

# SONORO GOLD CORP

<b>2024</b>	Notice of Annual General Meeting of Shareholders
<b>ANNUAL GENERAL MEETING</b>	Management Information Circular
<b>Place:</b>	Offices of Sonoro Gold Corp. 300 – 2489 Bellevue Avenue West Vancouver, BC, V7V 1E1
<b>Time:</b>	10:00 A.M. (Vancouver time)
<b>Date:</b>	Thursday, June 27, 2024

**SONORO GOLD CORP.**  
(the "Company")

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the "**Meeting**") of shareholders of the Company (the "**Shareholders**") will be held at the offices of Sonoro Gold Corp., 300 – 2489 Bellevue Ave, West Vancouver, British Columbia, on Thursday, June 27, 2024 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company as at and for the financial year ended December 31, 2023, together with the report of the auditor thereon;
2. to set the number of directors at seven (7);
3. to elect directors of the Company for the ensuing year;
4. to appoint Smythe LLP as auditors of the Company for the ensuing year and authorize the board of directors to fix the remuneration of the auditor;
5. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to ratify, confirm and approve the Company's 10% rolling stock option plan, as described in the management information circular dated May 24, 2024 (the "**Information Circular**") accompanying this Notice of Meeting; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment(s) or adjournment(s) thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed May 13, 2024 (the "Record Date") as the record date for the determination of holders of common shares in the capital of the Company that are entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting.

Registered Shareholders who wishes to vote but are unable to attend the Meeting in person are requested to complete, sign, date and return the enclosed form of proxy either in the addressed envelope enclosed to Odyssey Trust Company at 350 – 409 Granville Street, Vancouver, BC V6C 2T6 or via fax to 1-800-517-4553. Alternatively, registered Shareholders may vote online at <https://login.odysseytrust.com/pxlogin>. In each case, proxies must be received not later than 10:00 a.m. (Vancouver time) on June 25, 2024, or at least 48 hours (excluding Saturdays and holidays), before the time for holding the Meeting or any adjournment thereof.

Non-registered Shareholders who receive this Notice of Meeting and accompanying materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form. If you are a non-registered shareholder and do not complete and return the materials in accordance with such instructions, you may not be entitled to vote at the Meeting.

In addition to the information set out below in this Notice of Meeting, additional specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy and detailed instructions about how to participate at the Meeting are set forth in the Information Circular which accompanies, and is deemed to form a part of, this Notice of Meeting. If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required form of proxy, you should contact the proxy department at Odyssey Trust Company at [proxy@odysseytrust.com](mailto:proxy@odysseytrust.com).

DATED at Vancouver, British Columbia, this 24<sup>th</sup> day of May 2024.

**By Order of the Board of Directors of  
SONORO GOLD CORP.**

*(signed) "Kenneth MacLeod"*

Kenneth MacLeod,  
President and Chief Executive Officer

**If you are a non-registered shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the meeting.**

# SONORO GOLD CORP.

## CORPORATE DATA

### *Head Office*

Suite 300 – 2489 Bellevue Avenue  
West Vancouver, BC V7V 1E1

### *Directors and Officers*

Kenneth MacLeod, *Director, Chief Executive Officer, President*

John Darch, *Director, Chairman*

Jorge Diaz, *Director, Vice Chairman, Vice President, Operations*

Stephen Kenwood, *Director*

James Taylor, *Director*

Curtis Turner, *Director*

Salil Dhaumya, *Chief Financial Officer*

Katharine Regan, *Corporate Secretary, Vice President Corporate Development*

Melvin Herdrick, *Vice President, Exploration*

### *Registrar & Transfer Agent*

Odyssey Trust Company  
350 – 409 Granville St,  
Vancouver, BC V6C 1T2

### *Solicitors*

Dentons Canada LLP  
Barristers & Solicitors  
20th Floor, 250 Howe Street  
Vancouver, BC V6C 3R8

### *Auditors*

Smythe LLP  
7<sup>th</sup> Floor, 355 Burrard Street  
Vancouver, BC V6Z 2M4

### *Listings*

TSX Venture Exchange  
Tier 2  
Symbol: SGO

OTCQB  
Symbol: SMOFF

**SONORO GOLD CORP.**  
Suite 300 – 2489 Bellevue Avenue  
West Vancouver, BC V6C 2T6  
Telephone: 604.632.1764

**MANAGEMENT INFORMATION CIRCULAR**

(Information herein is as at May 13, 2024 unless otherwise indicated)

**SOLICITATION OF PROXIES**

This management information circular (the “**Information Circular**”) accompanies the notice of the annual general meeting (“**Notice of Meeting**”) of holders of common shares (the “**Shareholders**”) of Sonoro Gold Corp. (the “**Company**” or “**Sonoro**”) scheduled to be held at 10:00 a.m. (Vancouver time) on Thursday, June 27, 2024 (the “**Meeting**”) at 300 – 2489 Bellevue Avenue West Vancouver, BC V7V 1E1 Canada, and is furnished in connection with the solicitation of proxies for use at that Meeting and at any adjournment or postponement thereof and for the purposes set forth in the Notice of Meeting.

In this Information Circular, references to the “**Company**”, “**we**” and “**our**” refer to Sonoro Gold Corp. “**Common Shares**” or “**Shares**” means common shares without par value in the capital of the Company. “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “Beneficial Shareholders” means shareholders who do not hold Common Shares registered in their own name. “Intermediaries” means brokers, investment firms, clearing houses or similar entities that own securities on behalf of Beneficial Shareholders.

As a Shareholder of the Company, you have the right to vote your shares on all items that come before the Meeting. You can vote your Shares either by proxy or in person at the Meeting. This Information Circular will provide you with information about these items and how to exercise your right to vote. It will also tell you about the director nominees, the proposed auditor, the compensation of directors and certain officers, our corporate governance practices, executive compensation philosophy and practices and particulars of other matters to be voted on.

**As a shareholder, to help you make an informed decision, it is important that you read the material contained in this Information Circular carefully and vote your shares, either by proxy or in person at the Meeting.**

It is anticipated that the solicitation will be primarily by mail in relation to the delivery of the Information Circular. Proxies may also be solicited personally or by telephone by directors, officers, or regular employees of the Company at nominal costs. The costs of solicitation will be borne by the Company. The Company has arranged for Intermediaries (as defined below) to forward the Meeting Materials to Non-Registered Shareholders (as defined below) and the Corporation may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

**APPOINTMENT OF PROXYHOLDER**

Only Registered Shareholders whose names appear on the records of the Company or duly appointed proxyholders are permitted to vote at the Meeting. The purpose of a proxy is to designate a person who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. Those Registered Shareholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Information Circular are directors, officers or other appointees of the Company (the “**Management Appointees**”). A Shareholder has the right to appoint a person or company (who need not be a Shareholder of the Company) to attend and act on the Shareholder’s behalf at the Meeting other than the Management Appointees. To exercise this right, the shareholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Information Circular and strike out the names of the Management Appointees or submit another proper form of proxy.

