and comprehensive loss of the Company as at December 31, 2023, obtained from the unaudited interim financial statements of the Company for the three months ended December 31, 2023.

The unaudited pro forma statement of financial position and statement of net loss and comprehensive loss have been prepared as if the transaction had occurred as of December 31, 2023.

The unaudited pro forma financial statement has been prepared for illustration purposes only and may not be indicative of the combined results or financial position had the transaction been in effect at the date indicated.

In the opinion of the Company's management, the pro forma financial statement includes all adjustments necessary for a fair presentation of the transactions described in note 3 applied on a basis consistent with the Company's accounting policies. Actual amounts recorded once these transactions and other adjusting items are completed will likely differ from those recorded in these unaudited pro forma financial statements. Further, these unaudited financial statements are not necessarily indicative of the financial position that may be obtained in the future. These differences may be material.

2. Significant accounting policies

The significant accounting policies followed in these unaudited pro forma financial statements are consistent with those applied in the Company's unaudited interim financial statements for the three months ended December 31, 2023.

3. Property purchase agreement

On April 21, 2024, the Company entered into a property purchase agreement with NFG, whereby NFG will acquire a 100% interest in the Kingsway Project, including all property and mining rights associated with the property (the "**Transaction**"), in exchange for $20,000,000 (the "**Purchase Price**") payable and satisfied by the delivery to the Company of such number of NFG common shares determined by dividing Purchase Price by the closing price of the NFG Common Shares on the TSX Venture Exchange on the last trading day prior to the closing of the Transaction.

The Transaction is expected to close in the third quarter of 2024 and is subject to customary conditions, including receipt of necessary regulatory and stock exchange approvals and approval from a 66 2/3% majority of the votes cast by the Company's shareholders at the next annual general and special meeting of the Company scheduled for June 27, 2024.

4. Pro forma assumptions and adjustments

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The Transaction has been accounted for in accordance with IFRS 2 – Share-Based Payments. The following table summarizes the fair value of consideration received on the sale of the Kingsway Project.

Consideration received	$	20,000,000
Carrying value of Kingsway Project		35,151,948
Loss on sale of unproven mineral right interest	$	(15,151,948)

5. Pro forma effective tax rate

The effective pro forma tax rate is expected to approximate 27%.

SCHEDULE "E"

to Information Circular of
Labrador Gold Corp. dated May 15, 2024

INFORMATION CONCERNING NEW FOUND GOLD CORP.

All references in this Schedule E to "New Found" and "the Company" mean New Found Gold Corp. Certain other terms used in this Schedule E that are not otherwise defined herein are defined in the AIF (as defined below).

Reference should be made to the Company's Annual Information Form dated March 21, 2024 (the "**AIF**"), which is available for review under the Company's profile on SEDAR+ at www.sedarplus.com and on EDGAR at www.sec.gov.

1 CORPORATE STRUCTURE

1.1 Name, address and incorporation

New Found was incorporated under the *Business Corporations Act* (Ontario) as Palisade Resources Corp. on January 6, 2016. By articles of amendment effective June 20, 2017, the Company's name was changed to New Found Gold Corp.

On June 23, 2020, the Company continued into British Columbia under the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). The Company's head office is located at WeWork c/o New Found Gold Corp., 1600 - 595 Burrard Street, Vancouver, British Columbia, V7X 1L4, Canada. The Company's registered office is located at 1133 Melville Street, Suite 3500, The Stack, Vancouver, British Columbia, V6E 4E5, Canada.

New Found does not have any subsidiaries.

2 GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Overview of the Company

2.1.1 General

New Found is a mineral exploration company involved in the identification, acquisition and exploration of mineral properties primarily in the Province of Newfoundland and Labrador. The Company's exploration is focused on discovering and delineating gold resources. The Company has one material property: the Queensway Project located in Newfoundland, Canada (the "**Queensway Project**", the "**Queensway Property**", or the "**Property**"). At present, the Queensway Project does not have any known mineral resources or reserves.

Since incorporation, the Company has taken the following steps in developing its business: (i) identified and acquired mineral properties with sufficient merit to warrant exploration; (ii) raised funds to progress the Company's exploration activities on its mineral properties, as described herein; (iii) completed technical reports on the Queensway Project, including the technical report titled "NI 43-101 Technical Report, January 2023 Exploration Update at New Found Gold Corp.'s Queensway Gold Project in Newfoundland and Labrador, Canada", with an effective date of January 24, 2023, prepared by D. Roy Eccles, M.Sc., P. Geol. P Geo. of APEX Geoscience Ltd. in compliance with National Instrument 43-101 ("**NI 43-101**") (the "**Technical Report**"); (iv) undertaken exploration programs, including a 650,000 metre drill program, on the Queensway Project; and (v) retained directors, officers and employees with the skills required to successfully operate a public mineral exploration company.

The Company is a reporting issuer in all provinces and territories in Canada and is subject to the reporting requirements of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). The common shares of the

Company (the "**Common Shares**") trade on the TSX Venture Exchange (the "**TSXV**") under the symbol "NFG" and on the NYSE American stock exchange (the "**NYSE American**") under the symbol "NFGC".

2.2 Business of the Company

2.2.1 Principal Operations

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on gold properties located in the Province of Newfoundland and Labrador, Canada.

2.2.2 Competitive Conditions

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with a number of other entities and individuals in the search for and the acquisition of attractive mineral properties. As a result of this competition, the Company may not be able to acquire attractive properties in the future on terms it considers acceptable. The Company may also encounter competition from other mining companies in efforts to hire experienced mining professionals. Increased competition could adversely affect the Company's ability to attract necessary funding or acquire suitable properties or prospects for mineral exploration in the future. See *"Risk Factors — Competition and Mineral Exploration"* below.

