

INFORMATION CIRCULAR

FOR THE 2021 ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

This information is given as of November 12, 2021, unless otherwise noted

IMPORTANT NOTICE

The Annual General and Special Meeting (the “**Meeting**”) of the shareholders of **SOLSTICE GOLD CORP.** (the “**Company**”) is currently scheduled to take place in person at Suite 550 – 800 West Pender Street Vancouver B.C. (the “**Meeting Location**”) on December 14, 2021 (the “**Meeting Date**”) at 11:00 a.m. (Pacific time). In light of ongoing concerns related to the spread of COVID-19, only registered shareholders, non-registered shareholders who have followed the procedures described in this information circular (the “**Information Circular**”) and their respective proxyholders will be allowed to attend the Meeting physically in person. **On the Meeting Date, the Company will comply with all restrictions imposed under all applicable laws and regulations restricting the size and conduct of gatherings to protect public health and limit the spread of COVID-19.**

To help mitigate the risk of the spread of COVID-19, all shareholders are strongly encouraged to vote on the matters at the Meeting by proxy using our management proxyholder(s) to limit the number of attendees. Please do not attend the Meeting in person if you or someone with whom you have been in close contact with are experiencing any cold or flulike symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. Meeting attendees will be required to wear a face covering for the duration of the Meeting. Shareholders and proxyholders may be refused entry at the Meeting Location if more individuals attend the Meeting in person than are permitted under applicable laws and regulations in effect on the Meeting Date. Shareholders and proxyholders may also be refused entry at the Meeting Location or be required to leave the Meeting if they do not comply with all restrictions in respect of the conduct of gatherings under applicable laws and regulations in effect on the Meeting Date.

The Company’s Board of Directors and management are also continuing to assess whether an in-person Meeting is in the best interests of the Company and its shareholders in light of the unprecedented public health concerns raised by COVID-19. Accordingly, there is a possibility that the Meeting will be held in a virtual-only format and that shareholders and proxyholders will not be able to attend the Meeting physically. If the Company decides to hold the Meeting in a virtual-only format, the Company will make a public announcement to this effect by issuing a news release as soon as reasonably practicable prior to the Meeting. The news release will contain detailed instructions explaining how shareholders will be able to attend, communicate and vote at the virtual Meeting. The news release will be posted on the Company’s website at www.solsticegold.com and will be filed under the Company’s profile on SEDAR at www.sedar.com. Shareholders are strongly encouraged to check the Company’s website and/or SEDAR on a regular basis to ensure that they are apprised of all developments with respect to the Meeting.

SOLICITATION OF PROXIES

This Information Circular is provided to registered and beneficial owners of the Company's shares in connection with the solicitation of proxies by the management of the Company for use at the Meeting, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. This Information Circular and other proxy-related materials are not provided to registered or beneficial owners of the Company's shares under the notice and access provisions of National Instrument 54-101.

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

APPOINTMENT AND REVOCATION OF PROXIES

This Information Circular is accompanied by a management instrument of proxy that permits registered shareholders who do not attend the Meeting in person to have their shares voted at the Meeting by a proxyholder appointed by the registered shareholder. The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy.**

The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies that do not strictly conform to the foregoing requirements.

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy

by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named as proxyholder in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, or withholding a vote in respect of any resolution, will vote or withhold from voting as applicable, in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

NOTICE TO BENEFICIAL HOLDERS OF SHARES

These securityholder materials are being sent to both registered and certain non-registered owners of the securities of the Company. If you are a non-registered owner and the Company or its agent has sent these materials 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 shares on your behalf.

The following information is of significant importance to shareholders who do not hold shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of shares).

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

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" or "**Objecting Beneficial Owners**") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" or "**Non-Objecting Beneficial Owners**").

Management of the Company does not intend to pay for intermediaries to forward the proxy-related materials to OBOs. Accordingly beneficial shareholders who are OBOs will not receive the materials unless their intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs, such instructions will typically be sought by the shareholder receiving either a form of proxy or a voting instruction form ("**VIF**"). If a form of proxy or a VIF is supplied to you, an OBO or NOBO, by your broker, it will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States.

Broadridge obtains voting instructions by mailing a VIF which appoints the same persons as the Company's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a beneficial shareholder of the Company), other than the persons designated in the VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. In addition, Broadridge provides both telephone and internet voting options, as described in the VIF. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed VIF. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the Scrutineer when you arrive at the Meeting.

If you bring your completed VIF to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your VIF in accordance with the instructions above.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of the date of this Information Circular, there are 152,549,238 common shares in the authorized share structure of the Company (the "**Common Shares**") without par value issued and outstanding, with each Common Share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person has one vote and, on a poll, every shareholder has one vote for each Common Share of which he/she/it is the holder.

Only shareholders of record of the Company at the close of business on November 9, 2021 (the "**Record Date**"), will be entitled to have their Common Shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and officers of the Company, as at the date of this Information Circular, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the Common Shares, other than as set out below:

Name of Shareholder	Number of Common Shares⁽¹⁾⁽²⁾	Percentage of Common Shares⁽¹⁾⁽²⁾
Kevin Reid	22,109,666	14.5%
Michael Gentile	22,109,666	14.5%

⁽¹⁾ The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information and/or furnished by the relevant shareholder.

⁽²⁾ On a non-diluted basis.

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

Other than as disclosed below or elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons 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.

Directors, proposed nominees for election as a director of the Company, and officers of the Company and their associates or affiliates may be interested in the approval of the Amended and Restated Plan (as defined below) as they may be eligible for the grant of stock options pursuant to the Amended and Restated Plan, if it is approved by shareholders at the Meeting and implemented. For more information about the Amended and Restated Plan, please see "*Stock Option Plans and Other Incentive Plans - Stock Option Plan*" below.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as disclosed below or elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

On October 4, 2021, the Company completed the acquisition of a portfolio of 86 royalty and project interests located in Ontario and Quebec initially announced on September 15, 2021 (the “**Transaction**”). A portion of the purchase price for the Transaction was funded with proceeds raised pursuant to: (i) a non-brokered private placement financing which closed on October 4, 2021 consisting of the issuance of a total of 25,000,000 Common Shares at a price of \$0.10 per Common Share, and raising aggregate proceeds of \$2,500,000 (the “**Private Placement**”); and (ii) on October 4, 2021, the early exercise of an aggregate of 11,054,833 warrants held by Kevin Reid, an aggregate of 11,054,833 warrants held by Michael Gentile, and an aggregate of 5,235,000 warrants held by Blair Schultz, with one Common Share being issuable upon exercise of each such warrant at a purchase price of \$0.06 per Common Share, and raising aggregate proceeds of \$1,640,679.96.