If you are a Non-Registered Shareholder (as defined below) and wish to vote at the Meeting, you have to insert your own name in the blank space provided on the voting instruction form or form of proxy sent to you by your Intermediary (as defined below), follow the applicable instructions provided by your Intermediary, AND register yourself as your proxyholder, as described below under the heading “**Appointment of a Third Party as Proxy**”.

### **VOTING BY REGISTERED SHAREHOLDERS**

If you are a Registered Shareholder, you may vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by doing any of the following:

- (i) complete, date and sign the form of proxy and return it to Odyssey Trust Company at 350 – 409 Granville Street, Vancouver, BC V6C 2T6 or via fax to 1-800-517-4553; or
- (ii) by using the internet at [www.odysseycontact.com](http://www.odysseycontact.com)

**To be effective, a proxy must be received not later than 10:00 a.m. (Vancouver time) on June 25, 2024, or at least 48 hours (excluding Saturdays and holidays), before the time for holding the Meeting or any adjournment thereof.**

If you wish to attend the Meeting do not complete and return the enclosed Proxy because you will vote in the person at the Meeting.

### **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, executed by the Registered Shareholder or the Registered Shareholder’s attorney authorized in writing, or if the Registered Shareholder is a corporation, by a duly authorized officer or attorney, and deposited either at the registered office of the Company at any time up to 4:00 pm on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or in respect of any matter for which a vote has not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

### **VOTING OF PROXIES**

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the Management Proxyholders will be voted or withheld from voting in accordance with the instructions given on the ballot. If the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

In the absence of any direction in the instrument of proxy, such Common Shares will be voted in favour of the matters set forth in the accompanying Notice of Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting, and with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof. At the date of this Information Circular, management is not aware of any such amendment, variation, or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment or postponement thereof, the Common Shares represented by properly executed proxies given in favour of the Management Proxyholders will be voted on such matters pursuant to such discretionary authority.

## VOTING BY NON-REGISTERED HOLDERS

Only Registered Shareholders (or duly appointed proxyholders) are permitted to vote at the Meeting. However, in many cases, shareholders are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, or trust company through which they purchased the Common Shares. More particularly, a person is not a Registered Shareholder in respect of Common Shares which are held on behalf of that person (a “**Non-Registered Shareholder**”), but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. Non-Registered Shareholders do not appear on the list of shareholders maintained by the transfer agent.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as Non-Objecting Beneficial Owners (a “**NOBO**”). Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as Objecting Beneficial Owners (an “**OBO**”).

In accordance with the requirements as set out in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form proxy (collectively, the “**Meeting Materials**”) to Intermediaries for onward distribution to NOBOs and OBOs. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs. An OBO will therefore not receive the Meeting Materials unless such OBO’s Intermediary assumes the cost of delivery.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive the Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder, but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. If the Non-Registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder’s behalf), the Non-Registered Shareholder must complete the form of proxy and deposit it with the Company’s registrar and transfer agent, Computershare Trust Company of Canada, as provided above; or

- (b) be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (sometimes referred to as a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a barcode and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. If the Non-Registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder’s behalf), the voting instruction form must be completed, signed, and returned in accordance with the directions on the form.

In either case, the purpose of this procedure is to permit a Non-Registered Shareholder to direct the voting of the Common Shares which they beneficially own. Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered. Only Registered Shareholders have the right to revoke a proxy. A Non-Registered Shareholder who wishes to change its vote must arrange for its Intermediary to revoke its proxy on its behalf. Non-Registered Shareholders who wish to vote at the Meeting must insert their own name in the blank space provided on the voting instruction form or form of proxy, follow the applicable instructions provided by the Intermediary.

#### **Record Date**

The Company’s board of directors (the “**Board**” or “**Board of Directors**”) has fixed May 13, 2024 (the “**Record Date**”) as the record date for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. In accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “**Act**”), the Company or its transfer agent will prepare a list of holders of Common Shares on the Record Date. Each Registered Shareholder named in the list or such Registered Shareholder’s proxy will be entitled to vote the Common Shares shown opposite such shareholder’s name on the list at the Meeting.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The authorized voting securities of the Corporation consist of an unlimited number of Common Shares. As of the Record Date, the Company has 189,421,001 Common Shares outstanding, each carrying the right to one vote.

Any shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have his or her Common Shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Company, no individual or company beneficially owns, or controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company except for Jorge A. Diaz Avalos, Executive Director and Vice President of Operations for the Company, who directly owns 6,956,528 shares and indirectly owns 12,433,535 for a total of 19,390,063 representing 10.2% of the outstanding shares of the Company.

#### **Quorum**

Two (2) persons present, each entitled to vote thereat or a duly appointed proxy or proxyholder for an absent Shareholder so entitled, holding or representing in the aggregate not less than 5% of the issued and outstanding of the Company carry the right to vote will constitute a quorum at the Meeting.

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

Other than as disclosed in this Information Circular, no: (i) director or executive officer of the Company at any time since the beginning of the last completed financial year; (ii) proposed nominee for election as a director; or (iii) any associate of a person in (i) or (ii) 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.

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### Financial Statements

At the Meeting, a copy of the Company's annual audited financial statements for the financial year ended December 31, 2023 (the "**Financial Statements**"), together with the auditor's report thereon, will be placed before the shareholders at the Meeting. The presentation at the Meeting of the auditor's report and the Financial Statements for this financial period will not constitute a request for approval or disapproval of any matters referred to therein. Copies of the Company's annual and interim financial statements are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Election of Directors

The Board of Directors presently consists of seven (7) directors. At the Meeting, it is proposed that the number of directors of the Company to be elected at the Meeting be set at seven (7), subject to such increases as may be permitted by our Articles and the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at seven (7).

An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Unless such authority is withheld, the Management Appointees intend to vote the Shares represented by proxy FOR the election of the nominees herein listed on any poll or ballot that may be called for.**

### Advance Notice Policy

Pursuant to the advance notice policy adopted by the Board on April 9, 2013 (the "**Advance Notice Policy**"), any additional director nominations for the Meeting must have been received by the Company no later than the close of business on May 28, 2024. No such nominations have been received as of the date of this Information Circular. If no such nominations are received by the Company prior to such date, management's nominees for election as directors set forth above will be the only nominees eligible to stand for election at the Meeting.