2.2.3 Specialized Skills and Knowledge

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, expertise related to mineral exploration, geology, drilling, permitting, metallurgy, logistical planning, and implementation of exploration programs, as well as legal compliance, finance, and accounting. The Company expects to rely upon various legal and financial advisors, consultants, and others in the operation and management of its business. See "*Risk Factors — Dependence on Management and Key Personnel*" below.

2.2.4 Cycles

The Company's mineral exploration activities may be subject to seasonality due to adverse weather conditions including, without limitation, inclement weather, frozen ground and restricted access due to snow, ice, or other weather-related factors. In addition, the mining and mineral exploration business is subject to global economic cycles effecting, among other things, the marketability and price of gold products in the global marketplace.

2.2.5 Employees

At December 31, 2023, the Company had 98 employees, and at the date of the AIF, the Company had 63 employees. The Company also relies on consultants and contractors to carry on its business activities and, in particular, to supervise and carry-out mineral exploration on its Queensway Project.

2.2.6 Environmental Protection

The Company is currently engaged in exploration activities on its Queensway Project and such activities are subject to various laws, rules, and regulations governing the protection of the environment. Corporate obligations to protect the environment under the various regulatory regimes in which the Company operates may affect the financial position, operational performance, and earnings of the Company. A breach of such legislation may result in imposition of fines and penalties. Management believes all of the Company's activities are in material compliance with all applicable environmental legislation. See "*Risk Factors — Environmental Risks*" below.

2.2.7 Social or Environmental Policies

The Company is committed to conducting its operations in accordance with sound social and environmental practices. At present, the scale of operations has not required the adoption of formal policies. The Company will re-evaluate this position if and when necessary.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

2.3 Three-year History

2.3.1 NYSE American Listing

On February 1, 2021, the Company announced it had filed a Form 20-F registration statement with the SEC with the intention of applying to list its Common Shares on the NYSE American. On September 24, 2021, the Company announced that it expected its Common Shares to commence trading on the NYSE American on or about September 29, 2021. On September 29, 2021, the Company announced that the Common Shares commenced trading on the NYSE American under ticker symbol "NFGC" at the open of markets on September 29, 2021. Concurrent with the start of trading on the NYSE American, the Common Shares ceased trading on the OTC Markets.

2.3.2 Financings

November 2023 $56 Million Bought Deal Financing

On October 30, 2023, the Company announced it entered into an agreement with BMO Nesbitt Burns Inc. on behalf of a syndicate of underwriters, pursuant to which the underwriters agreed to purchase, on a "bought deal" basis, 7,725,000 Common Shares that qualify as "flow-through shares" (within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**")) at a price of $7.25 per flow-through Common Share (the "**2023 Offering Price**") for aggregate gross proceeds of $56,006,250. The Company granted the underwriters an option to purchase up to an additional 1,158,750 flow-through Common Shares at the 2023 Offering Price for the purpose of covering the underwriters' over-allocation position.

On November 6, 2023, the Company announced it closed the offering of 7,725,000 flow through Common Shares for aggregate gross proceeds of $56,006,250. These flow-through Common Shares were offered by way of a prospectus supplement dated November 1, 2023, to the 2022 Base Shelf (as defined herein) in each of the provinces and territories of Canada (other than Quebec) and were also offered by way of U.S. prospectus supplement contained in the effective United States registration statement on Form F-10 (File No. 333-266285) (the "**Registration Statement**").

December 2022 Flow-Through Public Offering

On December 7, 2022, the Company announced it entered into an agreement with BMO Nesbitt Burns Inc. on behalf of a syndicate of underwriters, pursuant to which the underwriters agreed to purchase, on a "bought deal" basis, 6,250,000 Common Shares that qualify as "flow-through shares" within the meaning of the Tax Act at a price of $8.00 per flow-through Common Share (the "**2022 Offering Price**") for aggregate gross proceeds of $50,000,000. The Company granted the underwriters an option to purchase up to an additional 937,500 flow-through Common Shares at the 2022 Offering Price for the purpose of covering the underwriters' over-allocation position.

On December 14, 2022, the Company announced it closed the offering of 6,250,000 flow through Common Shares for aggregate gross proceeds of $50,000,000. Eric Sprott participated to maintain his 19.9% interest in the Company. These flow-through Common Shares were offered by way of a prospectus supplement dated December 9, 2022, to the 2022 Base Shelf in each of the provinces and territories of Canada (other than Quebec) and were also offered by way of U.S. prospectus supplement contained in the effective Registration Statement.

August 2022 At-The-Market Offering

On August 26, 2022, the Company announced that it had entered into an equity distribution agreement dated August 26, 2022, providing for an at-the-market equity offering program ("**ATM**"), with BMO Nesbitt Burns Inc. and Paradigm Capital Inc., as the Canadian agents, and BMO Capital Markets Corp., as the U.S. agent. The intention of the ATM was to allow New Found, through the agents and from time to time, to offer and sell, in Canada and the United States through the facilities of the TSXV and NYSE American, such number of Common Shares as would

have an aggregate offering price of up to US$100 million. The sales of Common Shares through the ATM were made pursuant to, and qualified in Canada by, a prospectus supplement dated August 26, 2022, to the 2022 Base Shelf prospectus and in the U.S. pursuant to a prospectus supplement contained in the effective Registration Statement.

During the twelve months ended December 31, 2022, the Company sold 500,229 Common Shares under the ATM at an average price of $5.097 for gross proceeds of $2,549,677, or net proceeds of $2,489,754, and paid an aggregate commission of $59,923.

During the twelve months ended December 31, 2023, the Company sold 3,552,224 Common Shares under the ATM at an average price of $6.47 for gross proceeds of $22,980,338, or net proceeds of $22,440,215, and paid an aggregate commission of $540,123.

2022 Base Shelf Prospectus

On July 22, 2022, the Company filed a final short form base shelf prospectus (the "**2022 Base Shelf**") and a Registration Statement with the SEC with respect to offerings of securities of the Company to raise aggregate gross proceeds of up to US$300 million over 25 months.

