



MANAGEMENT INFORMATION CIRCULAR

For the Annual and Special Meeting of Shareholders

To be held at 10:00 am on January 13, 2022

Date: December 3, 2021

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF MINERA ALAMOS INC. (THE “COMPANY”) OF PROXIES TO BE USED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE COMPANY TO BE HELD ON THURSDAY, JANUARY 13, 2022 AT 55 YORK STREET, SUITE 402, TORONTO, ONTARIO, M5J 1R7, AT 10:00 A.M. (EST), AND AT ANY ADJOURNMENT OR POSTPONEMENT THEREOF (THE “MEETING”) FOR THE PURPOSES SET OUT HEREIN AND IN THE NOTICE OF MEETING.

The Company has elected to utilize the notice-and-access system under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Ongoing Requirements for Issuers and Insiders* of the Canadian Securities Administrators (the “**Notice and Access System**”) for delivery of the management proxy circular (the “**Management Information Circular**”) to each of the shareholders of the Company whose proxy is solicited for the Meeting. Notwithstanding the use of the Notice and Access System, the Company has delivered paper copies of the notice of meeting (including in which the notice regarding the Company’s election to use the Notice and Access System which directs the Shareholders (as defined herein) to the website on which this Management Information Circular is posted) (the “**Notice**”) and a form of proxy (the “**Proxy**”) to its shareholders eligible to attend the Meeting. Detailed information relating to the Notice and Access System is contained below under the heading “Notice and Access” and Shareholders are encouraged to read the information contained therein for an explanation of their rights.

In this Management Information Circular, “**Common Shares**” means common shares of the Company. “**Shareholder**” means Registered Shareholders and Non-Registered Shareholders. “**Registered Shareholders**” means shareholders of the Company who hold Common Shares in their own names and whose names appear on the register of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means shareholders of the Company who do not hold Common Shares in their own names.

SOLICITATION OF PROXIES

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally or by telephone by the directors, officers and employees of the Company who will not receive any additional compensation for such services. The cost of solicitation by management will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the Proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO** either by inserting such person’s name in the blank space provided in the Proxy or by completing another proper form of proxy and, in either case, delivering the completed Proxy to the Company’s transfer agent, TSX Trust Company (“**TSX**”), PO Box 721, Agincourt, ON, M1S 0A1, by fax (1-866-781-3111) or by email at proxyvote@astfinancial.com not later than 10:00 a.m. (EST) on Tuesday January 11, 2022, being 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) preceding the date of the Meeting or any adjournment or postponement

thereof, or delivered to the chairman on the day of the Meeting or any adjournment or postponement thereof. A Proxy must be signed in writing or, subject to the means of electronic signature permitting a reliable determination that the document was created or communicated by or on behalf of the Registered Shareholder or the attorney, as the case may be, by electronic signature by the Registered Shareholder or an attorney who is authorized by a document that is signed in writing or by electronic signature or, if the Registered Shareholder is a body corporate, by an officer or attorney of the body corporate duly authorized.

Each Registered Shareholder is entitled to appoint a person to represent such shareholder at the Meeting, who need not be one of the persons named in the Proxy.

A Proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the Registered Shareholder or by his or her attorney authorized in writing, and deposited either at the offices of TSX or the principal office of the Company at 55 York Street, Suite 402, Toronto, Ontario, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the Proxy is to be used, or with the chairman of the Meeting on the day of the Meeting, or adjournment or postponement thereof, or in any other manner permitted by law.

A Registered Shareholder attending the Meeting has the right to vote in person and if he or she does so, his or her proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment or postponement thereof.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the Proxy will vote or withhold from voting the Common Shares represented by such Proxy in accordance with instructions of the Registered Shareholder on any ballot that may be called for. If the Registered Shareholder specifies a choice on the Proxy with respect to any matter that may be acted upon, the Common Shares represented by such Proxy will be voted in accordance with the choice so specified. **WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR THE ITEMS SET OUT IN THE NOTICE CALLING THE MEETING AND AS STATED ELSEWHERE IN THIS MANAGEMENT INFORMATION CIRCULAR.**

The Proxy also confers discretionary authority upon the persons named therein with respect to any amendments or variations to the matter identified in the notice of meeting, and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his or her judgment may determine. **HOWEVER, IF OTHER MATTERS WHICH ARE NOT PRESENTLY KNOWN TO MANAGEMENT OF THE COMPANY SHOULD PROPERLY COME BEFORE THE MEETING, THE PERSONS NAMED IN THE PROXY WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS NAMED IN THE PROXY.** As of the date of this Management Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to herein.

VOTING BY NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders of the Company or persons appointed as proxyholders are permitted to vote at the Meeting if a ballot is conducted. However, in many cases, Common Shares of the Company beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Shareholder deals in respect of Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or

administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Inc.) of which the Intermediary is a participant. The Company is not required to, and does not intend to, deliver the meeting materials directly to its Non-Registered Shareholders. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has distributed copies of the Notice, the Proxy and the voting instructions form (as defined below; together with Notice and Proxy, the “**meeting materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the meeting materials to Non-Registered Shareholders. Notwithstanding the foregoing, the Company is not required to, and does not intend to, pay for an Intermediary to deliver meeting materials to Non-Registered Shareholders who objected to their Intermediary disclosing their ownership information (“**Objecting Beneficial Shareholders**”). As a result, the Objecting Beneficial Shareholders of the Company will not receive the meeting materials unless their Intermediary assumes the cost of delivery.

Non-Registered Shareholders receiving the meeting materials will be given, in substitution for the Proxy, a request for voting instructions (the “**voting instructions form**”) which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives the voting instructions form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should so indicate in the place provided for that purpose in the voting instructions form. A Non-Registered Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Common Shares of such Non-Registered Shareholder are held and following the instructions of the Intermediary respecting the revocation of proxies.

In any event, Non-Registered Shareholders should carefully follow the instructions of their Intermediary set out in the voting instructions form.

NOTICE AND ACCESS

The Company has elected to utilize the Notice and Access System for delivery of the Management Information Circular to each of the shareholders of the Company whose proxy is solicited for the Meeting.

Under the Notice and Access System, instead of delivering a paper copy of the Management Information Circular, the Company is permitted to provide its Shareholders with a notice directing them to a website where they can access an electronic copy of the Management Information Circular online and vote their shares using their preferred method either through email or via paper return. The Company anticipates that the Notice and Access System can directly benefit the Company through a substantial reduction in both postage and printing costs, and also promote environmental sustainability by reducing the large volume of paper documents generated by printing proxy related materials.

In spite of the use of the Notice and Access System, the Company has delivered paper copies of the Notice and the Proxy to its Shareholders eligible to attend the Meeting. In addition, the Company has delivered paper copies of the Audited Financial Statements and MD&A to its Registered Shareholders (unless such registered shareholder has informed the Company in writing declining to receive a paper copy of such annual documents) as well as its Non-Registered Shareholders who have submitted a completed supplemental card to the Company or its transfer agent requesting for the delivery of such annual documents.