The following persons participated in the Private Placement as follows: (i) Mike Timmins, a director of the Company, subscribed for 1,000,000 Common Shares for an aggregate purchase price of \$100,000 through his holding company, Pumpkin Mining Corporation; and (ii) David Fischer, Chief Financial Officer of the Company, subscribed for 150,000 Common Shares for an aggregate purchase price of \$15,000.

QUORUM NECESSARY TO PASS RESOLUTIONS

Under the Company’s Articles, the quorum for the transaction of business at a meeting of the shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

STATEMENT OF EXECUTIVE COMPENSATION

Definitions

For the purpose of this Information Circular:

“**CEO**” means each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

“**CFO**” means each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments, including stock appreciation rights, deferred share units and restricted stock units, granted or issued by the Company or any of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

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

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation exceeded \$150,000, calculated as prescribed, for that financial year;
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

Compensation Excluding Compensation Securities

Particulars of compensation, excluding compensation securities, paid to each NEO and director in each of the two most recently completed financial years is set out in the table below. There were no other executive officers of the Company, or any of its subsidiaries, whose total compensation was, individually, more than \$150,000 at the end of the financial year ended June 30, 2021.

Name and position	Year ending	Salary, consulting fee, retainer or commission (\$) ⁽⁸⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
David Adamson ⁽¹⁾ <i>Non Executive Chairman & Director</i>	06/30/21	30,000	N/A	N/A	Nil	Nil	30,000
	06/30/20	145,833	N/A	N/A	Nil	Nil	145,833
David Fischer ⁽¹⁾ <i>CFO</i>	06/30/21	60,300	N/A	N/A	Nil	Nil	63,300
	06/30/20	70,200	N/A	N/A	Nil	Nil	70,200
Martin Tunney ⁽¹⁾⁽³⁾ <i>Former President & Former Director</i>	06/30/21	144,667	Nil	N/A	Nil	Nil	144,667
	06/30/20	194,563	Nil	N/A	Nil	50,000	244,563
Michael Gentile ⁽²⁾ <i>Director</i>	06/30/21	Nil	Nil	N/A	Nil	Nil	Nil
	06/30/20	Nil	Nil	N/A	Nil	Nil	Nil
Blair Schultz ⁽²⁾ <i>Director</i>	06/30/21	Nil	Nil	N/A	Nil	Nil	Nil
	06/30/20	Nil	Nil	N/A	Nil	Nil	Nil
Kevin Reid ⁽²⁾ <i>Director</i>	06/30/21	Nil	Nil	N/A	Nil	Nil	Nil
	06/30/20	Nil	Nil	N/A	Nil	Nil	Nil

Notes:

- (1) These individuals entered into new or amended employment agreements with the Company effective June 10, 2020. Upon the entering into of such agreement by Marty Tunney as a consultant of the Company, pursuant to the terms and conditions of such agreement, the Company paid Marty Tunney a \$50,000 lump sum, \$25,000 of which was required to be used to participate in a private placement financing of the Company which closed on June 10, 2020.
- (2) Kevin Reid, Michael Gentile and Blair Schultz were appointed to the Board of Directors on June 10, 2020.
- (3) Marty Tunney ceased to be a director on June 10, 2020 and held the office of President until October 18, 2021.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to each NEO or director in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were exercised by any of the NEO's or directors during the year ended June 30, 2021.

Stock Option Plans and Other Incentive Plans*Stock Option Plan*

The Company currently has in place a Fixed Incentive Stock Option Plan dated for reference November 20, 2017 (the “**Existing Plan**”). The Existing Plan provides that the directors of the Company may grant options to purchase Common Shares (“**Options**”) to certain directors, officers, employees, management company employees and consultants of the Company and/or any of its affiliates (“**Eligible Persons**”) on terms that the board of directors of the Company (the “**Board**”) may determine, subject to the provisions of the Existing Plan. Initial shareholder approval of the Existing Plan was not required because the Existing Plan was implemented by the Company prior to its listing on the TSX Venture Exchange (the “**TSXV**”).

The purpose of the Existing Plan is to advance the interests of the Company, through the grant of Options, by:

1. Providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Company and its affiliates;
2. Encouraging Eligible Persons to remain with the Company or its affiliates; and
3. Attracting certain new directors, officers, employees and consultants.

The following is a summary of certain provisions of the Existing Plan and is subject to, and qualified in its entirety by, the full text of the Existing Plan. Capitalized terms not otherwise defined in the summary below have the meanings ascribed thereto in the Existing Plan. As noted below and under “*Particulars of Matters to be Acted Upon - Approval of the Amended and Restated Plan*”, the Board is proposing to implement certain amendments to the Existing Plan, and a blacklined copy of the Existing Plan, as amended by such amendments, is attached to this Information Circular as Schedule “B”.

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 20% of the outstanding Common Shares at the time of listing of the Common Shares on the Exchange, less the aggregate number of Common Shares then

reserved for issuance pursuant to any Other Share Compensation Arrangement. If an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under the Existing Plan.

- (b) The number of Common Shares reserved for issuance to any one person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit.
- (c) The number of Common Shares reserved for issuance to any one Consultant in any 12 month period under the Existing Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (d) The aggregate number of Common Shares reserved for issuance to certain persons performing Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (e) Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any person within a 12 month period pursuant to the exercise of Options granted under the Existing Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.
- (f) Options shall only be granted to Eligible Persons. Subject to the provisions of the Existing Plan, the Board shall have the authority to: (i) determine the Eligible Persons to whom Options are granted; (ii) grant Options; and (iii) determine the terms and conditions in respect of any Option grant, including in respect of the manner in which an Option shall vest and become exercisable, provided that Options granted to certain persons conducting Investor Relations Activities shall vest over a minimum of 12 months with no more than 25% of such Options vesting in any three month period.
- (g) Subject to a minimum exercise price of \$0.05 per Common Share, the exercise price per Common Share for an Option shall not be less than the "Discounted Market Price", as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.
- (h) Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.
- (i) Options are subject to early termination in certain circumstances. If an Option holder who is an Officer, Employee or Consultant is terminated for cause, the Options held by such holder shall terminate upon such termination for cause. If the Option holder dies prior to ceasing to be an Eligible Person, the Options held by such holder shall terminate no later than the earlier of the expiry date of such Options and the date that is 12 months after the date of such holder's death. If the Option holder ceases to be an Eligible Person other than as a result of termination for cause or death, then the Options held by such holder shall

terminate no later than the earlier of the expiry date of such Options and the date which is 90 days after such event, subject to the Board's ability to extend the termination date pursuant to terms and conditions of the Existing Plan.