November 2021 Flow-Through Private Placement

On November 24, 2021, the Company completed a non-brokered private placement to Eric Sprott of 5,000,000 Common Shares that qualified as "flow-through shares" (within the meaning of the Tax Act) at a price of $9.60 per flow-through Common Share for gross proceeds of $48,000,000.

August 2021 Flow-Through Public Offering

On August 17, 2021, the Company announced it entered into an agreement with Canaccord Genuity Corp. and BMO Capital Markets on behalf of a syndicate of underwriters, pursuant to which the underwriters agreed to purchase, on a "bought deal" basis, 4,390,000 Common Shares that qualify as "flow-through shares" (within the meaning of the Tax Act) at a price of $11.39 per Common Share for gross proceeds of $50,002,100. The Company granted the underwriters an option to purchase up to an additional 15% of the number of Common Shares sold under the offering to cover over-allotments, if any, and for market stabilization purposes.

On August 24, 2021, the Company announced it closed the offering of 5,048,500 Common Shares for gross proceeds of $57,502,415, which included the full exercise of the underwriters' over-allotment option. Eric Sprott participated for approximately 19.9% of the financing to maintain his interest in the Company. The Common Shares were offered by way of a prospectus supplement in each of the provinces of Canada (other than Quebec) and were also offered by way of private placement in the United States.

2021 Base Shelf Prospectus

On July 27, 2021, the Company filed a final short form base shelf prospectus with respect to offerings of securities of the Company to raise aggregate gross proceeds of up to $100 million over 25 months.

April 2021 Non-Brokered Flow-Through Private Placement

On April 8, 2021, the Company completed a non-brokered private placement of 2,857,000 Common Shares that qualified as "flow-through shares" (within the meaning of the Tax Act) at a price of $5.25 per flow-through Common Share for gross proceeds of $14,999,250.

2.3.3 Disposal of Lucky Strike Property and Investment in Kirkland Lake Discoveries Corp.

On May 25, 2023, the Company disposed of its 100% interest in its Lucky Strike Project (as defined herein) to Kirkland Lake Discoveries Corp. (formerly Warrior Gold Inc.) ("**KLD**") for total non-cash consideration comprised of 28,612,500 common shares of KLD and a 1.0% net smelter return royalty on future production from the mineral claims. The investment represented 32.29% of the issued and outstanding common shares of KLD at the time of

closing, and as at December 31, 2023. The Company exercised its right to nominate two additional directors to the board of directors of KLD and the companies have a director and officer in common, Denis Laviolette, who was appointed to the board of KLD at the time of closing.

Based on assessments of the relevant facts and circumstances, primarily, the Company's ownership interests, board representation and ability to influence operating, strategic and financing decisions, the Company concluded that it has had significant influence over KLD for the period from May 25, 2023, to December 31, 2023, and has accounted for its investment in KLD as an investment in an associate. The common shares of KLD are listed on the TSXV.

2.3.4 Participation in Brokered Note Offering by Maritime Resources Corp.

On August 14, 2023, the Company participated in a brokered note offering completed by Maritime Resources Corp. consisting of the issuance of non-convertible senior secured notes and common share purchase warrants. The Company subscribed for 2,000 non-convertible senior secured notes, which mature on August 14, 2025, with a face value of US$1,000 each. These non-convertible senior secured notes were issued at a 2.0% original issue discount on the principal amount for a gross investment of US$1,960,000 (CAD$2,638,500).

2.3.5 Royalty Purchases

On November 15, 2021, the Company announced that it had entered into three royalty purchase agreements (the "**Royalty Purchase Agreements**") with arm's length royalty holders (together, the "**Vendors**" and each, a "**Vendor**"), whereby New Found would purchase 100% of each Vendor's royalty interests (the "**Royalty Interests**"), each equal to 0.2%, for an aggregate of 0.6% of net returns from the Company's Linear and JBP Linear properties (as defined below). New Found had previously granted the Vendors the Royalty Interests under a Net Smelter Royalty Agreement dated as of July 15, 2016. These properties cover key target areas on the Queensway Project and include the Company's Keats, Golden Joint, and Lotto discoveries. Subsequent to completion of the transaction, there was to remain a low royalty burden of just 0.4% on the ground covering the Keats-Golden Joint-Lotto-Big Dave corridor. On November 25, 2021, the Company announced that it had closed its previously-announced acquisition of three royalty interests (the "**Royalty Interest Acquisition**") with the Vendors whereby New Found purchased the Royalty Interests. Pursuant to the Royalty Interest Acquisition, New Found paid $1,300,000 cash consideration and issued 152,941 Common Shares to each Vendor, for an aggregate cash consideration of $3,900,000 and aggregate share consideration of 458,823 Common Shares. All securities issued pursuant to the Royalty Purchase Agreements were subject to a hold period under applicable Canadian securities laws, which expired four months plus one day from the date of closing of the Royalty Interest Acquisition.

2.3.6 Novo Transaction

On March 6, 2020, the Company issued 15,000,000 Common Shares to Novo Resources Corp., a TSXV-listed mineral exploration and development corporation ("**Novo**"), at a subscription price of $1.12 per Common Share, which was paid to the Company by the issuance of 6,944,444 common shares in the capital of Novo. Upon closing of the transaction, Novo owned approximately 15.97% of the Company's issued and outstanding Common Shares and New Found owned approximately 3.73% of the issued and outstanding common shares of Novo. Pursuant to the terms of the transaction, Novo had the right to appoint a director to the Board (as defined herein) at any time until March 6, 2023, provided that Novo holds no less than 10% of the issued and outstanding Common Shares. In connection with Novo's right to appoint a director to the Board, Novo appointed Dr. Quinton Hennigh as its director nominee. Dr. Hennigh was elected to the Board on June 17, 2020. On April 27, 2022, Eric Sprott announced that 2176423 Ontario Ltd., a corporation which is beneficially owned by him, acquired 8,250,000 Common Shares from Novo at $8.35 per Common Share for consideration of $68,887,500 in connection with the first tranche closing of the private agreement transaction announced by him on April 12, 2022. A second tranche closed on August 8, 2022, for an additional 6,750,000 Common Shares at $8.45 per Common Share for a total consideration of $125,925,000 for all of Novo's Common Shares.