Website Where the Circular is Posted

Shareholders of the Company can access the Management Information Circular for the Meeting on the following website: www.meetingdocuments.com/ASTCA/MAI or by accessing the Company's filings on the System for Electronic Data Analysis and Retrieval ("SEDAR") at www.sedar.com.

Requesting Paper Copies of the Circular

Shareholders of the Company may also request paper copies of the Management Information Circular to be delivered to them by mail at no cost to them by calling the following toll-free number: 1-888-433-6443 or by emailing to fulfilment@astfinancial.com. In order for the requesting Shareholder to receive the paper copy in advance of the deadline for submission of voting instructions and the date of the Meeting, the request must be made prior to 4:30 pm (EST) on December 30, 2021. Shareholders of the Company may continue to request a paper copy of the Management Information Circular within one year from the date the Management Information Circular is filed on SEDAR. In the case of a request received prior to the date of the Meeting, a paper copy of the Management Information Circular so requested will be sent free of charge by the Company to the requesting shareholder at the address specified in the request, by first class mail, courier or the equivalent within 3 business days after receiving the request; in the case of a request received on or after the date of the Meeting, and within one year of the Management Information Circular being filed, a paper copy of the Management Information Circular will be sent free of charge by the Company to the requesting Shareholder within 10 calendar days after receiving the request, by prepaid mail, courier or the equivalent.

REQUIRED SHAREHOLDER APPROVALS

Unless otherwise noted under "PARTICULARS OF MATTERS TO BE ACTED UPON", all resolutions which the Shareholders will be asked to pass must be approved by a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The authorized capital of the Company consists of an unlimited number of Common Shares without nominal or par value. As of the Record Date, the Company has issued and outstanding **446,196,353** Common Shares.

To the knowledge of the Company's directors and executive officers, as at the date hereof, no person or company owns, or controls or directs, directly or indirectly, 10% or more of the Common Shares as of the Record Date, other than Osisko Gold Royalties Ltd. which indirectly owns or controls **51,540,000** Common Shares held by Barkerville Gold Mines Ltd., a subsidiary of Osisko Development Corp., representing **11.6%** of the total issued and outstanding Common Shares of the Company as of the Record Date.

In accordance with the provisions of the *Business Corporations Act* (Ontario) (the "OBCA"), the Company has prepared a list of all persons who are Registered Shareholders as of November 29, 2021 (the "Record Date") and the number of Common Shares registered in the name of each person on such date. Each Shareholder is entitled to one vote for each Common Share registered in such Shareholder's name as it appears on the list except to the extent that such Shareholder has transferred any of his or her Common Shares after the Record Date and the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the date of the Meeting, that his or her name be included in the list. In such case the transferee is entitled to vote his or her Common Shares at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Company's stock option plan, all described in this Management Proxy Circular.

PARTICULARS OF MATTERS TO BE ACTED UPON

I. FINANCIAL STATEMENTS

Shareholders will receive the audited financial statements of the Company for the financial year ended December 31, 2020, together with the accompanying auditors' report, copies of which have been mailed to all persons who are Registered Shareholders as of the Record Date or Non-Registered Shareholders who have completed a supplemental card requesting for such mailing.

II. ELECTION OF DIRECTORS

The term of office of each of the present directors expires at the conclusion of the Meeting. The persons named below will be presented for election at the Meeting as management's nominees. Each director elected will hold office until the conclusion of the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the articles and bylaws of the Company or the provisions of the OBCA.

The following table sets forth the name of each person proposed to be nominated by management of the Company for election as a director, his principal occupation, business or employment, his current position held with the Company, if any, the period of time for which he has been a director of the Company, and the number of Common Shares beneficially owned, directly or indirectly, or subject to control or direction, by such person as of the date hereof.

| Name and Municipality Of Residence | Director Since | Number Of Common Shares Beneficially Owned or Controlled ⁽⁴⁾ | Principal Occupation |
|---|----------------|---|---|
| Darren Koningen ⁽¹⁾ CEO Toronto, Ontario, Canada | July 2009 | 7,388,070 | CEO of the Company. |
| Doug Ramshaw President Calgary, Alberta, Canada | April 2018 | 5,806,200 | President of the Company. |
| Bruce Durham ⁽¹⁾⁽²⁾⁽³⁾ Toronto, Ontario, Canada | May 2015 | 870,000 | Consulting Geologist |
| Ruben Padilla ⁽¹⁾⁽²⁾⁽³⁾ Tucson, Arizona U.S.A. | June 2017 | Nil | Chief geologist of Talisker Exploration Services Inc., an Ontario based mining and exploration services company, since 2010 President and CEO of Sable Resources |
| Kevin Small ⁽²⁾⁽³⁾ Azilda, Ontario, Canada | July 2020 | 80,200 | Mining Manager at Sprott Mining |

Notes:

- (1) Member of the Audit Committee. Mr. Durham serves as the Chair of the Audit Committee.
- (2) Member of the Compensation Committee. Mr. Small serves as the Chair of the Compensation Committee.
- (3) Member of the Nominating and Governance Committee. Mr. Padilla serves as the Chair of the Nominating and Governance Committee.
- (4) The information as to shares beneficially owned has been furnished and confirmed by the directors individually.

Each of the above individuals were elected to the present term of office by a vote of the Shareholders of the Company at the annual general and special shareholders' meeting held on December 17, 2020, the notice of which was accompanied by an information circular.

Unless a Proxy specifies that the Common Shares it represents are to be withheld from voting for the candidates proposed above, the persons named in Proxy intend to vote for the candidates proposed above. Management of the Company does not contemplate that any of the nominees will be unable to serve as a director of the Company for the ensuing year. However, if that should occur for any reason prior to the Meeting or any adjournment thereof, the persons named in the Proxy have the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee at their discretion.

Corporate Cease Trade Orders, Bankruptcies or Penalties

No proposed director other than as indicated below is, as at the date hereof, or has been within the 10 years prior to the date of this Management Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was the subject of a cease trade or similar order or an order that denied the company access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Mr. Doug Ramshaw was the President, CEO and Director of Aftermath Silver Ltd., a BC registered company that is listed on the NEX Board of the TSX Venture Exchange Inc. On October 6, 2015, Aftermath Silver was subject to a cease trade order for failure to file financial statements. The cease trade order was lifted on August 18, 2017, by the British Columbia Securities Commission.

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

No proposed director has, within the past ten years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

No proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

III. RE-APPOINTMENT OF AUDITORS

The Shareholders will be asked to approve the re-appointment of MNP LLP as the auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorize the board of directors of the Company (the “**Board of Directors**”) to fix the remuneration of the auditors for the ensuing year. MNP LLP was first appointed as the auditors of the Company on July 14, 2010.

Unless a Proxy specifies that the Common Shares it represents are to be withheld from voting for the re-appointment of MNP LLP as the auditors of the Company to hold office until the close of the next annual general meeting of the Company and authorizing the Board of Directors to fix the remuneration of the auditors of the Company for the ensuing year, the persons named in the Proxy intend to vote for such re-appointment and authorization.