- (j) Options may not be assigned or transferred.
- (k) The Existing Plan, the grant and exercise of Options and the Company's obligation to issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Company, be required.

On November 12, 2021, the Board amended the Existing Plan in accordance with the terms of the Existing Plan, subject to shareholder approval and acceptance by the TSXV, to take effect as an amended and restated stock option plan (the “**Amended and Restated Plan**”) in order to, among other things, amend the Existing Plan from a “fixed” stock option plan to a “10% rolling” stock option plan (the “**Rolling Plan Amendment**”).

Pursuant to the Existing Plan, a maximum of 13,252,517 Common Shares (being 20% of the outstanding Common Shares at the time of listing of the Common Shares on the TSXV) may be reserved for issuance pursuant to Options granted under the Existing Plan. As at the date hereof, the Company has an aggregate of 12,759,999 Options issued and outstanding, leaving an aggregate of 492,518 Options available to be granted under the Existing Plan. If the Rolling Plan Amendment pursuant to the Amended and Restated Plan is approved at the Meeting and implemented, the maximum number of Common Shares that may be reserved for issuance pursuant to Options granted under the Amended and Restated Plan will be 15,254,923 Common Shares as at the date hereof (being 10% of the outstanding Common Shares as at the date hereof). Accordingly, after taking into account the 12,759,999 Options currently issued and outstanding, an aggregate of 2,494,924 Options would be available to be granted under the Amended and Restated Plan as at the date hereof, if approved at the Meeting and implemented.

The Board is of the view that the Rolling Plan Amendment will, among other things: (i) provide the Company with the necessary flexibility to attract and retain the services of directors, officers, employees and consultants by offering competitive compensation relative to other issuers in the same industry and with the same market capitalization as the Company; and (ii) maximize shareholder value by facilitating the efforts of the Company to attract and retain the services of such persons and to continue to incentivize them using equity-based compensation arrangements to align their interests with those of the shareholders.

In addition to the Rolling Plan Amendment, the Amended and Restated Plan as approved by the Board, subject to shareholder approval and TSXV acceptance, includes the following amendments: (i) certain amendments to restrict the Company from granting Options to insiders (as a group), at any time or in any 12 month period, if the aggregate number of Common Shares reserved for issuance to insiders (as a group) under the Amended and Restated Plan or otherwise than under the Amended and Restated Plan will exceed 10% of the outstanding Common Shares at the time of the grant unless the Company has received disinterested shareholder approval to do so (the “**Insider Participation Amendment**”); and (ii) for purposes of maintaining consistency with the rules and policies of the TSXV (the “**TSXV Rules**”), certain additional clarifying clerical and administrative amendments (the “**Clerical Amendments**” and collectively with the Rolling Plan Amendment and the Insider Participation Amendment, the “**Amendments**”). A

blacklined copy of the Amended and Restated Plan showing the proposed Amendments to the Existing Plan is attached to this Information Circular as Schedule “B”.

Under the TSXV Rules, the Amended and Restated Plan must be approved by the Company’s shareholders on implementation and yearly thereafter at each annual general meeting of the Company. On November 4, 2021, the TSXV provided its approval of the Amended and Restated Plan, conditional upon shareholder approval. Accordingly, at the Meeting, the Board intends to ask its shareholders to approve the Amended and Restated Plan pursuant to an ordinary resolution, as more fully described below under “*Particulars of Matters to be Acted Upon - Approval of the Amended and Restated Plan*”.

If the Amended and Restated Plan is not approved by shareholders at the Meeting, the Amendments pursuant to the Amended and Restated Plan will not come into effect, the Existing Plan will remain in place and all existing Options will remain outstanding subject to the terms of the Existing Plan.

Employment, Consulting and Management Agreements

Except as disclosed below, no services were provided to the Company during the most recently completed financial year by a director or named executive officer, or any other party who provided services typically provided by a director or named executive officer, pursuant to any employment, consulting or management agreement between the Company and any other party. Except as disclosed below, the Company has no agreement or arrangement with any director, named executive officer or any other party with respect to any change of control of the Company or any severance, termination or constructive dismissal of any director, named executive officer or any other party, or any incremental payments triggered by any such change of control, severance, termination or constructive dismissal.

The Company entered into consulting agreement with David Adamson on June 10, 2020 (the “**Adamson Agreement**”) that terminated all previous contracts and agreements between the Company and Mr. Adamson. The termination of the previous agreements did not result in any severance or other costs to the Company. Under the terms of the Adamson Agreement, Mr. Adamson’s position is unpaid. The Company contracts Mr. Adamson to perform the duties of the Chairman for a period of 24 months subject to renewal on mutual agreement. If at the request of the Board Mr. Adamson exceeds 5 days dedicated to the Company in a calendar month, he will be compensated for those days at a rate of \$1,000 per day. In recognition of the elimination of Change of Control provisions, and elimination of compensation in the Adamson Agreement, Mr. Adamson was issued 1,500,000 stock options exercisable at \$0.06 a share, and a term of five years. If the Adamson Agreement is terminated by the Company, these stock options remain exercisable until the earlier of the expiry date of the option and the date which is two years following the date of termination.

The Company entered into consulting agreement with Martin Tunney on June 10, 2020 (the “**Prior Tunney Agreement**”) that terminated all previous contracts and agreements between the Company and Mr. Tunney. The termination of the previous agreements did not result in any severance or other costs to the Company. Under the terms of the Prior Tunney Agreement, the Company contracted Mr. Tunney to perform the duties of the President for a period of 15 months at a rate of \$10,000 per month. If the Company terminates the Prior Tunney Agreement prior to the end of the 15 month term, the Company agreed to pay Mr. Tunney the balance of remaining consulting fees due under the term of the agreement. If Mr. Tunney is required to spend in excess of 15 days working for the Company in a month, he will be compensated at \$1,000 for each additional day. The Company agreed to provide Mr. Tunney a \$50,000 one-time payment on signing

of the consulting agreement, of which \$25,000 of this amount was required to be used by Mr. Tunney to participate in a private placement financing of the Company which closed on June 10, 2020. In recognition of the reduction of compensation and elimination of the Change of Control provisions in the Prior Tunney Agreement, Mr. Tunney was issued 1,150,000 stock options exercisable at \$0.06 a share, and a term of five years. If the Prior Tunney Agreement is terminated by the Company or Mr. Tunney, these stock options remain exercisable until the earlier of the expiry date of the option and the date which is two years following the date of termination.