2.3.7 Director and Officer Appointments and Resignations

On October 11, 2022, the Company announced the appointment of Raymond Threlkeld as an independent member of the Company's board of directors (the "**Board**").

On June 7, 2022, the Company announced the appointment of Ron Hampton as Chief Development Officer of the Company and the resignation of Dr. Quinton Hennigh as a director of the Company.

On April 14, 2022, the Company announced that Craig Roberts resigned as Chief Executive Officer and as a director of the Company, Collin Kettell was appointed as Chief Executive Officer of the Company and Vijay Mehta was appointed as a director of the Company. As part of a planned transition, Craig Roberts continued with the Company as a full-time consultant in the role of Lead Advisor until November 2022.

On September 27, 2021, the Company announced the appointment of Melissa Render, P.Geo., as Vice President of Exploration.

On May 11, 2021, the Company announced the appointment of Douglas Hurst as a director of the Company and the resignation of John Anderson as a director of the Company.

2.3.8 Recent Events

On August 17, 2020, the Company announced it had initiated a 100,000m HQ-size diamond drilling program at the Queensway Project. The Company announced on January 6, 2021, that it had increased the drilling program started in 2020 to a total of 200,000m. This program was further expanded on October 15, 2021, to 400,000m, on January 3, 2023, to 500,000m, and, additionally, on January 4, 2024, to 650,000m. The drilling program is designed to test multiple exploration targets and zones along the 9.45km of the AFZ and 12km of the JBP Fault Zone at QWN. This program is ongoing and the Company currently has four drills operating in Q1 2024.

In March 2023, the Company increased its land package through staking with the addition of four claims at QWN and six claims at QWS, for a total 250ha bringing the project total to 166,475ha.

On March 4, 2024, the Company announced it has received the final dataset and preliminary interpretation of its 3-D and 2-D seismic program completed in late 2023, which outlines the presence of structures and geological features down to a depth of 2.5km that align with known gold-bearing structures closer to surface, and points to additional lineaments that could represent new and untested structures.

Utilizing the seismic data, the primary focus at QWN is on the expansion of known zones of mineralization and testing key discovery areas at depth, such as at Keats, Iceberg, Keats West, K2, Lotto and Jackpot, in addition to new targets generated by the seismic interpretation. Metres have been allocated to regional programs at QWS with the potential for a follow-up program at VOA pending the results of the first-pass program. Regional diamond drilling programs are testing drill-ready targets generated through grassroots exploration activities in addition to follow-up programs from previously completed drill programs at both QWS and VOA.

The majority of drilling has occurred along the AFZ with drill counts ranging from 4-15 and a project-wide total, from the beginning of 2024 until the date of the AIF, of 534,960m has been completed in 2,284 holes. The breakdown of metres drilled as of the date of the AIF at QWN is as follows: 453 drill holes at the Keats prospect totalling 129,806m, 143 holes at the Keats North prospect totalling 30,895m, 161 holes at the Keats West prospect totalling 30,604m, 98 holes at Iceberg prospect totalling 24,212m, 91 holes at Iceberg East prospect totalling 19,400m, 147 holes at the Golden Joint prospect totalling 35,146m, 98 drill holes at the Lotto prospect totalling 26,485m, 42 drill holes at Lotto North prospect totalling 9,903m, 108 drill holes at the Monte Carlo prospect totalling 23,116m, 148 drill holes at the K2 prospect totalling 27,059m, 111 holes at the Jackpot prospect totalling 23,396m, 73 holes at the Everest prospect totalling 16,663m, 80 drill holes at the Knob/Rocket prospect totally 14,564m and 27 drill holes at the TCH prospect totalling 8,609m, with the balance of 269 drill holes totalling 58,057m completed at other zones/targets along the AFZ including the K2 West, Gambit, Cokes, Little-Powerline, Road, TCW, Dome, Grouse, Gander Outflow, Lonely Mountain and Big Dave.

The Company has also completed follow-up drilling along the JBP Fault Zone with 99 holes totalling 26,681m completed as of the date of the AIF at the 798, 1744 and Pocket Pond prospects.

Regionally, at QWS, drilling is ongoing targeting the southern extension of the AFZ in addition to other regional targets; metres drilled as of the date of the AIF is 19,059m in 89 drill holes. Along the northern extension of the AFZ

on the VOA optioned ground, a first phase of drilling was completed in early 2024 consisting of 6,687m in 27 holes. At Twin Ponds, metres drilled as of the date of the AIF is 1,509m in seven drill holes.

3 QUEENSWAY PROJECT

New Found commissioned Apex Geoscience Ltd. to prepare the Technical Report in compliance with NI 43-101 for its 100% owned Queensway Project, located near Gander, Newfoundland, Canada. The Technical Report documents all data and data collection procedures for the Queensway Project up until January 24, 2023. The Technical Report is titled “January 2023 Exploration Update at New Found Gold Corp.’s Queensway Gold Project in Newfoundland and Labrador, Canada”. The effective date of the Technical Report is January 24, 2023.

The Queensway Gold Project is on the northeast portion of the Island of Newfoundland in the Province of Newfoundland and Labrador along the east coast of Canada. The northern portion of the Property is transected by the Trans-Canada Highway approximately 12 km west of the Town of Gander, NL. The mineral licences encompass 166,225 hectares in a land position that is approximately 115 km long and 10-30 km wide, from the Trans-Canada Highway (TCH, Route 1) near the Town of Gander to the Bay d’Espoir Highway (Route 360; Figure 1). The approximate centre of the Queensway Project is UTM, Zone 21N, NAD83: 651000 m Easting, 5408000 m Northing.