IV. ANNUAL APPROVAL OF STOCK OPTION PLAN

The Shareholders will be asked to consider and, if thought appropriate, pass a resolution approving the continuation of the stock option plan (the “**Stock Option Plan**”) of the Company. Pursuant to the policies of the TSX Venture Exchange (the “**TSXV**”), the Company is required to obtain shareholder approval of the Stock Option Plan each year because the Stock Option Plan is a rolling-maximum option plan whereby the maximum number of Common Shares that may be reserved for issuance and which can be purchased upon the exercise of all incentive stock options (“**Options**”) granted under the Stock Option Plan is fixed at 10% of the Company’s issued and outstanding common shares, from time to time, being **44,619,635** common shares as at November 29, 2021, less the number RSUs (as defined herein) outstanding at any given time. The Stock Option Plan was first adopted by the Company in June 2006 and its continuation has been approved by the Shareholders of the Company at the annual meeting of Shareholders in each of the subsequent years.

A summary of the Stock Option Plan is set out under “SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS”.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation, and adoption, with or without modification is set out in Schedule “A” to this Management Information Circular. In order to be effective, this resolution requires the approval of a majority of the votes cast by Shareholders who vote in respect of the resolution.

Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the Stock Option Plan, the persons named in the Proxy intend to vote for such approval.

V. ANNUAL APPROVAL OF RESTRICTED SHARE UNIT PLAN

The Shareholders will be asked to consider and, if thought appropriate, pass a resolution approving the continuation of the restricted share unit plan (the “**RSU Plan**”) of the Company. Pursuant to the policies of the TSXV, the Company is required to obtain shareholder approval of the RSU Plan each year because the RSU Plan is a rolling-maximum option plan. Under the RSU Plan, the maximum number of common shares available for the purposes of the RSU Plan is fixed at 10% of the Company’s issued and outstanding common shares, from time to time, being **44,619,635** common shares as at November 29, 2021, less the number of Options outstanding at any given time. The RSU Plan was first adopted by the Company on November 21, 2019.

A summary of the RSU Plan is set out under “SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS”.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation, and adoption, with or without modification is set out in Schedule “B” to this Management Information Circular. In order to be effective, this resolution requires the approval of a majority of the votes cast by Shareholders who vote in respect of the resolution.

Unless a Proxy specifies that the Common Shares it represents are to be voted against the approval of the RSU Plan, the persons named in the Proxy intend to vote for such approval.

Notes:

- (1) Grant date fair values for the financial year ended December 31, 2018, December 31, 2019, and December 31, 2020, were determined as \$N/A, \$0.09 and \$0.38 per option, respectively, using the Black-Scholes method and the following assumptions:

| | December 31, 2020 | December 31, 2019 | December 31, 2018 |
|-------------------------|----------------------|----------------------|----------------------|
| Risk free interest rate | 1.5% | 2.5% | N/A |
| Expected dividend yield | 0% | 0% | N/A |
| Expected volatility | 93% | 79% | N/A |
| Expected life | 5 year | 5 year | N/A |

The Company chose the Black-Scholes method because it is recognized as the most common methodology for valuing Options and doing value comparisons.

- (2) Represents bonuses paid in respect of each financial year.
- (3) The aggregate value of all perquisites for each Named Executive Officer does not exceed the lesser of \$50,000 and 10% of his/her total salary and bonus.
- (4) Mr. Ramshaw is also a director of the Company. He received the aforementioned salary payments, share-based awards and option-based awards in his capacity as President of the Company and did not receive any additional compensation for serving as a director of the Company in each of the last three financial years.
- (5) Mr. Koningen is also a director of the Company. He received the aforementioned salary payments, share-based awards and option-based awards in his capacity as CEO of the Company for the financial years ended December 31, 2018, December 31, 2019 and December 31, 2020. Mr. Koningen did not receive any additional compensation for serving as a director of the Company in each of the last three financial years.
- (6) Mr. Chadder ceased to be Chief Financial Officer on July 24, 2021. Ms. Janet O'Donnell was appointed as Chief Financial Officer on July 24, 2021
- (7) Mr. Alvarez was appointed Chief Operating Officer on July 30, 2020.

Compensation Discussion and Analysis

The compensation of the directors and officers of the Company is set by the Board of Directors. The Board of Directors reviews on an annual basis the cash compensation, performance and overall compensation package for each Named Executive Officer and report their findings and recommendations to the Board of Directors.

Executive Compensation Program Objectives

The objectives of the Company's executive compensation program are:

1. to attract and retain qualified and experienced executives in order to drive the continued development of the Company and its current and future exploration and development assets;
2. to align the interests of the Company's executives with the interests of the Company's shareholders;
3. to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives and for their individual performances; and
4. to provide to the Company's executives the compensation packages that are competitive with those received by executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

Elements of Executive Compensation

Compensation for the Company's Named Executive Officers consists of the following elements:

1. fixed compensation in the form of base salary;
2. short-term incentive in the form of annual performance bonus; and
3. long-term equity-based incentive in the form of Options.

Purpose of Each Compensation Element

Base salary is designed to attract and retain executives by providing reasonable income certainty at a level that is competitive with the base salaries for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

Annual performance bonuses are intended to provide short-term incentives to executives by rewarding them for their yearly individual contribution and achievement of the Company's performance objectives in the context of overall annual corporate performance.

Equity incentive awards are designed to, among other things, motivate executives to achieve longer-term sustainable business results and align their interests with those of the Shareholders, since grantees of equity incentive awards benefit only if the market value of the common shares at the time of stock option exercise is greater than the exercise price of the Options, determined with reference to the market price of the common shares at the time of grant. Consistent with most other junior mining companies who do not have significant revenues, the Board of Directors believes that security-based compensation arrangements are a critical component of the Company's compensation arrangements and are necessary and vital to attracting and retaining key individuals.

Determination of the Amount of Each Compensation Element

Base Salary – Base salaries of the Named Executive Officers are generally negotiated at the time of engagement and set forth in their respective employment or consulting agreements entered into with the Company. Upon engagement, the Named Executive Officers' base salaries are subject to annual review by the Board of Directors. The determination of base salaries of Named Executive Officers is based on the assessment of a number of factors such as current competitive market conditions, experience of the Named Executive Officers with other issuers in the industry and factors particular to the Named Executive Officers, including individual performance in the context of the Company's overall performance, the scope of the Named Executive Officer's role with the Company and retention considerations.

Annual Performance Bonus – The granting of annual performance bonuses to the Named Executive Officers is at the discretion of the Board of Directors of the Company upon recommendation from the Compensation Committee. The decision of the Board of Directors to grant annual performance bonuses is based on the evaluation by the Board of Directors of each Named Executive Officer's yearly individual contribution to the achievement of the Company's performance objectives and in the context of the overall annual performance of the Company. The Company is a junior mining company involved primarily in exploration and development and has not generated significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board of Directors to be appropriate in the evaluation of the performance of the Named Executive Officers. Instead, effective completion of the Company's exploration work programs within pre-determined budgets, significant exploration discoveries, mineral resource and reserve upgrades, advancement of exploration projects to producing mines, fulfillment of option agreement conditions, successful acquisitions and/or financings required for meeting the Company's objectives and its

sustainability and growth are among the key factors for Board of Directors' evaluation of the Named Executive Officers' yearly performance. Other considerations such as working capital level, cash position of the Company and overall market environment are also taken into consideration by the Board of Directors in the determination of annual performance bonuses.