On October 18, 2021, Mr. Tunney resigned from his position as President and entered into a new Consulting Agreement dated October 15, 2021 with the Company (the “**New Tunney Agreement**”). The New Tunney Agreement will be for a term of 24 months and is subject to renewal on mutual agreement of the parties. The Company will pay Mr. Tunney \$150 an hour for work performed at request of Company. On execution of the New Tunney Agreement, Mr. Tunney was paid a \$15,000 bonus. On completion of transition of Mr. Timmins as the Company’s new CEO, which shall not be later than November 19, 2021, an additional \$10,000 bonus will be paid in cash and/or shares at the election of Mr. Tunney. All existing stock options previously issued to Mr. Tunney will be maintained as long as the New Tunney Agreement is in force. Either party may terminate the New Tunney Agreement at any time at such party’s discretion. There are no change of control or severance provisions in the New Tunney Agreement.

The Corporation has entered into an amended employment agreement with David Fischer on June 10, 2020 (the “**Fischer Agreement**”) pursuant to which Mr. Fischer provides his services as Chief Financial Officer of the Corporation in consideration of an annual base salary of \$60,000 for 50% of full working time. The Fischer Agreement includes a severance clause, which provides for payment of 12 months of base salary, 50% of most recent bonus and benefits if Mr. Fischer is terminated without cause. If Mr. Fischer is terminated without cause, any options granted will immediately vest and will have an expiry date the earlier of two years from the date of termination or the then existing expiry date of the Options. In the event of a change in control Mr. Fischer will have the right to resign and receive payment of amounts owed, 12 months base salary, 50% of most recent bonus and benefits. On change in control all unvested options will vest immediately and will have an expiry date the earlier of two years from the date of change in control or the then existing expiry date of the options.

On October 18, 2021 the Company entered into a Consulting Agreement with Mike Timmins (the “**Timmins Agreement**”) in respect of his appointment as CEO of the Company. The monthly consulting fee is \$20,000 and the Company has issued 1,200,000 options exercisable at \$0.17 cents with a term of 5 years on his appointment. Mr. Timmins can terminate the Timmins Agreement at any time on 60 days’ notice and, in the event of death of Mr. Timmins, the Timmins Agreement shall terminate immediately and the Company shall provide Mr. Timmins’ estate with all amounts owing plus six months’ of consulting fees. The Company may terminate the employment of Mr. Timmins for just cause without any notice or payment in lieu or other obligation except as required in accordance with the minimum obligations under applicable employment standards legislation. Further, the Company may terminate the Timmins Agreement at any time without cause, by providing Mr. Timmins with: (i) six months’ notice of termination or payment in lieu if the Timmins Agreement has been in place for six months; or (ii) one year’s notice of termination or payment in lieu if the Timmins Agreement has been in place in excess of six months.

In addition, the Timmins Agreement defines “Change of Control” as: (i) a transaction or series of transactions, whether by way of consolidation, amalgamation or merger of the Company, with or into any other corporation, or any transfer, conveyance, sale, lease, exchange or otherwise, of greater than 50% of the assets of the Company to any other person (other than a transaction or series of transactions involving

only the Company and one or more affiliates of the Company; (ii) any acquisition or series of acquisitions, directly or indirectly and by any means whatsoever: (A) by any person other than a shareholder of the Company as at the effective date of the Timmins Agreement (“**Current Shareholder**”), or by a group of persons, acting jointly or in concert, of that number of Common Shares which is equal to or greater than 50% of the total issued and outstanding Common Shares immediately after such acquisition; or (B) by any Current Shareholder or by any person or group of persons, acting jointly or in concert with the Current Shareholder, of that number of Common Shares which is more than 50% of the total issued and outstanding Common Shares immediately after such acquisition; or (iii) more than 50% of the Common Shares become subject to a voting trust or similar arrangement. If at any time, from the date that a Change of Control occurs until the earlier of the second anniversary of such date or Mr. Timmins’ normal retirement date, and Mr. Timmins is provided notice that the Timmins Agreement is terminated by the Company other than for just cause or disability, or if Mr. Timmins’ terminates the Timmins Agreement: (i) Mr. Timmins shall be entitled to receive, less statutory deductions: (A) an amount equal to one year of consulting fees if the termination occurs within six months of the date of the Timmins Agreement; (B) an amount equal to one and a half years of consulting fees if the termination occurs after six months following the date of the Timmins Agreement; and (C) an amount equal to two years of consulting fees if such termination occurs after one year following the date of the Timmins Agreement; (ii) Mr. Timmins shall be entitled to a bonus calculated pursuant to the Timmins Agreement based on the price of the Company’s Common Shares; (iii) all incentive stock options held by Mr. Timmins shall immediately vest; (iv) Mr. Timmins shall be entitled to job relocation counselling services at a cost to the Company not to exceed \$5,000; and (iv) certain benefits or payment in lieu of benefits.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of the Company’s Named Executive Officers and directors is determined by the full Board, based on the recommendations of the Compensation and Nominating Committee, the current members of which are Blair Schultz, Michael Gentile, and Kevin Reid, all of whom are independent within the meaning of NI 52-110.

The Company’s compensation structure has two primary components, cash compensation and share-based compensation in the form of incentive stock options. Cash compensation has two components, base salary and bonuses.

Compensation is determined based on factors considered relevant and appropriate, including the level of service provided, the background and expertise of the individual director or officer, amounts paid by other companies in similar industries at similar stages of development, and compensation levels necessary to attract, retain and develop management of a high calibre. Compensation is typically reviewed annually by the Compensation and Nominating Committee and the Board, usually in the first fiscal quarter, but may also be reviewed on an ad hoc basis as the need arises.

The Company may grant stock options pursuant to its stock option plan to officers and directors on an ad hoc basis, based on the same subjective performance criteria referred to in the foregoing and other performance criteria considered relevant by the Board.

Additionally, in evaluating Option grants, the Board evaluates a number of factors including, but not limited to: (i) the number of Options already held by or issued to an individual; (ii) a fair balance between the number of Options held by an individual and those held by or issued to other directors or officers, in light of their responsibilities and objectives; and (iii) the value of the Options (generally determined using a

Black-Scholes analysis) as a component of the individual's overall compensation.