Reference should be made to the full text of the Technical Report, which is available for review under the Company’s profile on SEDAR+ at www.sedarplus.com and on EDGAR at www.sec.gov.

4 DESCRIPTION OF CAPITAL STRUCTURE

4.1 Common Shares

The Company's authorized share capital consists of an unlimited number of common shares without par value**.** As at December 31, 2023, there were 186,873,012 Common Shares issued and outstanding. As of the date of the AIF, there were 189,090,365 Common Shares issued and outstanding and 12,467,750 Common Shares issuable upon exercise of outstanding stock options.

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common Shares on a pro rata basis. The Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

Any alteration of the rights, privileges, restrictions and conditions attaching to the Common Shares under the Company's Articles must be approved by at least two-thirds of the Common Shares voted at a meeting of the Company's shareholders.

5 MARKET FOR SECURITIES

5.1 Trading Price and Volume

New Found’s Common Shares are currently listed for trading through the facilities of the TSXV under the symbol “NFG” and on the NYSE American under the symbol “NFGC”. No other securities of New Found are traded or quoted on any marketplace.

During the most recently completed financial year, the Common Shares traded on the TSXV as follows, based on information available from the TMX Group:

TSX VENTURE EXCHANGE			
Month	**Volume**	**High (Cnd$)**	**Low (Cnd$)**
January 2023	2,952,623	5.80	4.85
February 2023	1,616,496	5.45	4.41
March 2023	5,855,544	6.97	4.73
April 2023	2,506,247	7.60	5.88
May 2023	2,666,419	7.00	5.56
June 2023	2,811,223	6.79	5.81
July 2023	1,902,369	6.93	5.84
August 2023	2,276,370	6.27	5.68
September 2023	2,112,957	6.15	5.47
October 2023	2,260,401	6.30	5.02
November 2023	3,083,727	5.34	4.65
December 2023	2,578,613	5.17	4.52

During the most recently completed financial year, the Common Shares traded on the NYSE American as follows, based on information available from NYSE American:

NYSE AMERICAN			
Month	**Volume**	**High (US$)**	**Low (US$)**
January 2023	3,401,819	4.2717	3.61
February 2023	2,384,043	4.10	3.25
March 2023	5,460,000	5.1987	3.44
April 2023	3,949,051	5.70	4.32
May 2023	4,328,912	5.145	4.10
June 2023	5,701,578	5.10	4.3213
July 2023	5,750,219	5.27	4.41
August 2023	6,208,143	4.72	4.2001
September 2023	4,218,135	4.54	4.04
October 2023	5,564,917	4.60	3.61
November 2023	5,340,873	3.905	3.38
December 2023	5,384,663	3.825	3.32

5.2 Prior Sales

During the most recently completed financial year, the Company did not issue securities that are not listed on the TSXV or NYSE American.

6 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than described below, to the Company's knowledge, there are no legal proceedings or regulatory actions material to the Company to which it is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since the beginning of the financial year ended December 31, 2022, and no such proceedings or actions are known by the Company to be contemplated.

On November 15, 2019, ThreeD Capital Inc. ("**ThreeD**") and 1313366 Ontario Inc. ("**131**" and together with ThreeD, the "**Plaintiffs**") each entered into share purchase agreements with Palisades Goldcorp Ltd. ("**Palisades**") (the "**Share Purchase Agreements**") under which Palisades agreed to purchase the 13,500,000 Common Shares owned by ThreeD and the 4,000,000 Common Shares owned by 131 for $0.08 per Common Share. The transactions closed on

November 20, 2019. As a private company with restrictions on the transfer of its Common Shares, the Company had to approve the proposed transfer, which it did by a consent resolution of the Board.

On March 10, 2020, ThreeD and 131 filed a statement of claim in the Ontario Superior Court of Justice against Collin Kettell, Palisades and the Company (the "**ThreeD Claim**"). Pursuant to the ThreeD Claim, the Plaintiffs are challenging the validity of the sale of 17,500,000 Common Shares by the Plaintiffs to Palisades on November 20, 2019.

ThreeD and 131 claim that at the time of negotiation and execution of the Share Purchase Agreements, Palisades and Mr. Kettell were aware of positive drill results from the Company's 2019 drill program and the results were not disclosed to ThreeD and 131 to their detriment. Palisades and Mr. Kettell strongly deny ThreeD and 131's allegations. ThreeD and 131 have made specific claims for (a) recission of the Share Purchase Agreements on the basis of oppression or unfair prejudice; (b) or alternatively, damages in the amount of $21,000,000 for the alleged improper actions by ThreeD and 131, (c) a declaration that Palisades and Collin Kettell, as shareholder or director and/or officer of the Company, have had acted in a manner that is oppressive, unfairly prejudicial or unfairly disregarded their interests, (d) a declaration that Palisades and Collin Kettell engaged in insider trading contrary to section 138 of the *Securities Act* (Ontario), (e) unjust enrichment and (f) interests and costs. Palisades and Mr. Kettell refute each of the specific claims made by the Plaintiffs.

The Company filed a statement of defence in response to the ThreeD Claim on June 12, 2020, pursuant to which, among other things, the Company denies that it is a proper party to the ThreeD Claim and the allegations against it therein, including because no relief is claimed against the Company in paragraph 1 of the ThreeD Claim.

The action has now progressed through the production of documents and oral examinations for discovery stages.