The advance notice provisions provide shareholders, directors and management of the Company with a clear framework for nominating directors. A copy the Advance Notice Policy is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The following table sets out the names of the nominees for election as directors, the province and the country in which each is ordinarily resident, all offices of the Company now held by each of them, their principal occupations, the period of time for which each has been a director of the Company, and the number of Common Shares of the Company beneficially owned, or controlled or directed by each, directly or indirectly, as at the date hereof.

<b>Name, Position, Province/State and Country of Residence<sup>(1)(2)</sup></b>	<b>Principal Occupation or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>No. of Shares<sup>(1)</sup></b>
<b>KENNETH MACLEOD<sup>(6)(7)</sup></b> Executive Director, President & CEO British Columbia, Canada	President and Chief Executive Officer of the Company	Since April 7, 2014	9,714,443
<b>JOHN M. DARCH</b> Director, Chairman British Columbia, Canada	Chairman and Executive Director of the Company. President of Western Investments from 1983 to present; Co-Founder of the Vancouver-based Crew Group of Companies; Founder and Chairman of Doi Chaang Coffee from 2006 to 2018.	Since October 16, 2018	8,098,358 <sup>(3)</sup>
<b>JORGE A. DIAZ AVALOS</b> Executive Director, VP Operation Chihuahua, Mexico	Executive Director and Vice President, Operations of the Company; Mining Engineer and Founder of Interminera, S.A de C.V; Project Manager with Morgain Minerals from 2004 to 2006; Project Manager with Alamos Gold from 2002 to 2004.	Since June 29, 2023	19,390,063 <sup>(4)</sup>
<b>STEPHEN P. KENWOOD<sup>(6)(7)</sup></b> Director British Columbia, Canada	Independent Director of the Company. Geologist and Business Consultant. Director of Optimus Gold Corp and Silver Range Resources Ltd.	Since January 15, 2007	1,716,216 <sup>(5)</sup>
<b>JAMES TAYLOR</b> Director British Columbia, Canada	Independent Director of the Company; Director of Auston Capital and Targeted Microwave Solutions Inc; Investment Advisor for Dundee Goodman from April 2014 to April 2016.	Since June 27, 2019	1,407,000
<b>CURTIS TURNER<sup>(6)(7)</sup></b> Director Nevada, USA	Independent Director of the Company; Vic-President of i-80 Gold Corp and CFO at Western Exploration Inc. CEO and director at Candelaria Mining Corp. from June 2017 to July 2020	Since September 4, 2020	816,763
<b>KATHARINE REGAN</b> Executive Director, Corporate Secretary British Columbia, Canada	Corporate Secretary and Vice-President, of the Company. Corporate Secretary of Western Investments from 2020 to present.	Since March 11, 2024	1,316,500

(1) The information as to province/state and country of residence, principal occupation and shares beneficially owned is not within the knowledge of the management of the Company and has been furnished by the respective nominees. The description of the principal occupations or employment for Messrs. Darch and Maedel is for the past five years.

(2) None of the proposed nominees for election as a director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.

- (3) Of these, 7,095,278 shares are owned by Western Investments Limited, a private company wholly-owned by Mr. Darch.
- (4) Of these, 12,433,535 shares are held by Quiriego Gold SA de C.V., a private company wholly-owned by Mr. Diaz Avalos.
- (5) Of these, 1,159,300 shares are owned by 0713708 BC Ltd., a private company wholly-owned by Mr. Kenwood.
- (6) Member of Audit Committee.
- (7) Member of Compensation Committee.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Company, no proposed director of the Corporation is, as at the date of this Circular, or within ten years prior to the date of this Circular has been, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, which order was in effect for a period of more than 30 consecutive days (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 as director, chief executive officer or chief financial officer,

To the knowledge of the Company, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or 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.

### **Appointment of Auditors**

Smythe LLP has been the auditor of the Company since January 9, 2007. Management recommends the re-appointment of Smythe LLP. At the Meeting, Shareholders will be asked to vote for the appointment of Smythe LLP as auditors of the Company, to hold office until the next annual general meeting of Shareholders, at a remuneration to be fixed by the Board.

**Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted FOR the re-appointment of Smythe LLP as the auditor of the Company, to hold office for the ensuing year at a remuneration to be fixed by the directors.**

### **Renewal of Stock Option Plan**

The Company has a stock option plan (the “Plan”) that was approved by shareholders of the Company on June 30, 2022. The Option Plan is a “rolling” plan which provides that the maximum aggregate number of shares reserved for issuance under it, and all of the Company’s other previously established and outstanding incentive stock option plans or grants, is 10% of the Company’s issued Common Shares at the time of the grant of a stock option. The Plan complies with the requirements of TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, updated November 2021.

The purpose of the Option Plan is to provide the directors, officers and key employees of, and certain consultants who provide services to the Company and its subsidiaries, with an opportunity to purchase shares of the Company and benefit from any appreciation in the value of the Company’s shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Company’s shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

Pursuant to the Plan:

- (i) no Participant may be granted an option if that option would result in the total number of stock options granted to the Participants in the previous 12 months, exceeding 5% of the issued and outstanding common shares unless the Company has obtained disinterested shareholder approval in accordance with the policies of the TSXV;
- (ii) the aggregate number of options granted to any one consultant in any 12-month period must not exceed 2% of the issued and outstanding common shares, calculated at the time of grant;
- (iii) the aggregate number of options granted to Participants conducting Investor Relations Activities (as defined in the policies of the TSXV) in any 12 month period must not exceed 2% of the issued and outstanding common shares, calculated at the time of grant; and, will vest over a period of not less than 12 months such that no more than 25% will vest no sooner than three months from the date of grant, no more than 25% will vest no sooner than six months from the date of grant, no more than 25% will vest no sooner than nine months from the date of grant remainder will vest no more than 12-months after options were granted;

As at the date hereof, there are 18,942,100 Common Shares reserved for issuance under the Company’s Option Plan (representing 10% of the issued and outstanding Shares). There are currently 0 stock options outstanding.

The policies of the TSX Venture Exchange require that shareholders approve and ratify all such “rolling” stock option plans on an annual basis. The Option Plan will be available for inspection at the Meeting and is available for viewing without charge by request to the Corporate Secretary of the Company.

#### *Shareholder Approval of Stock Option Plan*

**At the Meeting, the Company’s Shareholders will be asked to consider, and if thought appropriate, to pass, with or without amendment, the following ordinary resolution:**

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

1. the renewal of the share option plan (the “**Plan**”), as more particularly described in the management information circular of the Company dated May 24, 2024, is hereby authorized, approved, ratified, confirmed, subject to acceptance by the TSX Venture Exchange;

2. the Board of Directors of the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares that is equal to 10% of the issued and outstanding capital of the Company at the time of the grant; and
3. any one director or officer of the Company be, and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions and to complete all transactions in connection with the continuation of the Plan.”