No significant events occurred during the most recently completed financial year that significantly affected compensation. While the Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. No significant changes were made to the Company's compensation policies since the commencement of the most recently completed financial year.

Pension Disclosure

The Company does not have a pension plan.

CORPORATE GOVERNANCE

General

"Corporate Governance" refers to the process and structure used to direct and manage the business and affairs of a corporation. The objective is to enhance shareholder value, including ensuring the financial viability of the business. Corporate governance processes and structures define the division of power among the shareholders, the board of directors and management, and establish ways to ensure accountability. They also take into account how the direction and management of the business will affect other stakeholders such as employees, customers, suppliers and communities.

The Canadian Securities Administrators have adopted National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") and National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101").

NP 58-201 sets forth a set of guidelines or "best practices" for reporting issuers to consider when evaluating their own corporate governance practices. Recognizing that not all of the guidelines set forth in NP 58-201 will be appropriate for all companies, full implementation of the guidelines is not mandated by either NP 58-201 or the TSX Venture Exchange. NI 58-101 mandates the disclosure of the corporate governance practices actually implemented by a reporting company, in certain prescribed disclosure documents.

As the business of the Company is straightforward, the Company is at an early stage of development and its Board is relatively small, the Company's Corporate Governance practices are at an early stage of evolution. The following describes the Company's approach to corporate governance, in compliance with NI 58-101.

Board of Directors

The Company's Board consists of a total of five directors, being David Adamson, Kevin Reid, Blair Schultz, Michael Gentile, and Mike Timmins. Each of Kevin Reid, Blair Schultz and Michael Gentile are independent (as defined by NI 58-101). David Adamson and Mike Timmins are not independent (as defined by NI 58-101) because they each hold or have held executive positions within the Company over the previous three years.

The Board facilitates its exercise of independent supervision over management through meetings of the Board both with and without members of the Company's management being in attendance.

Directorships

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

Name of Director	Name of Other Reporting Issuer
Michael Gentile	Roscan Gold Corporation, Northern Superior Resources Inc., Radisson Mining Resources Inc.

Orientation and Continuing Education

The Company does not have a formal process of orientation for new Board members. However, the Company does orient and educate new Board members by providing background information, conducting personal meetings and responding to questions, during the early stages of a new Board member's involvement with the Company.

The Company does not have a formal process of continuing education for directors. Generally, the Company expects that existing and new Board members will have a familiarity with the business of mineral exploration and development. Professional advisors may be invited to attend Board meetings, as needed. The Company also relies on the relatively straightforward nature of its business, and the established qualifications and expertise of its Board members.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics for the Company's directors, officers and employees with respect to ethical business conduct. A full copy of the Code of Business Conduct and Ethics and other Corporate Governance policies are posted on its website at <https://www.solsticegold.com/corporate/corporate-governance/> and under its SEDAR profile at www.sedar.com. To the greatest extent possible, the Company attempts to attract and retain individuals with a well-developed personal code of ethical conduct in both their business and personal lives.

In considering a transaction in which a director has a material interest, the director is required to disclose the nature and extent of his interest to the Board and to abstain from voting on any resolution pertaining to the transaction.

Nomination of Directors

The Compensation and Nominating Committee consists of Blair Schultz, Michael Gentile and Kevin Reid and has responsibility for identifying potential Board candidates. The Compensation and Nominating Committee considers candidates from a wide range of backgrounds and looks beyond the "usual suspects" and considers candidates on merit and against objective criteria, taking care that proposed appointees recommended for appointment have enough time available to devote to the position.

Potential candidates for appointment to the Board are considered by the Board as a whole, in reliance on the recommendations from the Compensation and Nominating Committee. The Board recognizes that, in accordance with good corporate governance practices, it is desirable to appoint additional members who are independent, and gives weight to this consideration in its Board appointments.

Compensation

As noted above, the Company's Board has a Compensation and Nominating Committee consisting of Blair Schultz, Michael Gentile, and Kevin Reid. The Compensation and Nominating Committee sets cash compensation for the Company's officers, including the CEO and CFO. Stock options are set by the Compensation and Nominating Committee and then granted by the full Board. Further particulars concerning the process for determining compensation of the Company's directors and officers are set forth under "*Oversight and Description of Director and Named Executive Officer Compensation*".

Other Board Committees

In addition to its Audit Committee and its Compensation and Nominating Committee, the Board has a Corporate Governance Committee consisting of Kevin Reid, Michael Gentile, and Blair Schultz. In addition to the business and affairs of the Company, the Corporate Governance Committee oversees the Code of Business Conduct and Ethics and Whistleblower Policy.

Assessments

The Board has no specific procedures for regularly assessing the effectiveness and contribution of the Board, its committees or individual directors. As the business of the Company is relatively straightforward and its Board relatively small, it is expected that a significant lack of performance on the part of a committee or individual director would become readily apparent, and could be dealt with on a case-by-case basis. With respect to the Board as a whole, the Board monitors its performance on an ongoing basis, and as part of that process considers the overall performance of the Company and input from its shareholders.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

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

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 (b)	Number of securities remaining available for future issuance under equity compensation plans (c)
Equity compensation plans approved by securityholders ⁽¹⁾	10,393,329	\$0.19	2,859,188

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 (b)	Number of securities remaining available for future issuance under equity compensation plans (c)
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	10,393,329	\$0.19	2,859,188

- (1) The Existing Plan is a “fixed” stock option plan pursuant to which the Company may issue such number of Options up to 20% of the outstanding Common Shares at the time of listing of the Common Shares on the TSX-V, less the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. As such Existing Plan was adopted prior to the Company’s listing on the TSX-V, initial shareholder approval of the Existing Plan was not required under the TSX-V Rules. For more information on the Existing Plan, and the proposed amendments to the Existing Plan to take effect as the Amended and Restated Plan if approved by shareholders at the Meeting and implemented, see “*Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans – Stock Option Plan*” above and “*Particulars of Matters to be Acted Upon - Approval of the Amended and Restated Plan*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following.

The Company’s Audit Committee is governed by an Audit Committee Charter. A copy of the Audit Committee Charter is attached as Schedule “A” to this Information Circular.

Composition of the Audit Committee

The Company’s Audit Committee is comprised of three directors, Blair Schultz, Kevin Reid and Michael Gentile. All members are “independent” and “financially literate”, in each case as defined in NI 52-110.

Relevant Education and Experience

The experience of the Audit Committee members is set forth in the following.