In early 2022, the Plaintiffs formally amended their statement of claim to increase the amount claimed to $229,000,000 and to advance a direct claim of oppressive conduct against the Company. While continuing to deny any and all liability to the Plaintiffs, the Company has amended its defence to include specific denials of the new allegations of oppressive conduct against it. The parties completed an additional round of examinations for discovery in January 2023, following which the plaintiffs set the action down for trial. The trial has been scheduled for January 2025.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation

7 RISK FACTORS

The business and operations of New Found are speculative due to the high-risk nature of its business, which is the exploration of mineral properties. The risks listed below are not the only risks and uncertainties that New Found faces. Additional risks and uncertainties not presently known to New Found or that New Found currently considers immaterial may also materially impair its business. These risk factors could materially affect New Found's business, financial condition and future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

If any of the following risks occur, New Found's business, financial condition and operating results could be materially adversely affected.

7.1 Risks Related to the Company

7.1.1 Exploration Stage Company

The Company is an exploration stage company and cannot give any assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company

fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

7.1.2 No Mineral Resources

Currently, there are no mineral resources (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give any assurance that any mineral resources will be identified. If the Company fails to identify any mineral resources on any of its properties, its financial condition and results of operations will be materially adversely affected.

7.1.3 No Mineral Reserves

Currently, there are no mineral reserves (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give any assurance that any mineral reserves will be identified. If the Company fails to identify any mineral reserves on any of its properties, its financial condition and results of operations will be materially adversely affected.

7.1.4 Reliability of Historical Information

The Company has relied on, and the disclosure in the Technical Report is based, in part, upon, historical data compiled by previous parties involved with the mineral claims that form the Queensway Project. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

7.1.5 Mineral Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and any development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral resources through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Substantial expenditures are required to establish reserves through exploration and drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis.

Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

7.1.6 Competition and Mineral Exploration

The mineral exploration industry is intensely competitive in all of its phases and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new mineral properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

7.1.7 Additional Funding

The exploration and development of the Company's mineral properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs.

The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the gold and copper industries in particular), the Company's status as a new enterprise with a limited history, the location of the Company's mineral properties, the price of commodities and/or the loss of key management personnel.

7.1.8 Acquisition of Additional Mineral Properties

If the Company loses or abandons its interests in its mineral properties, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by applicable securities regulatory authorities. There is also no guarantee that applicable securities regulatory authorities will approve the acquisition of any additional properties by the Company, whether by way of an option or otherwise, should the Company wish to acquire any additional properties.

7.1.9 Government or Regulatory Approvals

Exploration and development activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration, a mining licence will be granted with respect to exploration territory. There can also be no assurance that any exploration licence will be renewed or if so, on what terms. These licences place a range of past, current and future obligations on the Company. In some cases, there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract.

7.1.10 Permits and Government Regulation

The future operations of the Company may require permits from various federal, state, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters.

Although Canada has a favourable legal and fiscal regime for exploration and mining, including a relatively simple system for the acquisition of mineral titles and relatively low tax burden, possible future government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before development and production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance, with changes in governmental regulations, has the potential to reduce the profitability of operations. The Company is currently in compliance with all material regulations applicable to its exploration activities.

7.1.11 Limited Operating History

The Company has a limited operating history and its mineral properties are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

An investment in the Company's securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that we will be successful in achieving a return on shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations. You should consider any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

7.1.12 Title Risks

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys on all of the claims in which it holds direct or indirect interests. The Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained.

A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration, development or operating activities without reimbursement to the Company. Any such delays or stoppages could have a material adverse effect on the Company's business, financial condition and results of operations.

7.1.13 Laws and Regulation

The Company's exploration activities are subject to extensive federal, provincial and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

7.1.14 Uninsured and Underinsured Risks

The Company faces and will face various risks associated with mining exploration and the management and administration thereof including those associated with being a public company. Some of these risks are not insurable; some may be the subject of insurance which is not commercially feasible for the Company. Those insurances which

are purchased will have exclusions and deductibles which may eliminate or restrict recovery in the event of loss. In some cases, the amount of insurance purchased may not be adequate in amount or in limit.

The Company will undertake intermittent assessments of insurable risk to help ensure that the impact of uninsured/underinsured loss is minimized within reason. Risks may vary from time to time within this intermittent period due to changes in such things as operations operating conditions, laws or the climate which may leave the Company exposed to periods of additional uninsured risk.

In the event risk is uninsurable, at its reasonable and sole discretion, the Company may endeavor to implement policies and procedures, as may be applicable and/or feasible, to reduce the risk of related loss.

7.1.15 Global Economy Risk

The volatility of global capital markets, over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable.

These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management.

In addition, as the Company's operations expand and reliance on global supply chains increases, the impact of significant geopolitical risk and conflict globally may have a sizeable and unpredictable impact on the Company's business, financial condition and operations. The ongoing conflict in Ukraine, the Israel-Hamas war, and the global response to these conflicts as it relates to sanctions, trade embargos and military support has resulted in significant uncertainty as well as economic and supply chain disruptions. Should the Israel-Hamas war expand, or the Ukraine conflict continue for an extended period of time, or should other geopolitical disputes and conflicts emerge in other regions, this could result in material adverse effects to the Company.

7.1.16 Sanctions

The Company's business, financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action.

In late February 2022, Russia launched a large-scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, NATO, and the West, including Canada. In response to the military action by Russia, various countries, including Canada, the United States, the United Kingdom, and European Union issued broad-ranging economic sanctions against Russia. Such sanctions included, among other things, a prohibition on doing business with certain Russian companies, large financial institutions, officials, and oligarchs; a commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, or SWIFT, the electronic banking network that connects banks globally; a ban of oil imports from Russia to the United States; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. Additional sanctions may be imposed in the future.