**The Board has determined that the approval of the Plan is in the best interests of the Company and its shareholders. The Board unanimously recommends that shareholders vote in favour of the resolution approving the Plan.**

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines (the “**Guidelines**”) which apply to all public companies in Canada. The Guidelines address matters relating to the constitution of the board and independence of directors, the functions to be performed by the directors of a company and their committees, and effectiveness and evaluation of proposed corporate governance guidelines and best practices specified by the Canadian securities regulators.

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and the policies of the TSX Venture Exchange require issuers to disclose their governance practices in accordance with NI 58-101. This section sets out the Company’s approach to corporate governance.

#### **Board of Directors**

As at the date hereof, the Board consists of seven (7) directors, and it is proposed that the seven (7) directors be nominated at the Meeting. Applying the criteria in NI 58-101, Kenneth MacLeod, John Darch, Jorge Diaz and Katharine Regan are not considered independent by virtue of being executive officers of the Company. Stephen Kenwood, James Taylor and Curtis Turner are deemed independent directors as defined in NI 58-101.

#### **Other Directorships**

The following table sets out details of directorships held by each of the current directors in other public issuers:

<b>Name of Director</b>	<b>Name of Issuer</b>
Kenneth MacLeod	Auston Capital Corp.
Stephen Kenwood	Optimus Gold Corp and Silver Range Resources Ltd.
James Taylor	Targeted Microwave Solutions Inc. and Auston Capital Corp.
John Darch	None
Jorge Diaz	None
Curtis Turner	None
Katharine Regan	None

#### **Orientation and Continuing Education**

The Company does not have a formal orientation and continuing education program. When a new director is added, he or she will be given the opportunity to become familiar with the Company by meeting with the other directors and with the officers and representatives of the Company. It is the personal responsibility

and duty of each director to become familiar with the operations and policies of the Company and to monitor the same as they may change over time.

### **Ethical Business Conduct**

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

### **Nomination of Directors**

The directors of the Company have not appointed a nominating committee. Rather, the directors of the Company as a whole are responsible for identifying and recommending new candidates, having regard to the appropriate number of directors of the Company and the necessary competencies and skills of the directors as a whole and of each director individually. New nominees should have a track record in general business management, special expertise in areas of strategic interest to the Company and the ability to devote the time required.

### **Compensation**

A Compensation Committee has been established by the directors of the Company, the current members of which are Kenneth MacLeod, Stephen Kenwood and Curtis Turner. Stephen Kenwood and Curtis Turner are independent Board members of the Compensation Committee. Please see "Oversight and Description of Director and Officer Compensation" below for a discussion of the steps taken to determine compensation for the directors and officers of the Company.

### **Other Board Committees**

The Board has no other committees, other than the Audit Committee, which is described below under the heading "Audit Committee", and the Compensation Committee, which is described under the heading "Compensation" above.

### **Assessments**

The Board of Directors of the Company does not conduct any formal evaluation of the performance and effectiveness of individual directors, the Board as a whole, or any committee of the Board. However, from time to time, the members of the Board may meet to review the effectiveness of the Board as a whole, as well as the effectiveness of its committees and may discuss if it would be in the best interests of the Company and its shareholders to have any reorganization take place.

## **AUDIT COMMITTEE**

NI 52-110 requires the Company, as an TSX Venture Exchange listed issuer, to disclose annually in its management information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. The information is set forth below.

### **Composition**

As at the date hereof, the members of the Audit Committee are Stephen Kenwood, Kenneth MacLeod, and Curtis Turner. Applying the criteria in NI 52-110, Mr. MacLeod is not considered independent director of the Company as he is an executive officer of the Company. Messrs. Kenwood and Turner are considered to be independent directors as defined in NI 52-110 and under the TSX-V policies. The Audit Committee is in compliance with NI 52-110.

All of the committee members are considered to be "financially literate" as that term is defined in National Instrument 52-110 Audit Committees. Each member has the ability to read and understand the Company's financial statements and to understand the breadth and complexities of the financial issues that can reasonably be expected to be raised by the Company.

### Relevant Education and Experience

The educational background or experience of the audit committee members has enabled each to perform his responsibilities as an audit committee member and has provided the member with an understanding of the breadth and complexity of the accounting issues and principles used by the Company to prepare its financial statements.

The education and experience of each member relevant to the performance of such member's responsibilities as an audit committee member are described in the following paragraphs:

#### *Stephen Kenwood*

Mr. Kenwood has a BSc. (Geo.) from the University of British Columbia and has been in the mineral exploration business for over 20 years with experience on projects in Canada, United States, Chile, Peru, Panama, China and Slovakia. He has 16 years' experience managing public companies.

#### *Kenneth MacLeod*

Mr. MacLeod has over 35 years executive experience in the management, administration and financing of public companies engaged in resource exploration and development in North and South America, Africa and Asia.

#### *Curtis Turner*

Mr. Turner has over 15 years' experience in business and finance; including mergers and acquisitions, public reporting and operations, as well as community and government relations.

### Audit Committee's Charter

The Company's Audit Committee is governed by an Audit Committee Charter; the text of which is attached as Appendix 1 to this Information Circular.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption under section 2.4, 6.1.1(4), or (5), or granted under Part 8 of NI 52-110.

The Audit Committee is comprised mainly of directors who are not employees, officers or Control Persons of the Company.

### Pre-Approval Policies and Procedures

As at the date of this Information Circular, the Audit Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

### External Auditor Service Fees

The fees billed by the Company's external auditor in each of the last two financial years for audit and non-audit related services provided to the Company and its subsidiaries are as follows:

Financial Year Ending December 31	Audit Fees (\$)	Audit Related Fees (\$)	Tax Fees <sup>(1)</sup> (\$)	All Other Fees (\$)
2023	49,000	nil	5,000	nil
2022	43,000	nil	4,500	nil

(1) These professional services relate to the preparation of the Company's T-2 corporate income tax return and the General Index of Financial Information required by the CRA.

### Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has any recommendation by the Audit Committee respecting the appointment and/or compensation of its external auditor not been adopted by the Board.