- Blair Schultz:** Mr. Schultz brings over 20 years of experience in financial, operational, project finance and capital markets experience. He held the position of Interim CEO for both 1911 Gold Corp. (TSXV:AUMB) from June 2018 to January 2019 and Eastmain Resources Inc. (TSXV:ER) from December 2019 to October 2020. Mr. Schultz began his career with one of Canada's top hedge funds, spending 13 years from 2001 to 2014 with K2 and Associates Investment Management Inc. He was Vice President and held various positions most notably, Head of Special Situations, Portfolio Management and Trading. Mr. Schultz holds an Honours Bachelor of Mathematics degree from the University of Waterloo with a Business Administration option from Wilfred Laurier University.
- Kevin Reid:** Mr. Reid is a Managing Partner of Maxit Capital. He joined Maxit Capital in 2017 after 15 years with the mining investment banking team at GMP. Mr. Reid has a wide range of M&A advisory and financing transaction experience including: the origination of Goldcorp's \$2.0 billion acquisition of Wheaton River, EMC Metals' \$1.6 billion sale to Uranium One, Orko Silver's \$400 million sale to Couer D'Alene, GlobeStar's \$200 million sale to Perilya Limited and Potash One's \$450 million sale to K+S. He has also advised on three acquisitions and ~\$250 million in financings for Klondex Mines, and the recent sale to Hecla Mining. Mr. Reid holds a Bachelor Science (Honours) from Queen's University and an MBA (Finance and Investments) from the Schulich School of Business.
- Michael Gentile:** From 2003 to 2018 Mr. Gentile worked as a professional money manager at Formula Growth Limited, an independent investment management firm established in Montreal in 1960 with a long-term track record of creating investor wealth. While at Formula Growth his main sector focus was the mining and natural resource sectors. In 2012, Mr. Gentile became the co-manager of the Formula Growth Alpha Fund, a market neutral hedge fund focused on small to mid-cap equities. From 2011 to 2018 the Formula Growth Alpha Fund became one of the largest market neutral funds in Canada, growing its assets under management to over \$650 million by the end of 2018. In October 2018, Mr. Gentile retired from full time money management in order to be able to spend more time with his family. Subsequently, he remains a very active investor in the mining space owning significant stakes in several small-cap mining companies and is currently a strategic advisor to Radisson Mining Resources (TSX.V: RDS) and a board member of Roscan Gold Corporation (TSX.V: ROS) and Northern Superior Resources Inc. (TSX.V: SUP).

All of the foregoing individuals have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the company's financial statements.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), Section 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), Section 6.1.1(5) (*Events Outside Control of Member*), Section 6.1.1(6) (*Death, Incapacity or Resignation*), 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

No specific policies or procedures have been adopted with respect to the provision of non-audit services by the Company's external auditor although, under the Company's Audit Committee Charter, such services are required to be approved by the Audit Committee.

External Auditors Service Fees (By Category)

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to the Company by its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees ¹	Tax Fees ²	All Other Fees ³
2021	\$ 30,000 ⁽⁴⁾	-	\$4,000	-
2020	\$ 27,440	-	\$3,780	-

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.
- (4) Interim fees paid to filing date of information circular

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption provided by Section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

PARTICULARS OF MATTERS TO BE ACTED UPON

Number of Directors

Shareholders will be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year at five. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for setting the number of directors at five.

Election of Directors

Each director of the Company is elected annually and holds office until the next annual general meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the persons nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations and the number of shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular.

Name of Nominee, Residence and Present Positions Held	Principal Occupation	Director Since	Number of Shares Beneficially Owned, Controlled or Directed⁽¹⁾
David Adamson British Columbia, Canada <i>Non Executive Chairman & Director</i>	Mining Executive, Economic Geologist PhD	September 18, 2017	4,040,167 ⁽⁵⁾
Kevin Reid ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada <i>Director</i>	Investment Banker Managing Partner Maxit Capital 2017 – Present	June 10, 2020	22,109,666
Michael Gentile ⁽²⁾⁽³⁾⁽⁴⁾ Quebec, Canada <i>Director</i>	Financial Consulting / Consultant CEO and President of Integritas Financial Consulting Inc. 2018 – Present VP and Senior Portfolio Manager at Formula Growth Ltd. 2016 to 2018	June 10, 2020	22,109,666

Blair Schultz ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada <i>Director</i>	Financial Executive and Consultant Interim CEO 1911 Gold Corp. (TSXV:AUMB) from June 2018 to January 2019 and Eastmain Resources Inc. (TSXV:ER) from December 2019 to October 2020	June 10, 2020	10,470,000
Mike Timmins Ontario, Canada <i>CEO & Director</i>	Appointed CEO of Solstice Gold on October 18, 2021. President and CEO of Fury Gold Limited from October 2020 – August 2021. CEO of Trillium Mining Corp. from May 2019 - June 2020 Senior Vice President Corporate Development of Troilus Gold Corp. December 2017 – April 2019 Vice President Corporate Development of Agnico Eagle Mines Ltd. from May 2006 – November 2017	September 15, 2021	2,172,736 ⁽⁶⁾

Notes:

- (1) The information as to Common Shares beneficially owned or controlled has been provided by the nominees themselves. Unless otherwise indicated, such shares are held directly.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation and Nominating Committee.
- (4) Member of the Corporate Governance Committee.
- (5) Includes 169,000 shares held by 0761585 BC Ltd and 30,000 shares held by 523576 BC Ltd., each of which are companies controlled by Mr. Adamson, and 1,447,000 shares held by family members.
- (6) Includes 1,176,471 shares held by Pumpkin Mining Corporation, a company controlled by Mr. Timmins.

The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company, unless terminated earlier.

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or;
- (b) was subject to an order that was issued after 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 of director, chief executive officer or chief financial officer.

For the purposes of the preceding paragraph, “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which, in each case, was in effect for a period of more than 30 consecutive days.

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

No proposed director of the Company or personal holding company of a proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company or personal holding company of a 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.

The above information was provided by management of the Company.

Appointment of Auditor

The shareholders will be asked to appoint BDO Canada LLP, 925 West Georgia Street, Suite 600, Vancouver, BC V6C 3L2 to serve as the auditor of the Company until the close of the next annual general meeting of the shareholders, and to authorize the directors to fix the auditor’s remuneration. BDO Canada LLP was first appointed as the auditor of the Company on December 5, 2018.