Such sanctions (and any future sanctions) and other actions against Russia may adversely impact, among other things, the Russian economy and various sectors of the economy, including but not limited to, financials, energy, metals and mining, engineering and defense and defense-related materials sectors; result in a decline in the value and liquidity of Russian securities; result in boycotts, tariffs, and purchasing and financing restrictions on Russia's government, companies and certain individuals; weaken the value of the ruble; downgrade the country's credit rating; freeze Russian securities and/or funds invested in prohibited assets and impair the ability to trade in Russian securities and/or other assets; and have other adverse consequences on the Russian government, economy, companies and region. Further, several large corporations and U.S. states have announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses.

The ramifications of the hostilities and sanctions may not be limited to Russia, Ukraine, and Russian and Ukrainian companies and may spill over to and negatively impact other regional and global economic markets (including Europe, Canada, and the United States), companies in other countries (particularly those that have done business with Russia and Ukraine) and on various sectors, industries and markets for securities and commodities globally, such as oil and natural gas. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, industries, and companies. In addition, Russia may take retaliatory actions and other countermeasures, including cyberattacks and espionage against other countries and companies around the world, which may negatively impact such countries and companies.

The extent and duration of the military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions, and volatility, and the result of any diplomatic negotiations cannot be predicted.

While we expect any direct impacts to our business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect our business and may make it more difficult for us to raise equity or debt financing. In addition, the impact of other current macro-economic factors on our business, which may be exacerbated by the war in Ukraine — including inflation, supply chain constraints and geopolitical events — is uncertain. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital could be adversely impacted.

7.1.17 Inflation

The Company's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices and additional government intervention through stimulus spending or additional regulations. The Company's inability to manage costs may impact, among other things, future development decisions, which could have a material adverse impact on the Company's financial performance.

7.1.18 Environmental Risks

The Company's activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss, and other costs and obligations including, without limitation, rehabilitation, and/or compensation.

There is also a risk that the Company's operations and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within the Province of Newfoundland and Labrador.

7.1.19 Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the nature landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. In addition, there have been

many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation.

While the Company seeks to operate in a social responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs, or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest, or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it has operations, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, or prospects.

7.1.20 Dependence on Management and Key Personnel

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers, or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative, and mining personnel, as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training, and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training, and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

7.1.21 First Nations Land Claims

Certain of the Company's mineral properties may now or in the future be the subject of First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. The impact of any such claim on the Company's material interest in the Company's mineral properties and/or potential ownership interest in the Company's mineral properties in the future, cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Company's mineral properties are located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on the Company's activities.

Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of First Nations interests in order to facilitate exploration and development work on the Company's mineral properties, there is no assurance that the Company will be able to establish practical working relationships with the First Nations in the area which would allow it to ultimately develop the Company's mineral properties.

7.1.22 Claims and Legal Proceedings

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

7.1.23 Conflicts of Interest

Most of the Company's directors and officers do not devote their full time to the affairs of the Company. All of the directors and some of the officers of the Company are also directors, officers and shareholders of other natural resource or public companies, and as a result they may find themselves in a position where their duty to another company conflicts with their duty to the Company. Although the Company has policies which address such potential conflicts and the BCBCA has provisions governing directors in the event of such a conflict, none of the Company's constating documents or any of its other agreements contain any provisions mandating a procedure for addressing such conflicts

of interest. There is no assurance that any such conflicts will be resolved in favour of the Company. If any such conflicts are not resolved in favour of the Company, the Company may be adversely affected.

7.1.24 Gold and Metal Prices

If the Company's mineral properties are developed from exploration properties to full production properties, the majority of our revenue will be derived from the sale of gold. Therefore, the Company's future profitability will depend upon the world market prices of the gold for which it is exploring. The price of gold and other metals are affected by numerous factors beyond the Company's control, including levels of supply and demand, global or regional consumptive patterns, sales by government holders, metal stock levels maintained by producers and others, increased production due to new mine developments and improved mining and production methods, speculative activities related to the sale of metals, availability and costs of metal substitutes. Moreover, gold prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, gold as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

7.1.25 Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. The Company's mineral properties are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration programs on the Company's mineral properties are exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that any of the Company's mineral properties will generate earnings, operate profitably, or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

7.1.26 Going Concern Risk

The Company's financial statements have been prepared assuming the Company will continue on a going-concern basis and do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These items give rise to material uncertainties that cast significant doubt as to the Company's ability to continue as a going concern.

7.1.27 Reporting Issuer Status

The Company is subject to reporting requirements under applicable securities law, the listing requirements of the TSXV and NYSE American and other applicable securities rules and regulations. Compliance with these requirements can increase legal and financial compliance costs, make some activities more difficult, time-consuming or costly, and increase demand on existing systems and resources. Among other things, the Company is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight is required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

7.1.28 Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any material acquisition, other than as publicly disclosed, and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities, and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

7.1.29 Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions, or other catastrophes, pandemics, epidemics, or quarantine restrictions.

7.1.30 Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all.

Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, or prospects.

7.1.31 Climate Change Risks

The Company acknowledges climate change as an international and community concern and it supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial, and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts, and pit wall failures, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore, and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

7.1.32 Information Systems and Cyber Security

The Company's operations depend on information technology ("**IT**") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism, and theft.

The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data, and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

7.2 Risks Related to the Company's Securities

7.2.1 Speculative Nature of Investment Risk

An investment in the Company's securities carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. An investment in the Company's securities may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company.

7.2.2 Price may not Represent the Company's Performance or Intrinsic Fair Value

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares on the TSXV and the NYSE American in the future cannot be predicted.

7.2.3 Securities or Industry Analysts

The trading market for the Common Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market, or its competitors. The Company does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

7.2.4 Price Volatility of Publicly Traded Securities

The Common Shares are listed on the TSXV and NYSE American. Securities of mineral exploration and development companies have experienced substantial volatility in the past, often based on factors unrelated to the companies'

financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries.