Share-based and option-based awards – The Company has established the Stock Option Plan under which Options and the RSU Plan under which RSUs are granted to directors, officers, employees and consultants of the Company as an incentive to serve the Company in attaining its goal of improving Shareholder value. Options and RSUs are generally awarded to the Named Executive Officers on an annual basis. The determination of incentive awards is based on a variety of factors, such as the need to attract or retain key individuals, competitive market conditions and internal equity. The amounts and terms of historical and outstanding awards are taken into account from time to time in the determination of awards. Options and RSUs are awarded by the Board of Directors with recommendation by the Board of Directors in a manner that ensures that the total number of Options and RSUs granted to any particular individual, including previous grants of Options and RSUs, is commensurate with the individual's level of ongoing responsibility and contribution to the Company. The Board of Directors determines, at the date of grant of the Option or RSU the exercise price and vesting terms for each Option or RSU, in accordance with the policies of the TSXV. Summaries of the Stock Option Plan and RSU Plan are set out under "SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS".

The allocation of an executive's compensation to the foregoing elements of the executive compensation packages is not based on a formula or comparison to a defined benchmark group, but rather is intended generally to reflect market practices and realities as well as the discretionary assessment by the Board of Directors of each Named Executive Officer's past contribution and ability to contribute to future short-term and long-term business results.

Outstanding Share-Based and Option-Based Awards for Named Executive Officers

The following table sets forth all incentive awards of the Company granted to the Named Executive Officers that were granted before, and remain outstanding as of the end of, the financial year ended December 31, 2020.

| Named Executive Officer | Option-Based Awards | | | |
|----------------------------|---|---|------------------------|---|
| | Number of Securities Underlying Unexercised Options | Option Exercise Price (\$) ⁽¹⁾ | Option Expiration Date | Value of Unexercised in-the-money Options (\$) ⁽²⁾ |
| Darren Koningen, CEO | 1,525,000 | \$0.16 | July 30, 2024 | 793,000 |
| | 900,000 | \$0.17 | Dec 7, 2022 | 459,000 |
| | 650,000 | \$0.19 | July 20, 2021 | 318,500 |
| Chris Chadder, CFO | 500,000 | \$0.16 | July 30, 2024 | 260,000 |
| | 500,000 | \$0.17 | Dec 7, 2022 | 255,000 |
| | 500,000 | \$0.19 | July 20, 2021 | 245,000 |
| Doug Ramshaw, President | 2,225,000 | \$0.16 | July 30, 2024 | 1,157,000 |
| | 950,000 | \$0.126 | May 19, 2022 | 526,300 |
| Federico Alvarez, COO | 700,000 | \$0.16 | July 30, 2024 | 364,000 |
| | 500,000 | \$0.17 | Dec 7, 2022 | 255,000 |
| | 350,000 | \$0.19 | July 20, 2021 | 171,500 |

Notes:

- (1) Options are exercisable for the purchase of Common Shares.
- (2) The in-the-money value is equal to the number of Options multiplied by the difference between the exercise price of the Options and \$0.68, the closing trading price of the Common Shares on the TSXV on December 31, 2020.

Value Vested or Earned During the Year for Named Executive Officers

The following table sets forth, in respect of the share-based and option-based awards of the Company granted to the Named Executive Officers that vested during the most recently completed financial year, the aggregate dollar value that would have been realized if the Options under the option-based awards had been exercised on the vesting date and the aggregate dollar value realized upon vesting of share-based awards.

| Named Executive Officer | 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 (\$) |
|---------------------------|--|--|--|
| Darren Koningen CEO | Nil | Nil | Nil |
| Chris Chadder CFO | Nil | Nil | Nil |
| Doug Ramshaw President | Nil | Nil | Nil |
| Federico Alvarez COO | Nil | Nil | Nil |

Note:

- (1) Based on the difference between the exercise price of the Options and the closing trading price of the Common Shares on the TSXV as of the date of vesting.

Management Contracts

The management functions of the Company are performed by the executive officers and directors of the Company. As of the date hereof, the Company has not entered into any management contracts with any third parties.

Termination and Change of Control Benefits

Each of Darren Koningen, Doug Ramshaw, Janet O’Donnell and Federico Alvarez (each, an “**Executive**”) are entitled to certain benefits upon a Change in Control of the Company (the material details of which are defined below), in the event of a Change in Control of the Company where the Executive no longer remains an employee of the Company (“Termination Date”).

If the Change in Control is a transaction pursuant to which the Company’s shares are acquired or exchanged, all unvested stock options are deemed to vest one minute prior to the completion of such transaction. Each Executive will be entitled to exercise all stock options until the later of their normal expiry date or the date that is two years after the Change in Control.

In addition to the acceleration of stock option vesting and extension of the expiry date, each Executive is also entitled to payment on the Termination Date of a lump sum equal to 24 months of base salary at the date of the Change in Control and a lump sum payment equal to two times the amount of the most recent annual bonus paid to such Executive.

A “**Change in Control**” means (i) the acquisition, directly or indirectly, of Common Shares of the Company totalling more than 50% of the outstanding Common Shares; (ii) the removal, by extraordinary resolution of the Shareholders, of more than 51% of the then-incumbent directors or the election of a majority of directors to the Board of Directors who were not nominees of the Company’s incumbent Board of Directors at the time immediately preceding such election; (iii) when individuals who as of November 1, 2021 constitute the entire Board of Directors cease for any reason to constitute at least a majority of the Board of Directors; (iv) the consummation of a sale, transfer or other disposition of all or substantially all of the assets and undertakings of the Company to an arm’s length third party; (v) the consummation of a reorganization of capital, conversion, share exchange, amalgamation, arrangement, merger or other transaction of the Company which has substantially the same effect as (iv) with an arm’s length third party; or (vi) the adoption by the Board of Directors of a resolution to the effect that a change in control has occurred.

Compensation of Directors

The following table provides details of the compensation for the most recently completed financial year provided to the directors of the Company, other than Darren Koningen being Chief Executive Officer and Doug Ramshaw, being President, who are Named Executive Officers, of the Company. The details of the compensation for Mr. Koningen and Mr. Ramshaw have been provided under “EXECUTIVE COMPENSATION – Summary Compensation Table for Named Executive Officers”.

| Name | Fees Earned (\$) | Share-Based Awards (\$) | Option-Based Awards (\$) ⁽¹⁾ | Non-Equity Incentive Plan Compensation (\$) | Pension Value (\$) | All Other Compensation (\$) | Total (\$) |
|---------------|------------------|-------------------------|---|---|--------------------|-----------------------------|------------|
| Bruce Durham | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Ruben Padilla | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Kevin Small | Nil | Nil | 190,000 | Nil | Nil | Nil | 190,000 |

Note:

- (1) Please refer to the “EXECUTIVE COMPENSATION – Summary Compensation Table for Named Executive Officers” for a discussion on the determination of grant date fair values.