Approval of the Amended and Restated Plan

Pursuant to the TSXV Rules, the Amended and Restated Plan must be approved by the shareholders of the Company on implementation and yearly thereafter at each annual general meeting of the Company. Accordingly, at the Meeting, the shareholders of the Company will be asked to approve the Amended and Restated Plan to amend the Existing Plan. In order for such shareholder approval to be effective, it must be approved by an ordinary resolution of the shareholders, being the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

A blacklined copy of the Amended and Restated Plan showing the Amendments is attached to this Information Circular as Schedule “B” . For more details regarding the Existing Plan and the proposed Amendments pursuant to the Amended and Restated Plan, see “*Executive Compensation – Stock Option Plans and Other Incentive Plans*”.

At the Meeting, shareholders will be asked to pass an ordinary resolution to approve the Amended and Restated Plan (the “**Stock Option Plan Resolution**”), substantially in the following form:

“**BE IT RESOLVED**, as an ordinary resolution that:

1. The amendment and restatement by the Company of the Existing Plan, including the Amendments, and the adoption by the Company of the Amended and Restated Plan (each such term as defined in and as described in the management information circular in respect of the Company’s annual general and special meeting to be held on December 14, 2021, such Amended and Restated Plan being in substantially the form of the blacklined copy attached as Schedule “B” thereto, together with any and all such additions, deletions, amendments and/or alterations as may be approved by the directors of the Company or as may be required by any regulatory authority), without further approval of the shareholders of the Company, be and is hereby authorized, approved, ratified and confirmed;
2. The reservation under the Amended and Restated Plan of up to a maximum of 10% of the issued and outstanding common shares of the Company, on a rolling basis, at the time of granting of any stock option pursuant to the Amended and Restated Plan be and is hereby authorized, approved, ratified and confirmed;
3. All outstanding options issued pursuant to the Company’s Fixed Stock Option Plan dated for reference November 20, 2017 be and are hereby governed by the terms of the Amended and Restated Plan; and
4. Any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such certificates, deeds, assurances, documents, agreements and instruments, and to do all such acts and things as such director or officer may determine to be necessary or advisable to give effect to or in connection with any of the foregoing resolutions and any of the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such certificates, deeds, assurances, documents, agreements or instruments or the doing of any such act or thing.”

The Board unanimously recommends that shareholders of the Company and their respective proxyholders approve the Stock Option Plan Resolution. In the absence of instructions to the contrary, the Common Shares represented by proxy will be voted **FOR** the Stock Option Plan Resolution.

ADDITIONAL INFORMATION

Additional information concerning the Company is available on SEDAR at www.sedar.com. Financial information concerning the Company is provided in the Company’s comparative financial statements and Management’s Discussion and Analysis for the financial year ended June 30, 2021.

Shareholders wishing to obtain a copy of the Company’s financial statements and Management’s

Discussion and Analysis may obtain such copies on the Company's SEDAR profile at www.sedar.com or may contact the Company as follows:

David Fischer, Chief Financial Officer & Corporate Secretary
Suite 550 - 800 West Pender Street, Vancouver,
British Columbia, Canada, V6C 2V6
Telephone: 604-283-7234
Fax: (778) 327-6675

BOARD APPROVAL

The contents of this Information Circular have been approved and its mailing has been authorized by the directors of the Company.

DATED at Vancouver, British Columbia as at the 12th day of November, 2021.

ON BEHALF OF THE BOARD

(signed) "David Adamson"

DAVID ADAMSON

Non Executive Chairman & Director

Schedule “A”

SOLSTICE GOLD CORP. (the “Company”)

AUDIT COMMITTEE CHARTER

1.1 Purpose

The overall purpose of the Audit Committee (the “**Committee**”) is to ensure that the Company’s management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Company and related financial information, and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the committee will maintain effective working relationships with the Board of Directors (the “**Board**”), management, and the external auditors and monitor the independence of those auditors. 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.

1.2 Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board.
2. At least two (2) members of the Committee shall be independent⁽¹⁾ and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
3. All of the members of the Committee shall be “financially literate”⁽²⁾
4. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

¹ *"Independent" member of an audit committee means a member who has no direct or indirect material relationship with the Company. A "material relationship" means a relationship which could, in the view of the Company’s board of directors, reasonably interfere with the exercise of a member's independent judgment.*

² *"Financially literate" individual is an individual who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.*

5. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
6. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.
7. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
8. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;
 - (c) management representatives may be invited to attend all meetings, except private sessions with the external auditors; and
 - (d) the proceedings of all meetings will be minuted.
9. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.
10. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among its number. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the above, each member of the Committee shall hold office as such until the next Annual General Meeting of the Shareholders after his/her election.
11. The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

1.3 Roles and Responsibilities

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

- (b) establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) approve in advance provision by the external auditors of services other than auditing;
 - (e) review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (iv) cooperation received from the Company's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Company;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (f) discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
 - (g) implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management; and
 - (h) review any significant disagreements between management and the external auditor regarding financial reporting.
3. The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:

- (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
- 4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
 - (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (c) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- 5. The Committee is also charged with the responsibility to:
 - (a) review the Company's quarterly financial statements and related financial information, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Company; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Company's consolidated financial statements;
- (f) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (g) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (h) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (i) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information;
- (j) review and recommend updates to the charter and receive approval of changes from the Board;
- (k) review the minutes of any audit committee of subsidiary companies;
- (l) and perform other functions as requested by the full Board.

Schedule “B”

Blacklined Copy of Amended and Restated Plan

[See attached]

SOLSTICE GOLD CORP.

~~FIXED~~-INCENTIVE STOCK OPTION PLAN

~~NOVEMBER 20, 2017~~
(AMENDED AND RESTATED)

TABLE OF CONTENTS

ARTICLE 1. DEFINITIONS AND INTERPRETATION	3
1.1 Defined Terms	3
1.2 Interpretation	4
ARTICLE 2. ESTABLISHMENT OF PLAN	5
2.1 Purpose	5
2.2 Shares Reserved	5
2.3 Non-Exclusivity	6
2.4 Effective Date	6
ARTICLE 3. ADMINISTRATION OF PLAN	6
3.1 Administration	6
3.2 Amendment, Suspension and Termination	6
3.3 Compliance with Legislation	7
ARTICLE 4. OPTION GRANTS	7
4.1 Eligibility and Multiple Grants	7
4.2 Option Agreement	7
4.3 Limitation on Grants and Exercises	7
ARTICLE 5. OPTION TERMS	8
5.1 Exercise Price	8
5.2 Expiry Date	8
5.3 Vesting	8
5.4 Non-Assignability	9
5.5 Ceasing to be Eligible Person	9
ARTICLE 6. EXERCISE PROCEDURE	10
6.1 Exercise Procedure	10
ARTICLE 7. AMENDMENT OF OPTIONS	10
7.1 Consent to Amend	10
7.2 Amendment Subject to Approval	10
ARTICLE 8. MISCELLANEOUS	11
8.1 No Rights as Shareholder	11
8.2 No Right to Employment	11
8.3 Governing Law	11