### Exemption for Venture Issuers

As the Company is a "venture issuer" under NI 52-110, the Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## STATEMENT OF EXECUTIVE COMPENSATION

### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth details of all compensation paid during the two most recently completed financial years of the Company in respect of the individuals who were, on December 31, 2023, the directors, the Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO" and together with the CEO, the "NEOs") of the Company. There were no other executive officers of the Company, or any of its subsidiaries, whose total compensation was, individually, more than \$150,000 for the financial year ended December 31, 2023.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Kenneth MacLeod Director, President and Chief Executive Officer	2023	\$180,000 <sup>(1)</sup>	\$30,000 <sup>(1)</sup>	Nil	Nil	Nil	\$210,000
	2022	\$180,000 <sup>(1)</sup>	\$30,000 <sup>(1)</sup>	Nil	Nil	Nil	\$210,000
John Darch, Executive Chairman, Director	2023	\$180,000 <sup>(2)</sup>	\$57,820 <sup>(2)</sup>	Nil	Nil	Nil	\$237,820
	2022	\$180,000 <sup>(2)</sup>	\$35,000 <sup>(2)</sup>	Nil	Nil	Nil	\$215,000
Jorge Diaz Avalos Executive Director, VP Operations <sup>(3)</sup>	2023	\$131,750 <sup>(4)</sup>	\$25,437 <sup>(4)</sup>	Nil	Nil	Nil	\$157,187
	2022	\$137,460 <sup>(4)</sup>	Nil	Nil	Nil	Nil	\$137,460
Salil Dhaumya, Chief Financial Officer <sup>(5)</sup>	2023	\$60,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	\$60,000
	2022	\$60,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	\$60,000
Curtis Turner, Director <sup>(7)</sup>	2023	Nil	Nil	\$50,646 <sup>(8)</sup>	Nil	Nil	\$50,646
	2022	Nil	Nil	\$49,451 <sup>(8)</sup>	Nil	Nil	\$49,451

- (1) The compensation was paid to Pan Pacific Power Corp., a company wholly owned by Kenneth MacLeod for Mr. MacLeod's services as President and CEO of the Company. The bonus was granted by the Compensation Committee and paid to Pan Pacific Power Corp.
- (2) The compensation was paid to Western Investments Ltd., a company wholly owned by John Darch, for Mr. Darch's services as a director and Executive Chairman of the Company. The bonus was granted by the Company's Compensation Committee and paid to Western Investments Ltd.
- (3) Mr. Diaz Avalos was appointed Director of the Company on June 29, 2023.
- (4) The Compensation was paid to Interminera, S.A de C.V., a company wholly owned by Jorge Diaz Avalos for Mr. Diaz Avalos's services as VP of Operations. The bonus was granted by the Compensation Committee and paid to Interminera.
- (5) Mr. Dhaumya was appointed Chief Financial Officer of the Company on December 9, 2019.
- (6) The compensation was paid to Koios Corporate Financial Services Ltd., a company wholly owned by Salil Dhaumya, for Mr.

Dhaumya's services as the Chief Financial Officer of the Company.

(7) Mr. Turner was appointed Director of the Company on September 4, 2020.

(8) The compensation was paid to 650 Consulting LLC, a company wholly owned by Curtis Turner, for Mr. Turner's meeting fees as an independent director of the Company.

The Company compensates its NEOs and directors on a fee for service basis. The Company has a Directors' and Officers' Insurance Policy, which includes \$10 million in coverage at an annual premium of \$41,000.

### External Management Companies

The NEOs of the Company, Kenneth MacLeod, John Darch, and Salil Dhaumya, are not employees of the Company. The Company has entered into consulting agreements with certain NEOs and directors. Please see "Employment, Consulting and Management Agreements" below.

### Stock Options and Other Compensation Securities

#### Compensation Securities

The following table sets forth details of all awards outstanding for the NEOs and directors at the end of the most recently completed financial year, including awards granted to the Named Executive Officers and directors in prior years.

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)(3)</sup>	Option Exercise Price	Date of Grant	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end	Expiry Date
Kenneth MacLeod, President, CEO, Director	Stock Option	25,000 4.7%	\$0.30	Jan-25-2021	\$0.24	\$0.08	Jan-25-2024
Jorge Diaz Avalos Executive Director, VP Operations	Stock Option	35,000 6.5%	\$0.30	Jan-24-2024	\$0.24	\$0.08	Jan-25-2024
Curtis Turner, Director	Stock Option	25,000 4.7%	\$0.30	Jan-25-2021	\$0.24	\$0.08	Jan-25-2024

(1) The number of underlying securities for each issuance is equal to the number of compensation securities.

(2) The total amount of compensation securities, and underlying securities, held by each NEO and director on the last day of the most recently completed financial year end is as follows: Mr. MacLeod held 25,000; Mr. Diaz held 35,000 and Mr. Turner held 25,000.

(3) Percentage of class ownership is calculated by dividing the NEO or director's total option holding by the total number of options outstanding as at December 31, 2023 which is 535,000.

#### Exercise of Compensation Securities

None of the Company's directors or NEOs exercised any compensation securities during the most recently completed financial year.

### Share Option Plan

The Plan was approved by Shareholders on June 30, 2022 and will be proposed for ratification and approval by Shareholders at the Meeting. The purpose of the Option Plan is to attract and motivate directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such

persons the opportunity to acquire an equity interest in the Company through rights granted under the Option Plan. For further details, refer to the information under the heading, “*Particulars of Matters to be Acted Upon – Renewal of Stock Option Plan*”. The full text of the Option Plan is available by request to the Company and will be available for review at the Meeting.

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

#### *Consulting Agreement with Pan Pacific Power Corp. and Kenneth MacLeod*

The Company entered into a consulting agreement among the Company, Kenneth MacLeod and Pan Pacific Power Corp. (“PPPC”) dated June 1, 2017 (the “PPPC Agreement”), which supersedes a consulting agreement dated April 7, 2015 among the Company and Kenneth MacLeod. Under the PPC Agreement, the Company retained Pan Pacific Power Corp. to provide management and administrative services including those services customarily provided by the President and Chief Executive Officer of the Company for a term beginning on June 1, 2017 and initially terminating on May 31, 2020, following which the term will automatically renew on a year-to-year basis, unless otherwise determined by the Board and Mr. MacLeod, at a rate of \$12,500 plus GST for each full month in which services are rendered (the “PPPC Fees”). The consulting agreement was renewed by the Company and PPC on May 1, 2020 and amended on December 21, 2021 to increase fees to \$15,000 plus GST for each full month in which services are rendered and renewed again on May 1, 2023 for a further term ending on April 30, 2026.

The Company, in its sole discretion and at any time, may terminate the PPC Agreement immediately for Just Cause (as defined in the PPC Agreement) without any notice or compensation in lieu of notice, or without Just Cause. If the PPC Agreement is terminated by the Company without Just Cause, the Company will provide to PPC a one-time lump sum payment equivalent to 36 months of PPC’s then-current annual PPC Fees (less all required or permitted withholdings and remittances), within 5 business days from the date of termination. Based on the assumption that the termination event occurred on December 31, 2023, the estimated incremental payment to PPC under the foregoing provision would have been \$540,000 plus GST.

In the event of a change of control of the Company, then, within 30 days of such event, PPC may, by written notice to the Company (a “Change of Control Notice”), immediately terminate the PPC Agreement and the Company will pay PPC for the PPC Fees that would have otherwise been due for the thirty-six (36) months following such termination within five (5) business days from the date of the Change of Control Notice. Based on the assumption that a change of control event occurred on December 31, 2023, the estimated incremental payment to PPC under the foregoing provision would have been \$540,000 plus GST.