The Company has not paid any additional compensation to its directors during the financial year ended December 31, 2020. No compensation is paid to the directors of the Company for attendance at Board of Directors or committee meetings.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards of the Company granted to the directors (other than Darren Koningen and Doug Ramshaw who are Named Executive Officers) that were granted before, and remain outstanding as of the end of the most recently completed financial year. The relevant information for Mr. Koningen and Mr. Ramshaw has been provided under “EXECUTIVE COMPENSATION – Outstanding Share-Based and Option-Based Awards for Named Executive Officers”.

| Name | Option-Based Awards | | | | Share-Based Awards | | |
|---------------|---|---|------------------------|---|--|--|--|
| | Number of securities underlying unexercised Options | Option exercise price (\$) ⁽¹⁾ | Option expiration date | Value of unexercised in-the-money Options (\$) ⁽²⁾ | Number of shares or units of shares that have not yet vested | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Bruce Durham | 500,000 | \$0.16 | July 30, 2024 | \$260,000 | Nil | Nil | Nil |
| | 500,000 | \$0.17 | Dec 7, 2022 | \$255,000 | Nil | Nil | Nil |
| | 500,000 | \$0.19 | July 20, 2021 | \$171,500 | Nil | Nil | Nil |
| Ruben Padilla | 500,000 | \$0.16 | July 30, 2024 | \$260,000 | Nil | Nil | Nil |
| | 500,000 | \$0.17 | Dec 7, 2022 | \$255,000 | Nil | Nil | Nil |
| | 750,000 | \$0.17 | June 28, 2022 | \$382,500 | Nil | Nil | Nil |
| Kevin Small | 500,000 | \$0.54 | July 14, 2025 | \$70,000 | Nil | Nil | Nil |

Notes:

- (1) Options are exercisable for the purchase of Common Shares.
- (2) The in-the-money value is equal to the number of Options multiplied by the difference between the exercise price of the Options and \$0.68, the closing trading price of the Common Shares on the TSXV on December 31, 2020.

Value Vested or Earned During the Year

The following table sets forth, in respect of the share-based and option-based awards of the Company granted to the directors of the Company (other than Darren Koningen and Doug Ramshaw, who are Named Executive Officers) that vested during the most recently completed financial year, the aggregate dollar value that would have been realized if the Options under the option-based awards had been exercised on the vesting date and the aggregate dollar value realized upon vesting of share-based awards. The relevant information for Mr. Koningen and Mr. Ramshaw has been provided under “EXECUTIVE COMPENSATION – Value Vested or Earned during the Year for Named Executive Officers”.

| 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 (\$) |
|---------------|--|--|--|
| Bruce Durham | Nil | Nil | Nil |
| Rubin Padilla | Nil | Nil | Nil |
| Kevin Small | 190,000 | Nil | Nil |

Note:

1. Based on the difference between the exercise price of the Options and the closing trading price on the TSXV as of the date of vesting.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Stock Options

The Stock Option Plan was initially approved by Shareholders of the Company at the Company's Shareholders meeting held in June 2006, and its continuation has been approved by the Shareholders of the Company at the annual meeting of Shareholders in each of the subsequent years.

The purpose of the Stock Option Plan is to encourage ownership of Common Shares by directors, officers, employees and consultants of the Company and thereby provide additional incentive for them to promote the successes of the Company.

The Stock Option Plan provides that the Board of Directors may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase Common Shares. The Stock Option Plan provides for a floating maximum limit of 10% of the outstanding Common Shares (less the number of Common Shares issuable pursuant to all other security based compensation arrangements).

Under the Stock Option Plan, the number of Common Shares reserved for any one person may not exceed 5% of the outstanding Common Shares (on a non-diluted basis) at the time of grant, the number of Common Shares reserved for issuance to insiders under the Stock Option Plan and any other security based compensation arrangements cannot exceed 10% of the number of issued and outstanding Common Shares and the number of Common Shares issued to insiders, within any one year period, under the Stock Option Plan and any other security based compensation arrangements cannot exceed 10% of the aggregate outstanding Common Shares (on a non-diluted basis).

The Board of Directors determines the price per Common Share and the number of Common Shares that may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Options, subject to the rules of the TSXV. Assuming the approval of the Stock Option Plan, the granting of Options to such eligible persons will be subject to the rules of the TSXV.

The Stock Option Plan does not set out explicit vesting requirements for Options granted to directors, officers, employees and consultants, although the Board of Directors may attach a vesting period or periods to individual grants as it deems appropriate. The price per Common Share set by the Board of Directors cannot be less than the market price in Canadian dollars of the Common Shares at the time of the granting of such option under the Stock Option Plan. The term of an option shall not be for less than one year and not more than ten years from the date the option is granted.

The nature of the Company's business gives rise to a number of periods each year during which directors, officers and employees are precluded from trading in the securities of the Company in accordance with the Company's policy respecting restrictions on employee trading (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an insider, that insider, is subject). These periods are referred to as "blackout periods". At the Company's shareholders meeting held in May 2008, shareholders approved an amendment to the Stock Option Plan providing for an automatic extension of the term of an option of ten business days after the expiry of the blackout period if the option would have otherwise expired during, or within ten business days after, a Company-imposed blackout period.

In the event of the death of an optionee while in the employment, or as a consultant, a director or an officer of the Company or a subsidiary of the Company prior to the expiry date of the option, the option may be exercised by the legal representatives of such optionee at any time up to the earlier of: (i) the date which is the first anniversary of the date of death of such optionee; or (ii) the expiry date of the option, whichever is the earlier, after which the option shall terminate.

In the event that an optionee ceases to be an officer, director or full-time employee of the Company or one of its subsidiaries by reason of resignation, removal or discharge for cause, then the Options shall terminate on the date that notice of resignation is received by the Company or the date that notice of removal or discharge is given to the optionee, or upon such later date as the Board of Directors may approve. In the event that an optionee ceases to be an officer, director or full-time employee of the Company or one of its subsidiaries for reasons other than those described above, the optionee shall be entitled to exercise the Options for 30 days following such cessation, or such longer period as the Board of Directors may determine, provided that the date of expiry provided in the original grant of the Options shall not be extended.

The Options granted under the Stock Option Plan are not transferable or assignable, except in certain circumstances relating to the death of an eligible optionee.

The Stock Option Plan includes provisions typical of these types of plans for adjustments to be made to the type, number and/or price of securities subject to the option upon the occurrence of certain events, such as the subdivision, consolidation, reclassification, conversion, or substitution of the Common Shares, payment of a stock dividend or an amalgamation involving the Company.