ARTICLE 1. DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) “**Affiliate**” has the meaning ascribed thereto by the Exchange;
- (b) “**Board**” means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than 3 Directors of the Corporation duly appointed to administer this Plan;
- (c) “**Common Shares**” means the common shares of the Corporation;
- (d) “**Consultant**” means, in relation to the Corporation, an individual (other than an Employee or a Director of the Corporation) who:
 - (i) provides ongoing consulting, technical, management or other services to the Corporation or an Affiliate under a written contract with the Corporation or the Affiliate,
 - (ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate,
 - (iii) in the opinion of the Corporation, spends or will spend a reasonable amount of time and attention on the business and affairs of the Corporation or an Affiliate, and
 - (iv) has a relationship with the Corporation or an Affiliate that enables the Consultant to be knowledgeable about the business and affairs of the Corporation or the Affiliate,and includes a company of which a Consultant is an employee or shareholder and a partnership of which a Consultant is an employee or partner;
- (e) “**Corporation**” means SOLSTICE GOLD CORP. and its successor entities;
- (f) “**Director**” means a director of the Corporation or of an Affiliate;
- (g) “**Disinterested Shareholder Approval**” has the meaning ascribed thereto by the Exchange in “Policy 4.4 – Incentive Stock Options” of the Exchange's Corporate Finance Manual;
- (h) “**Eligible Person**” means a Director, Officer, Employee or Consultant, and includes an issuer all the voting securities of which are owned by Eligible Persons;
- (i) “**Employee**” means an individual who:
 - (i) is considered an employee of the Corporation or an Affiliate under the *Income Tax Act*, i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,

- (ii) works full-time for the Corporation or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source, or
- (iii) works for the Corporation or an Affiliate on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source;
- (j) **“Exchange”** means the TSX Venture Exchange and any successor entity;
- (k) **“Expiry Date”** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (l) **“Insider”** has the meaning ascribed thereto by the Exchange;
- (m) **“Investor Relations Activities”** has the meaning ascribed thereto by the Exchange;
- (n) **“Management Company Employee”** means an individual who is employed by a person providing management services to the Corporation or an Affiliate which are required for the ongoing successful operation of the business enterprise of the Corporation or the Affiliate, but excluding a person providing Investor Relations Activities;
- (o) **“Officer”** means an officer of the Corporation or of an Affiliate, and includes a Management Company Employee;
- (p) **“Option”** means an option to purchase Common Shares pursuant to this Plan;
- (q) **“Other Share Compensation Arrangement”** means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (r) **“Participant”** means an Eligible Person who has been granted an Option; and
- (s) **“Plan”** means this Stock Option Plan, as amended and/or restated from time to time.

1.2 **Interpretation**

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2. ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation and its Affiliates;
- (b) encouraging Eligible Persons to remain with the Corporation or its Affiliates; and
- (c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed ~~20~~10% of the outstanding Common Shares at the time of ~~listing~~granting of ~~the Common Shares on the Exchange~~an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.
- (b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
 - (iii) the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable,and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.
- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.

- (d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan ~~shall be, effective December [14], 2021 (“Effective Date”), amends and restates the Fixed Incentive Stock Option Plan dated for reference November 20, 2017,~~ subject to the approval of any regulatory authority whose approval is required, ~~and the listing of the Common Shares on the Exchange.~~ Any Options granted under this Plan on or following the Effective Date but prior to such approvals being given, ~~and such listing being completed,~~ shall be conditional upon such approvals being given ~~and such listing be completed,~~ and no such Options may be exercised unless and until such approvals are given ~~and such listing is completed.~~

ARTICLE 3.

ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board. Subject to the provisions of this Plan, the Board shall have the authority:
 - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited;
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other persons.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination

shall alter or impair any outstanding unexercised Options or any rights without the consent of such Participant. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Legislation

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.
- (c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4.

OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Participant, which shall, if the Participant is an Employee, Consultant or Management Company Employee, contain a representation and warranty by the Corporation and such Participant that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or an Affiliate. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To any one person.** The number of Common Shares reserved for issuance to any one person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.
- (b) **To Consultants.** The number of Common Shares reserved for issuance to any one Consultant in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (c) **To persons conducting Investor Relations Activities.** The aggregate number of Common Shares reserved for issuance to all ~~Employees~~Eligible Persons conducting Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.
- (d) **To Insiders.** Unless the Corporation has received Disinterested Shareholder Approval to do so: (i) the aggregate number of Common Shares reserved for issuance to Insiders (as a group) under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and (ii) the aggregate number of Common Shares reserved for issuance to Insiders (as a group) in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.
- (e) **(d) Exercises.** Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any person within a 12 month period pursuant to the exercise of Options granted under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.

ARTICLE 5.

OPTION TERMS

5.1 Exercise Price

- (a) Subject to a minimum exercise price of \$0.05 per Common Share, the exercise price per Common Share for an Option shall not be less than the “Discounted Market Price”, as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.
- (b) If Options are granted within ninety days of a distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection (a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. Such ninety day period shall begin:
 - (i) on the date the final receipt is issued for the final prospectus in respect of such distribution; and

- (ii) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

5.2 Expiry Date

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

5.3 Vesting

- (a) Subject to the subsection (b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to ~~Consultants~~Eligible Persons performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Non-Assignability

Options may not be assigned or transferred.

5.5 Ceasing to be Eligible Person

- (a) If a Participant who is an Officer, Employee or Consultant is terminated for cause, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination for cause.
- (b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.
- (c) If a Participant ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is 90 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after twelve months of such event.
- (d) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of Section 5.5(b).

- (e) If any portion of an Option is not vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be, always provided that the Board may, in its discretion further and subject to the approval of the Exchange where the vesting of the said Participant's options was a requirement of the Exchange's policies, thereafter permit the Participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.

ARTICLE 6. EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its registered office:

- (a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) the originally signed option agreement with respect to the Option being exercised;
- (c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction;

and on the business day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.

ARTICLE 7. AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Participant and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested

Shareholder Approval is required for any reduction in the exercise price of an Option if the Participant is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

ARTICLE 8. MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.