The price of the Common Shares is also likely to be significantly affected by short-term changes in gold or other mineral prices or in the Company's financial condition or results of operations. Other factors unrelated to the Company's performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. New Found may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The market price of the Common Shares is affected by many other variables which are not directly related to the Company's success and are, therefore, not within New Found's control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for the Company's Common Shares, the effect of the dual-listing of the Common Shares including the ability to buy and sell Common Shares in two places, different market conditions in different capital markets, different prevailing trading prices, and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the price of the Common Shares volatile in the future, which may result in losses to investors.

7.2.5 Dilution

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. New Found may sell additional equity securities in future offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance the Company's operations, development, exploration, acquisitions or other projects. New Found cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Common Share sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per Common Share.

7.2.6 Dividends

The Company has not paid any dividends on the outstanding Common Shares. Any decision to pay dividends on the Common Shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

7.2.7 Exchange Listings

The Company may fail to meet the continued listing requirements for the Common Shares to be listed on the TSXV and/or the NYSE American. If the TSXV or the NYSE American, as applicable, delists the Common Shares from trading on its respective exchange, the Company could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares; a determination the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to follow more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

7.2.8 The Sarbanes-Oxley Act

The Company may fail to maintain adequate internal control over financial reporting pursuant to the requirements of the Sarbanes-Oxley Act ("**SOX**"). Management has documented and tested its internal control procedures in order to satisfy the requirements of Section 404 of the SOX. The SOX requires an annual assessment by management of the effectiveness of the Company's internal control over financial reporting. The Company may fail to maintain the adequacy of its internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and the Company may not be able to conclude, on an ongoing basis, that it has effective internal control over financial reporting in accordance with Section 404 of the SOX. The Company's failure to satisfy the requirements of Section 404 of the SOX on an ongoing, timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Company's business and negatively impact the trading price or the market value of its securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations. If the Company expands, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that the Company continues to monitor its internal control over financial reporting. Although the Company intends to expend time and incur costs, as necessary, to ensure ongoing compliance, it cannot be certain that it will be successful in complying with Section 404 of the SOX.

7.2.9 U.S. Federal Income Tax

The Company may be a "passive foreign investment company" ("**PFIC**"), which may have adverse U.S. federal income tax consequences for U.S. investors. U.S. investors should be aware that they could be subject to certain adverse U.S. federal income tax consequences in the event that we are classified as a "passive foreign investment company" for U.S. federal income tax purposes. The determination of whether we are a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations, and the determination will depend on the composition of our income, expenses and assets from time to time and the nature of the activities performed by our officers and employees. Prospective investors should carefully read the tax discussion in any applicable prospectus for more information and consult their own tax advisers regarding the likelihood and consequences of the Company being treated as a PFIC for U.S. federal income tax purposes, including the advisability of making certain elections that may mitigate certain possible adverse U.S. federal income tax consequences but may result in an inclusion in gross income without receipt of such income.

7.2.10 Foreign Private Issuer

The Company is a foreign private issuer under applicable U.S. federal securities laws and, therefore, is not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act and related rules and regulations. As a result, the Company does not file the same reports that a U.S. domestic issuer would file with the SEC, although it will be required to file with or furnish to the SEC the continuous disclosure documents that the Company is required to file in Canada under Canadian securities laws. In addition, the Company's officers, directors and principal shareholders are exempt from the reporting and "short swing" profit recovery provisions of Section 16 of the Exchange Act. Therefore, the Company's securityholders may not know on as timely a basis when its officers, directors and principal shareholders purchase or sell securities of the Company as the reporting periods under the corresponding Canadian insider reporting requirements are longer. In addition, as a foreign private issuer, the Company is exempt from the proxy rules under the Exchange Act. We are also exempt from Regulation FD, which prohibits issuers from making selective disclosures of material non-public information. While we expect to comply with the corresponding requirements relating to proxy statements and disclosure of material non-public information under Canadian securities laws, these requirements differ from those under the Exchange Act and Regulation FD and shareholders should not expect to receive in every case the same information at the same time as such information is provided by U.S. domestic companies.

7.2.11 Foreign Private Issuer Status

In order to maintain its current status as a foreign private issuer, 50% or more of the Company's Common Shares must be directly or indirectly owned of record by non-residents of the United States unless the Company also satisfies one of the additional requirements necessary to preserve this status. The Company may in the future lose its foreign private issuer status if a majority of the Common Shares are owned of record in the United States and the Company fails to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Company under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs the Company incurs as a Canadian foreign private issuer eligible to use the multijurisdictional

disclosure system. If the Company is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer.

7.2.12 Enforcing Judgments in U.S. Courts

As the Company is a Canadian corporation and most of its directors and officers reside in Canada, it may be difficult or impossible for investors in the United States to effect service or to realize on judgments obtained in the United States predicated upon the civil liability provisions of the U.S. federal securities laws. A judgment of a U.S. court predicated solely upon such civil liabilities may be enforceable in Canada by a Canadian court if the U.S. court in which the judgment was obtained had jurisdiction, as determined by the Canadian court, in the matter. Investors should not assume that Canadian courts: (i) would enforce judgments of U.S. courts obtained in actions against the Company or such persons predicated upon the civil liability provisions of the U.S. federal securities laws or the securities or blue-sky laws of any state within the United States, or (ii) would enforce, in original actions, liabilities against the Company or such persons predicated upon the U.S. federal securities laws or any such state securities or blue-sky laws. Similarly, some of the Company's directors and officers are residents of countries other than Canada and all or a substantial portion of the assets of such persons are located outside Canada. As a result, it may be difficult or impossible for Canadian investors to initiate a lawsuit within Canada against these persons. In addition, it may not be possible for Canadian investors to collect from these persons judgments obtained in courts in Canada predicated on the civil liability provisions of securities legislation of certain of the provinces and territories of Canada. It may also be difficult or impossible for Canadian investors to succeed in a lawsuit in the United States based solely on violations of Canadian securities law.