On April 26, 2011, the Board of Directors approved certain amendments to the Stock Option Plan to reflect the new tax withholding requirements under the Income Tax Act (the “*Tax Act*”). Pursuant to the amendments, if the Company is required under the Tax Act or any other applicable law to remit to any governmental authority an amount on account of tax on the value of any taxable benefit associated with the exercise or disposition of Options by an optionee, the optionee must, concurrently with the exercise or disposition (i) pay the Company an amount equal to the required tax remittance, (ii) authorize the Company to sell in the market a portion of the Common Shares being issued upon exercise of the Options as is required to realize cash proceeds to fund the required tax remittance, or (iii) make other acceptable arrangements to fund the required tax remittance. These amendments were approved at the annual and special meeting of shareholders held on June 9, 2011.

The foregoing summary is qualified in its entirety by the full text of the Stock Option Plan, which is available under the Company’s profile on SEDAR (www.sedar.com) or on written request to the Company at 55 York Street, Suite 402, Toronto, ON M5J 1R7, Fax: (888) 437-3521.

RSUs

The RSU Plan was initially approved by Shareholders of the Company at the Company’s Shareholders meeting held on November 21, 2019. As of December 31, 2020, there are no RSUs granted under the plan.

The purpose of the Company’s RSU Plan is to strengthen the alignment of interests between the RSU Participants (as defined below) and the shareholders, and for the purposes of advancing the interests of the Company through the motivation, attraction and retention of the RSU Participants.

Pursuant to the RSU Plan, the Board of Directors may, from time to time, in its discretion and in accordance with TSXV requirements, grant (“**Grants**”) to directors, officers and employees of the Company and its affiliates (collectively, the “**RSU Participants**”), restricted share units (“**RSUs**”). The terms and conditions

attached to the Grants will be determined by the Board of Directors, in its sole discretion. The Board of Directors has the power and discretionary authority to determine the terms and conditions of the Grants, including the individuals who will receive the Grants, the number of RSUs subject to each Grant, the limitations or restrictions on vesting of Grants, acceleration of vesting or the waiver of forfeiture or other restrictions on Grants, the form of consideration payable on settlement of RSUs and the timing of the Grants. The Board of Directors also has the power to establish procedures for payment of withholding tax obligations with cash.

Each Grant will constitute an agreement to deliver RSUs or cash consideration to the RSU Participant in the future in consideration of the performance of services, subject to the fulfillment during the deferral period of such conditions as the Board of Directors may specify including, but not limited to, the RSU Participant's achievement of specified management objectives. During the applicable deferral period for a given RSU award, the RSU Participant will not have ownership or voting rights with respect to the RSU or the underlying shares associated with the RSU.

The aggregate number of common shares that may be reserved for issuance to any one person under the RSU Plan and all other security based compensation arrangements of the Company will not exceed 5% of the then outstanding common shares. The RSU Plan limits insider participation such that the aggregate number of common shares (i) issuable to insiders of the Company pursuant to the RSU Plan and all other security-based compensation arrangements of the Company will not, at any time, exceed 10% of the total number of common shares then outstanding, and (ii) issued to insiders of the Company pursuant to the RSU Plan and all other security based compensation arrangements of the Company will not, within a one year period, exceed 10% of the total number of common shares then outstanding.

Subject to compliance with applicable laws, rules and regulations (including, where required, applicable rules of the TSXV), the Board of Directors is able to amend the RSU Plan or any award at any time provided that (i) such amendment would not cause the RSU Plan to cease to comply with paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Income Tax Act (Canada) (ii) such amendment cannot be made without obtaining the approval of the holders of the common shares, if such amendment would (a) increase the total number of common shares issuable pursuant to the RSU Plan, (b) remove or amend the provision relating to the maximum number of common shares issuable pursuant to the RSU Plan, (c) remove or amend the amendment and termination provisions, or (d) otherwise require TSXV and shareholder approval under the TSXV rules.

In the event that an RSU Participant shall cease to be a director or officer of, or be in the employ of, or a consultant or other RSU Participant, the Company or a subsidiary of the Company due to the death of the RSU Participant, any unvested RSUs in the deceased RSU Participant's account effective as at the time of the RSU Participant's death shall be deemed to have vested immediately prior to the Forfeiture Date (as defined in the RSU Plan) with the result that the deceased RSU Participant shall not forfeit any unvested RSUs and the value of the RSU award shall be paid to the legal representative of the deceased RSU Participant's estate in accordance with the terms of the RSU Plan.

In the event that an RSU Participant shall cease to be a director or officer of, or be in the employ of, or a consultant or other RSU Participant, the Company or a subsidiary of the Company by reason of retirement, resignation or involuntary termination (with or without cause), as determined by the Board in its sole discretion, then all unvested RSUs shall be forfeited effective as of the Forfeiture Date (as defined in the RSU Plan).

The RSUs granted under the RSU Plan are not transferable or assignable, except in certain circumstances relating to the death of an eligible RSU Participant.

The RSU Plan includes provisions typical of these types of plans for adjustments to be made to the type, number and/or price of securities subject to the RSU Plan upon the occurrence of certain events, such as the subdivision, consolidation, reclassification, conversion, or substitution of the Common Shares, payment of a stock dividend or a recapitalization, merger, consolidation, amalgamation or other transaction involving the Company.

The following table sets out the number of Common Shares reserved for issuance, the weighted average exercise price, and the number of Common Shares remaining for future issuance under the Company's Stock Option Plan as of December 31, 2020 (no RSUs have been granted under the plan):

| Stock Option Plan Information | | | |
|--------------------------------------|--|---|---|
| Plan Category | Number of Common Shares to be Issued on the Exercise of Outstanding Options | Weighted-Average Exercise Price of Outstanding Options | Number of Securities Remaining Available for Future Issuance under the Stock Option Plan |
| Plans Approved by Shareholders | 21,727,500 | \$0.21 | 22,225,295 |
| Plans Not Approved by Shareholders | Nil | N/A | Nil |
| Total | 21,727,500 | \$0.21 | 22,225,295 |

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the present or former directors, proposed nominees or senior officers of the Company or their respective associates or affiliates are, were or have been indebted to the Company or subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, at any time since the beginning of the last completed financial year of the Company and as at the date hereof.

CORPORATE GOVERNANCE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) adopted by the Canadian securities regulatory authorities requires that, if management of any issuer solicits proxies from its security holders for the purpose of electing directors, certain disclosure of its corporate governance practices must be included in its management information circular.

National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines. However, the Board of Directors considers that some of the guidelines are not suitable for the Company at its current stage of development. Therefore, certain guidelines under NP 58-201 have not been adopted. The Company will continue to review and implement the corporate governance guidelines set out in NP 58-201 as the business of the Company progresses.

The Board of Directors

Independence of the Board of Directors

Three of the five members of the Board of Directors – Bruce Durham, Ruben Padilla and Kevin Small – are independent within the meaning of NI 58-101. None of the independent directors have worked as executives or employees for the Company, received remuneration from the Company or had material contracts with

or material interests in the Company which could interfere with their ability to act with a view to the best interests of the Company.

Darren Koningen and Doug Ramshaw are considered to be not independent because they serve as the CEO and President of the Company, respectively.