In addition, any options held by Mr. MacLeod on the date of termination will be exercisable until the earlier of 90 days following such date and expiry of the option term.

#### *Consulting Agreement with Western Investments Ltd. and John Darch*

The Company entered into a consulting agreement with Western Investments Ltd. and John Darch (together, “Western”) dated October 16, 2018 (the “Western Agreement”), to retain the services of Western, to serve on a full-time basis in the capacity of director and Executive Chairman to assist the Company with sourcing, negotiating and securing funds for the continuing exploration and development of the Cerro Caliche and San Marcial projects in Sonora, Mexico pursuant to the terms and conditions set forth in the Western Agreement and Western has agreed to provide such services (the “Western Services”) for an initial term commencing October 16, 2018 to May 31, 2020 subject to earlier termination or extension pursuant to the Western Agreement. On May 1, 2020, the Company and Western agreed to extend the Western Term until April 30, 2023 and on December 21, 2021 the agreement was amended to increase fees to \$15,000 plus GST for each full month in which services are rendered and renewed again on May 1, 2023 for a further term ending on April 30, 2026.

The Company, in its sole discretion and at any time, may terminate the Western Agreement immediately for Just Cause (as defined in the Western Agreement) without any notice or compensation in lieu of notice, or without Just Cause. If the Western Agreement is terminated by the Company without Just Cause, the Company will provide to Western a one-time lump sum payment equivalent to 36 months of Western's then-current annual Western Fees (less all required or permitted withholdings and remittances), within five (5) business days from the date of termination. Based on the assumption that the triggering event occurred on December 31, 2023, the estimated incremental payment to Western under the foregoing provision would have been \$540,000 plus GST.

In the event of a change of control of the Company, then, within 30 days of such event, Western may, by written notice to the Company (a "Change of Control Notice"), immediately terminate the Western Agreement and the Company will pay Western for the Western Fees that would have otherwise been due for thirty-six (36) months following such termination within five (5) business days from the date of the Change of Control Notice. Based on the assumption that a change of control event occurred on December 31, 2023, the estimated incremental payment to Western under the foregoing provision would have been \$540,000 plus GST.

In addition, any options held by Mr. Darch on the date of termination will be exercisable until the earlier of 90 days following such date and expiry of the option term.

*Consulting Services Agreement with Koios Corporate Financial Services Ltd. and Salil Dhaumya*

The Company entered into a consulting services agreement with Koios Corporate Financial Services Ltd. and Salil Dhaumya (together, "Koios") dated December 9, 2019 (the "Koios Agreement"), pursuant to which Koios agreed to provide services consistent with the position of Chief Financial Officer of the Company (the "Koios Services") and will dedicate 50% of Koios's working time to performing the Koios Services. The Company pays Koios a monthly fee of \$5,000 plus GST (the "Koios Fees") for a term commencing December 9, 2019 to December 31, 2021 (the "Koios Term") subject to earlier termination or extension pursuant to the Koios Agreement. The consulting agreement was renewed by the Company and Koios on December 9, 2021 for a further term ending on December 31, 2023. The agreement was renewed on May 23, 2024 for a further term ending on December 31, 2026.

The Company, in its sole discretion and at any time, may terminate the Koios Agreement immediately for Just Cause (as defined in the Koios Agreement) without any notice or compensation in lieu of notice, or without Just Cause. If the Koios Agreement is terminated by the Company without Just Cause, the Company will provide to Koios a one-time lump sum payment equivalent to 12 months of Koios's then-current annual Koios Fees, or the remainder of the term, whichever is less, (less all required or permitted withholdings and remittances), within five (5) business days from the date of termination. Based on the assumption that the triggering event occurred on December 31, 2023, the estimated incremental payment to Koios under the foregoing provision would have been \$60,000 plus GST.

In the event of a change of control of the Company, then, within 30 days of such event, Koios may, by written notice to the Company (a "Change of Control Notice"), immediately terminate the Koios Agreement and the Company will pay Koios for the Koios Fees that would have otherwise been due for the twelve (12) months following such termination, or the remainder of the term, whichever is less, within five (5) business days from the date of the Change of Control Notice. Based on the assumption that a change of control event occurred on December 31, 2023, the estimated incremental payment to Koios under the foregoing provision would have been \$60,000 plus GST.

*Consulting Services Agreement with Katharine Regan*

The Company entered into a consulting services agreement with Katharine Regan ("Regan") dated January 22, 2019 (the "Regan Agreement"), pursuant to which Regan agreed to provide services consistent with the position of Corporate Secretary of the Company (the "Regan Services") and will dedicate 100% of Regan's working time to performing the Regan Services. The Company pays Regan a monthly fee of

\$8,000 plus GST (the “Regan Fees”) for a term commencing January 22, 2019 to April 30, 2020 to (the “Regan Term”) subject to earlier termination or extension pursuant to the Regan Agreement. On May 1, 2020, the Company and Regan agreed to extend the Regan Term until April 30, 2023 and on December 21, 2021, the agreement was amended to increase fees to \$10,000 plus GST. On July 1, 2022, the agreement was amended to include the position of Vice President, Corporate Development and Corporate Secretary with increased fees to \$12,500 plus GST for each full month in which services are rendered. The agreement was renewed on May 1, 2023 for a further term ending on April 30, 2026.

The Company, in its sole discretion and at any time, may terminate the Regan Agreement immediately for Just Cause (as defined in the Regan Agreement) without any notice or compensation in lieu of notice, or without Just Cause. If the Regan Agreement is terminated by the Company without Just Cause, the Company will provide to Regan a one-time lump sum payment equivalent to 24 months of Regan’s then-current annual Regan Fees, (less all required or permitted withholdings and remittances), within five (5) business days from the date of termination. Based on the assumption that the triggering event occurred on December 31, 2023, the estimated incremental payment to Regan under the foregoing provision would have been \$300,000 plus GST.

In the event of a change of control of the Company, then, within 30 days of such event, Regan may, by written notice to the Company (a “Change of Control Notice”), immediately terminate the Regan Agreement and the Company will pay Regan for the Regan Fees that would have otherwise been due for the twenty-four (24) months following such termination within five (5) business days from the date of the Change of Control Notice. Based on the assumption that a change of control event occurred on December 31, 2023, the estimated incremental payment to Regan under the foregoing provision would have been \$300,000 plus GST.

In addition, any options held by Ms. Regan on the date of termination will be exercisable until the earlier of 90 days following such date and expiry of the option term.

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

The following discussion provides information about the Company’s executive compensation objectives, processes, and compensation decisions relating to its directors and NEOs as listed in the table above under “*Director and Named Executive Officer Compensation*”.

The Company does not have any employees. The Compensation Committee of the Company is responsible for determining the compensation, including grants of equity-based compensation, to be paid to the President, directors and officers of the Company, and for reviewing the President’s recommendations respecting the compensation of consultants to the Company to ensure such compensation reflects the responsibilities and risks associated with each position. Compensation of the directors and officers, including the NEOs, is reviewed by the Compensation Committee and the Board on an annual basis.

When determining the compensation of the management team, the Compensation Committee and the Board of Directors consider, among other things: each officer’s qualifications, experience and responsibilities within the Company; balancing the interests of management and the shareholders of the Company; and rewarding performance with respect to operations in general. The Company does not use a peer group to determine compensation.

In order to achieve these objectives, the Compensation Committee considers the following factors when determining the compensation paid to management: (i) remuneration for services performed for the benefit of the Company; (ii) consulting fees for services rendered in respect of their duties as part of management; and (iii) long-term incentive in the form of stock options. When reviewing the compensation of consultants to the Company, the directors of the Company as a whole consider how individuals are critical to the growth and success of the Company.

The incentive stock option component of the Company’s executive compensation program is intended to encourage and reward outstanding performance over the short-term and long-term, and to align the interests of the Company’s senior officers with those of its shareholders. Options are awarded to NEOs by

the Board based upon recommendations of the Compensation Committee, which bases its decisions upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. The Compensation Committee also takes into consideration the amount and terms of outstanding stock options in determining its recommendations regarding the options to be granted during any fiscal year. The stock option component of executive compensation acts as an incentive for the Company's NEOs to work to enhance the Company's value over the long-term, and to remain with the Company.

Aside from meeting fees paid to Curtis Turner, the Company currently does not pay any fees to its directors and executive officers, aside from consulting fees related to management services provided to the Company.

The details of Kenneth Macleod's compensation as President and CEO, of Salil Dhaumya's compensation as CFO, of Katharine Regan's compensation as Vice President, Corporate Development and Corporate Secretary and of John Darch's compensation as Chairman, are disclosed under "*Employment, Consulting and Management Agreements*" above.

A Compensation Committee has been established by the directors of the Company, the current members of which are Kenneth MacLeod, Stephen Kenwood and Curtis Turner. The Compensation Committee of the Board of Directors of the Company operates under a written charter that sets out its responsibilities. The Company's Compensation Committee Charter as approved by the Board of Directors is attached to this Information Circular as Appendix 2.

The members of the Compensation Committee do not have direct experience that is relevant to their responsibilities in executive compensation. However, each Committee member has skills and experiences that enable him to make decisions on the suitability of the compensation policies and practices of the Company as set out under "Audit Committee – Relevant Education and Experience".

#### **Pension Plan Benefits**

The Company has no pension plans that provide for payments or benefits at, following, or in connection with the retirement of the Named Executive Officers.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out the number of the Company's Shares to be issued and remaining available for future issuance under the Company's Stock Option Plan at the end of the Company's financial year of December 31, 2023:

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)(c)) (c)</b>
Equity compensation plans approved by securityholders	535,000	\$0.30	16,072,099 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>535,000</b>	<b>\$0.30</b>	<b>16,072,099<sup>(1)</sup></b>

(1) Based on 166,070,992 common shares of the Company issued and outstanding as at December 31, 2023. The maximum aggregate number of common shares of the Company that may be reserved for issuance under the Plan is equal to 10% of the issued and outstanding common shares at the time of the option grant.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as described herein, Management is not aware of any material interest, direct or indirect, of any informed person of the Company, any proposed director or any associate or affiliate of any informed person or proposed director in any transaction since the commencement of our most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect Sonoro or any of its affiliates or subsidiaries.

**MANAGEMENT CONTRACTS**

See "*Employment, Consulting and Management Agreements*".

**OTHER BUSINESS**

Management knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the Common Shares represented by the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

**ADDITIONAL INFORMATION**

Additional information relating to the Company can be found under the Company's profile at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company's comparative annual financial statements and Management's Discussion and Analysis for the most recently completed financial year, which are available on [www.sedar.com](http://www.sedar.com) or on the Company's website. A copy of these documents may also be obtained by a securityholder, without charge, upon request to the Corporate Secretary of the Company at Sonoro Gold Corp., Suite 300 – 2489 Bellevue Avenue West Vancouver, BC V7V 1E1 or by telephone at 604.632.1764.

The contents of this Information Circular and its distribution to Shareholders of the Company have been approved by the Board.

DATED at Vancouver, British Columbia, this 24<sup>th</sup> day of May 2024.

BY ORDER OF THE BOARD OF DIRECTORS

*“Kenneth MacLeod”*

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Kenneth MacLeod  
President & Chief Executive Officer

## APPENDIX 1

### SONORO GOLD CORP. (the "Corporation")

#### AUDIT COMMITTEE CHARTER

The Audit Committee of the Board of Directors (the "Committee") has the responsibilities and duties as outlined below:

#### 1. Mandate

The mandate of the Committee is:

- (a) To perform such duties as may be required by applicable legislation, regulations and policies including those of the Ontario Securities Commission ("OSC") and the TSX Venture Exchange ("TSXV") as more fully described under the heading "Duties" below.
- (b) To assist the Board of Directors (the "Board") in fulfilling its oversight responsibilities for:
  - (i) the integrity of the Corporation's financial statements;
  - (ii) the Corporation's compliance with legal and regulatory requirements;
  - (iii) the external auditors' qualifications and independence;
  - (iv) the performance of the Corporation's independent auditors; and
  - (v) the system of internal control over financial reporting ("internal controls")
- (c) To perform such other duties as may from time to time be assigned to the Committee by the Board.