To facilitate the directors of the Company functioning independent of management, the following structures and processes are in place:

- where a majority of the Board of Directors are members of management, the Company will actively recruit qualified independent directors; and
- where appropriate, during regularly scheduled meetings, non-independent directors and members of management are excluded from certain discussions.

Directorships with Other Reporting Issuers

The following directors are presently directors of other reporting issuers:

| Name of Director | Name of Other Reporting Issuers |
|-------------------------|--|
| Darren Koningen | Norvista Capital Corp. |
| Ruben Padilla | Sable Resources Ltd., Millennial Precious Metals |
| Doug Ramshaw | Great Bear Resources Ltd., District Metals Corp., Goldshore Resources Inc. |

Orientation and Continuing Education

New directors are provided with details of the Company's organizational structure, the structure of the Board of Directors and its committees, compliance requirements for directors, corporate policies and by-laws. They also meet with a number of directors and senior management personnel of the Company and its material subsidiaries to learn of the functions and activities of the Company. On an ongoing basis, presentations are made to the Board of Directors on various aspects of the Company's operations.

The Company has established a process to provide an orientation and education program for new members of the Board of Directors. Such orientation and education program consists of orientation sessions with management, a review of prior activities of the Board of Directors and a review of prior activities of the board committees.

Ethical Business Conduct

In March 2007, the Company adopted a code of business conduct and ethics and related policies (the "**Code**"), which sets high standards for ethical behaviour throughout the organization. The code was reviewed and updated by the Board of Directors in November 2008.

The Code provides the entire organization with the same frame of reference for dealing with sensitive and complex issues such as conflicts of interest, use of information, confidentiality of business information, corporate opportunities, fair trading, protection and use of company assets,

accounting practices, compliance with laws, rules and regulations, and duty to report and consequences.

To facilitate compliance with the Code, the Code encourages all Company personnel to promptly report any problems or concerns and any actual or potential violations of the Code to the Chairman of the Audit Committee. A waiver of the Code will be granted only in exceptional circumstances and only by the Board of Directors.

The directors of the Company encourage and promote an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to employees, officers and directors to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical conduct.

As some of the directors of the Company also serve as directors and officers of other companies, the Board of Directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Ontario), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Each director is required to declare the nature and extent of his interest and is not entitled to vote at meetings which involve such conflict.

In March 2007, the Board of Directors adopted a whistleblower policy (the “**Whistleblower Policy**”) and delegated to the Audit Committee the responsibility of investigating and resolving all reported complaints made pursuant to the Whistleblower Policy.

In March 2007, the Board of Directors adopted an insider trading policy, which provides for practices and procedures governing the trading of Common Shares and other securities of the Company by insiders in order to ensure compliance with applicable securities laws.

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. The Board of Directors takes into account the number required to carry out the Board of Directors’ duties effectively and to maintain a diversity of views and experience.

The Board of Directors is responsible for recruiting new members to the Board of Directors and planning for the succession of members of the Board of Directors.

Compensation

The Board of Directors, with recommendations from the Compensation Committee, is responsible for determining all forms of compensation, including long-term incentive in the form of Options, to be granted to the CEO of the Company and the directors, and for reviewing the CEO’s recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board of Directors considers: (a) recruiting and

retaining executives critical to the success of the Company and the enhancement of shareholder value; (b) providing fair and competitive compensation; (c) balancing the interests of management and the Company's shareholders; (d) rewarding performance, both on an individual basis and with respect to operations in general; and (e) permitted compensation under TSXV policies.

Committees of the Board of Directors

The Board of Directors currently has three standing committees, namely the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. Each committee is composed of a majority of members who are independent of the Company within the meaning of NI 58-101.

Assessments

Due to the small size of the Board of Directors, there is no formal process for evaluating the effectiveness of the Board of Directors, its committee and management. Management reports to the Board of Directors and evaluation of management's performance takes place informally at the meetings of the Board of Directors or in informal meetings by the independent directors.

AUDIT COMMITTEE

Audit Committee Charter

The full text of the Company's Audit Committee Charter is set out in Schedule "C" hereto.

Composition of the Audit Committee

The Audit Committee of the Company is currently comprised of Bruce Durham, Ruben Padilla and Darren Koningen. Mr. Durham is the Chairman of the Audit Committee. Each of the members of the Audit Committee is considered to be financially literate.

Bruce Durham and Ruben Padilla are considered to be independent members of the Audit Committee. This determination was made by the Board of Directors upon inquiry of their activities and relationship with the Company.

Relevant Education and Experience

Mr. Durham has been involved in the mineral exploration business for almost 40 years, most of which have been directly in the junior exploration industry. Mr. Durham was the President and CEO of Nevada Zinc Corporation until December 2020 and the Managing Director of Norvista Capital Corporation until June 2021. Over the course of his career, Mr. Durham has served as a director of a number of public companies. He has acquired the requisite financial literacy and experience to adequately carry out his duties as the Chairman of the Audit Committee through his acting as executive and director of public junior mining exploration companies.

Mr. Padilla holds a geological engineering degree from the University of Chihuahua in Mexico and Masters and PhD degrees from the University of Arizona. Mr. Padilla has over 30 years of experience working on target generation, project evaluations, mining geology, and management of exploration programs with various companies mostly focused on the Americas. He is founder and Chief Geologist for Talisker Exploration Services Inc. and CEO and President of Sable Resources.

Mr. Padilla worked and completed important research at the La Escondida deposit in Chile where he identified a blind target related with a younger porphyry event today known as the Escondida Este deposit. With AngloGold Ashanti, he acted as exploration country manager in Peru and in Colombia and as Chief Geologist for the Americas exploration group. He was part of the team that discovered the Colosa and Gramalote deposits in Colombia. During the last seven years he has spent most of his time working on the Superior Province and the western cordillera of Canada, where he had participated in various successful exploration programs and in the modeling of ore deposits for exploration and resource evaluations purposes in his role as founder and Chief Geologist for Talisker Exploration Services Inc. He has acquired the requisite financial literacy and experience to adequately carry out his duties as a member of the Audit Committee through his management of private exploration companies and acting as a current director of two public junior mining exploration companies.

In addition to his roles at the Company, Mr. Koningen currently is a director and a member of the Audit Committee of Norvista Capital Corp., a TSXV listed company in the business of acquiring interests in companies and mineral projects and formerly the President and CEO of NWM Mining Corporation, a TSXV listed gold producing company in Sonora, Mexico. He has acquired the requisite financial literacy and experience to adequately carry out his duties as a member of the Audit Committee through his aforementioned roles in various public junior mining exploration companies.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there have been no recommendations of the Audit Committee that the Board of Directors of the Company has not adopted.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

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

External Auditor Services Fees

The following table sets out the aggregate fees billed by the Company's external auditors in each of the last two financial years.

| Category of Fees | Year Ended December 31, 2020 | Year Ended December 31, 2019 |
|-----------------------------------|-------------------------------------|-------------------------------------|
| Audit Fees ⁽¹⁾ | \$110,000 | \$95,000 |
| Audit-Related Fees ⁽²⁾ | Nil | Nil |
| Tax Fees ⁽³⁾ | \$12,000 | \$24,600 |
| All Other Fees ⁽⁴⁾ | Nil | Nil |
| Total | \$122,000 | \$119,600 |

Notes:

- (1) “**Audit Fees**” include fees necessary to perform the annual audit and quarterly reviews of the Company’s financial statements and includes the fees of the Company’s auditors. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “**Audit-Related Fees**” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “**All Other Fees**” include all other non-audit service.