#### 2. Authority

The Committee has authority to:

- (a) conduct or authorize investigations into any matters within its scope of responsibility;
- (b) retain independent counsel, accountants or others to advise the Committee or assist in the conduct of an investigation;
- (c) meet with Corporation officers, external auditors and outside counsel, as necessary;
- (d) determine appropriate funding for independent advisors

#### 3. Duties

The Committee shall:

##### Financial Information

- (a) review the quarterly and annual consolidated financial statements of the Corporation

prior to approval by the Board and disclosure to the public, which review should include discussion with management and external auditors of significant issues regarding the financial results, accounting principles, practices and management estimates and judgments;

- (b) review the quarterly and annual Management's Discussion & Analysis ("MD&A") of the Corporation's current financial results, position and future prospects prior to review and approval by the Board;
- (c) review annual and interim earnings press releases and earnings guidance press releases before such information is publicly disclosed;
- (d) discuss significant financial risk exposures and the steps management of the Corporation has taken to monitor, control and report such exposures;
- (e) review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards;
- (f) ensure that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures;
- (g) review the process relating to and all certifications of the Chief Executive Officer and the Chief Financial Officer on the integrity of the Corporation's quarterly and annual consolidated financial statements as may be required under applicable securities legislation;

#### Compliance

- (a) review investments and transactions that could adversely affect the well-being of the Corporation which may be brought to its attention by the external auditors or by any officer of the Corporation;
- (b) review the period reports on litigation matters;
- (c) annually, review the Corporation's environmental policy and evaluate the Corporation's effectiveness in complying with that policy;
- (d) annually, review the Charter for the Committee and evaluate the Committee's effectiveness in fulfilling its mandate;

#### Internal Controls

- (a) require Corporation management to implement and maintain appropriate internal control procedures over financial reporting and review, evaluate and approve these procedures;
- (b) establish procedures for processing complaints regarding accounting, internal controls or auditing matters;
- (c) establish procedures for responding to complaints regarding environmental matters;

#### External Auditors

- (a) have responsibility for the oversight of the external auditors who shall report directly to the Committee;

- (b) retain and terminate the Corporation's external auditors, subject to shareholder ratification;
- (c) review the annual audit plan and letter(s) of engagement;
- (d) at least annually review the report of the external auditors;
- (e) review and recommend to the Board the annual fee for the audit, review the Corporation's audit related expenses and pre-approve permitted non-audit services;
- (f) approve all non-audit services to be provided to the Corporation by the external auditors;
- (g) meet with the external auditors and with management to discuss the quarterly and the annual consolidated financial statements including the Corporation's disclosure under MD&A;
- (h) review with the external auditors any audit problems or difficulties and management's response;

#### Reporting/Other Duties

- (a) report to the Board on the proceedings of each Committee meeting and on the Committee's recommendations at the next regularly scheduled Board meeting;
- (b) provide for an open avenue of communication between internal audit, the external auditors and the Board;
- (c) institute and oversee special investigations as needed;
- (d) perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (Ontario) and the Articles of the Corporation.

## APPENDIX 2

### SONORO GOLD CORP.

#### COMPENSATION COMMITTEE CHARTER

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

The mandate of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Sonoro Gold Corp. ("Sonoro" or the "Company") is to discharge the responsibilities of the Board relating to compensation of Sonoro's officers and directors, to provide general oversight of Sonoro's compensation structure including equity compensation plans and benefits programs and to perform the additional specific duties and responsibilities set out herein.

##### II. **Membership**

The Committee will consist of at least two members, a majority of whom will be independent directors of Sonoro, and one of whom will act as chairperson. An "independent" director is a director who is independent, as determined by the Board, within the definitions prescribed for executive compensation committee members by applicable stock exchange listing standards, and applicable laws and, if applicable, U.S. Securities and Exchange Commission ("SEC") rules. Committee members will be appointed, and the Chairperson will be selected from among them, by the Board of Directors.

##### III. **Meetings and Procedures**

The Committee will meet as often as may be considered necessary or appropriate, in its judgment. The Committee may meet either in person or by telephone, and at such times and places as the Committee determines. At least two members of the Committee must be present to constitute a quorum for the transaction of Committee business. The Chairperson will preside over the meetings, but will have no greater voting rights or decision-making authority than the other member(s) of the Committee. The Committee will report regularly to the full Board with respect to its activities. As a matter of practice, the Committee will discuss significant matters, as determined by the Committee, with the full Board prior to taking final action on such matters.

All recommendations of the Committee with respect to the awarding of compensation to the executive (senior) officers of the Company will be submitted to the full Board for approval before implementation.

##### IV. **Outside Advisors**

The Committee will have the authority to retain, at the Company's expense, such outside consultants, legal counsel, and other advisors as it determines is appropriate to assist it in the full performance of its functions, including the authority to approve such advisors' fees and other engagement terms.

##### V. **Duties and Responsibilities**

**(a) Human Resources and Compensation Strategies.** The Committee will oversee and evaluate Sonoro's overall human resources and compensation structure, policies and programs, with the objective of ensuring that these establish appropriate incentives and leadership development for management and other employees.

**(b) Executive Compensation.** The Committee will review and approve corporate goals and objectives relevant to the compensation of the President (the "President") and the Chief Executive Officer (the "CEO") and the other executive officers of Sonoro, evaluate the performance of the President and the CEO and the other executive officers in light of those goals and objectives and approve their annual compensation levels, including salaries, bonuses, and stock option grants based on such evaluation.

(c) **Employment Agreements.** The Committee will review and approve all employment related agreements and severance arrangements for the President and the CEO and other executive officers, including, without limitation, change-of-control agreements.

(d) **External Reporting of Compensation Matters.** The Committee will prepare an annual report on executive officer compensation for publication in Sonoro's proxy circulars, as required by the securities regulatory authorities having jurisdiction over the Company. The Chairperson of the Committee will make him or herself available for questions from shareholders of the Company at the Company's Annual General Meeting.

(e) **Stock Option and Incentive Compensation Plans.** The Committee will supervise and administer Sonoro's stock option or any other equity-based compensation programs, and the incentive compensation plan, and may approve, amend, modify, interpret, ratify the terms of, or terminate any such plan, to the extent that such plans and applicable laws so permit, and will make recommendations to the Board with respect to equity-based plans and incentive-compensation plans as appropriate.

(f) **Employee Benefit Plans.** The Committee will monitor the effectiveness of benefit plan offerings, in particular benefit plan offerings pertaining to executive officers, and will review and approve any new employee benefit plan or change to an existing plan that creates a material financial commitment by Sonoro. In its discretion, the Committee may otherwise approve, amend, modify, ratify, interpret the terms of, or terminate any benefit plan.

(g) **Leadership Development and Succession Planning.** The Committee will review the leadership development and succession planning processes for senior management positions and ensure that appropriate compensation, incentive and other programs are in place in order to promote appropriate leadership development.

(h) **Director Compensation.** The Committee will annually review the compensation of directors for service on the Board and its committees and recommend to the Board the annual Board member compensation package, including retainer, Committee member and Chair retainers, Board and Committee meeting attendance fees and any other form of compensation, such as stock option grants or stock awards.

(i) **Annual Evaluation.** The Committee will annually evaluate the performance of the Committee and the adequacy of the Committee's charter and recommend to the Board such changes as it deems appropriate.

(j) **General.** The Committee will perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

## **VI. Delegation**

The Committee may delegate any of the foregoing duties and responsibilities to one or more members of the Committee. In addition, the Committee may delegate to one or more executive officers of the Company the administration of equity incentive or employee benefit plans, unless otherwise prohibited by such plans, or applicable law or stock exchange rules. Any such delegation may be revoked by the Committee at any time.