Reliance on Exemption for Venture Issuers

The Company is a “venture issuer” as the Common Shares are listed for trading on the TSXV. As such, the Company is not required to comply with Part 3 of NI 52-110 (Composition of the Audit Committee) and Part 5 of NI 52-110 (Reporting Obligations) based on the exemption for venture issuers contained in section 6.1 of NI 52-110.

COMPENSATION COMMITTEE

For a discussion of the responsibilities of the Compensation Committee relating to compensation matters, please see “*Corporate Governance – The Board of Directors – Compensation*”

Composition of the Compensation Committee

The Compensation Committee of the Company is currently comprised of Bruce Durham, Ruben Padilla and Kevin Small. Mr. Small is the Chairman of the Compensation Committee. Each of the members of the Compensation Committee is considered to be financially literate.

Each of the members of the Compensation Committee are considered to be independent. This determination was made by the Board of Directors upon inquiry of their activities and relationship with the Company.

Relevant Education and Experience

Mr. Small currently is Mining Manager with Sprott Mining Inc. and was previously President and CEO of Jerritt Canyon Gold (100% owned by Sprott Mining Inc.) where he was responsible for the day to day operations of a 4,000 tons per day Roaster and CIL plant producing between 120,000 ounces and 160,000 ounces of gold annually. Elsewhere at Jerritt Canyon, he was responsible for the day to day operation of two underground mines and advanced exploration both from surface and underground.

Throughout his 30-year career, Mr. Small has brought his innovative and strategic-thinking as an operations leader to numerous mine operations and start-up projects. This work has included Director of Mine Operations at the Beta Hunt mine in Western Australia owned by Karora Resources Inc. (formerly RNC Minerals); Mine Manager at the East Timmins operations (Taylor mine) of Kirkland Lake Gold; and Superintendent of Technical Services at St Andrews Goldfields. He has acquired the requisite financial literacy and experience to adequately carry out his duties as the Chairman of the Compensation Committee through his acting as an executive and director of public junior mining exploration companies.

For relevant education and experience in respect of Mr. Durham and Mr. Padilla, please see “*Audit Committee – Relevant Education and Experience*”

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company’s auditor is MNP LLP.

The Company’s registrar and transfer agent is TSX Trust Company (formerly known as AST Trust Company (Canada)).

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer or a 10% Shareholder. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial year ended December 31, 2020, or has any interest in any material transaction in the current year other than as set out herein.

ADDITIONAL INFORMATION

Additional information relating to the Company is filed on SEDAR and can be accessed on the internet at www.sedar.com.

Financial information is provided in the Company’s comparative financial statements and management discussion and analysis (“**MD&A**”) for its most recently completed financial year. Shareholders may request copies of such financial statements and MD&A by mailing a request to Minera Alamos Inc. at 55 York Street, Suite 402, Toronto, Ontario, M5J 1R7.

DIRECTORS’ APPROVAL

The contents and sending of this Management Information Circular have been approved by the directors of the Company.

DATED the December 3, 2021.

(signed) “Darren Koningen”

Darren Koningen, Director and CEO

SCHEDULE "A"
RESOLUTION TO APPROVE THE STOCK OPTION PLAN

BE IT RESOLVED as an ordinary resolution of Shareholders that:

1. The incentive stock option plan for the directors, officers, employees and consultants of the Company (the "**Stock Option Plan**") be and it is hereby approved;
2. The Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities of the TSX Venture Exchange without requiring further approval of the shareholders of the Company; and
3. Any one director or officer is hereby authorized to execute and deliver all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to foregoing resolution and the board of directors of the Company from time to time, is hereby authorized to grant Options in the capital stock of the Company in accordance with the provisions of the Stock Option Plan and the policies of the TSX Venture Exchange.

**SCHEDULE “B”
RESOLUTION TO APPROVE THE RSU PLAN**

BE IT RESOLVED, as an ordinary resolution, that:

1. The restricted share unit plan for the directors, officers, employees and consultants of the Company (the “**RSU Plan**”) be and it is hereby approved;
2. The RSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities of the TSX Venture Exchange without requiring further approval of the shareholders of the Company;
3. Any one director or officer is hereby authorized to execute and deliver all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to foregoing resolution and the board of directors of the Company from time to time, is hereby authorized to grant RSUs in the capital stock of the Company in accordance with the provisions of the RSU Plan and the policies of the TSX Venture Exchange.

SCHEDULE “C” AUDIT COMMITTEE CHARTER

Purpose

The committee will assist the Board of Directors of the Company (the “**Board**”) in fulfilling its responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct as it relates to financial reporting and disclosure. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The committee will also be responsible for reviewing the Company’s financial strategies, its financing plans and its use of the equity and debt markets.

To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company’s business, operations and risks.

Committee Membership

The Committee shall consist of no fewer than three members, a majority of whom shall not be officers or employees of the Company or any of its affiliates and who shall meet the independence requirements of Canadian securities laws and the Toronto Stock Exchange. The members and chair of the Committee shall be appointed and removed by the Board in accordance with the rules of the Nominating and Governance Committee.

Committee Meetings

The Committee shall meet quarterly each year. The Chairman will schedule regular meetings, and additional meetings may be held at the request of two or more members of the Committee, the CEO, or the Chairman of the Board. External auditors may convene a special meeting if they consider that it is necessary.

The committee may invite such other persons (e.g. the CEO) to its meetings, as it deems appropriate. The external auditors should be present at each quarterly audit committee meeting and should be expected to comment on the financial statements in accordance with best practices.

The Committee shall keep adequate minutes of all its proceedings, and the Committee Chairman will report its actions to the next meeting of the Board. Committee members will be furnished with copies of the minutes of each Committee meeting and any action taken by unanimous consent.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

In carrying out its responsibilities, the Committee will:

1. Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
2. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
3. Review the Company’s strategic and financing plans to assist the Board’s understanding of the underlying financial risks and the financing alternatives.
4. Review management’s plans to access the equity and debt markets and to provide the Board with advice and commentary.

5. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
6. Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
7. Review the annual and quarterly financial statements including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles, stock exchange requirements and governmental regulations.
8. Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
9. Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
10. Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
11. Meet with management and the external auditors to review the annual financial statements and the results of the audit.
12. Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
 - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (b) generally accepted accounting principles have been consistently applied;
 - (c) there are any actual or proposed changes in accounting or financial reporting practices; and
 - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
13. Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
14. Review the performance of the external auditors and approve in advance provision of services other than auditing.
15. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company.
16. Make recommendations to the Board regarding the reappointment of the external auditors.
17. Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

18. Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
19. Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
20. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
21. Perform other functions as requested by the full Board.
22. If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
23. Review and update the charter; receive approval of changes from the Board.