

**BAROYECA GOLD & SILVER INC.**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of Baroyeca Gold & Silver Inc. (hereinafter called the "**Company**") will be held at 700 W Georgia St #2500, Vancouver, BC V7Y 1B3 on Friday, January 17, 2025 at the hour of 11:00 o'clock a.m. for the following purposes:

- (a) To receive and consider the audited financial statements of the Company for the year ended May 31, 2024 and the report of the auditor thereon;
- (b) To appoint WDM Chartered Professional Accountants, as auditor for the Company for the ensuing year at a remuneration to be fixed by the Directors;
- (c) To set the number of directors at five;
- (d) To elect the directors for the ensuing year;
- (e) To consider and, if thought fit, to approve an ordinary resolution to consolidate the issued and outstanding common shares of the Company (the "**Consolidation**") on the basis of fourteen (14) pre-Consolidation common shares for every one (1) post-Consolidation common share, and to further authorize the Company's board of directors to determine when and if to effect such Consolidation, as is more particularly described in the accompanying Information Circular;
- (f) To transact such other business as may be properly transacted at such Meeting or at any adjournment 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 part of, this Notice of Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy. If you are a registered shareholder of the Company and are unable to attend the Meeting in person, please read the notes attached to the accompanying Instrument of Proxy and, complete, date, and sign the Proxy, then return the Proxy to the Company's transfer agent, Computershare Trust Company of Canada, 510 Burrard Street, 2nd Floor, Vancouver, B.C., V6C 3B9, or follow the procedures for voting provided in the Instrument of Proxy, not less than forty-eight (48) hours (excluding Saturdays, Sundays and Holidays) before the time fixed for the Meeting.

If you are a non-registered shareholder of the Company and received this Notice and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your security on your behalf (the "**Intermediary**") please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

**DATED** at the City of Vancouver, in the Province of British Columbia, as of the 19<sup>th</sup> day of December, 2024

BY ORDER OF THE BOARD OF DIRECTORS

*Signed "Richard Wilson"*

---

Richard Wilson

CEO

**BAROYECA GOLD & SILVER INC.**  
**25<sup>th</sup> floor – 700 W Georgia St.**  
**Vancouver, BC V7Y 1B3**

**INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT NOVEMBER 18, 2024, UNLESS OTHERWISE INDICATED, FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON JANUARY 17, 2025.

This Information Circular is furnished in connection with the solicitation of proxies by management of Baroyeca Gold & Silver Inc. (the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of Shareholders to be held on January 17, 2025 and any adjournment thereof at the time and place and for the purposes set forth in the Notice of Meeting.

**APPOINTMENT AND REVOCATION OF PROXIES**

THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY ARE DIRECTORS OF THE COMPANY. A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING MAY DO SO, EITHER BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY AND IN EITHER CASE DELIVERING THE COMPLETED PROXY TO THE COMPANY'S TRANSFER AGENT, COMPUTERSHARE TRUST COMPANY OF CANADA, 510 BURRARD STREET, 2ND FLOOR, VANCOUVER, B.C., V6C 3B9 NOT LESS THAN FORTY-EIGHT (48) HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING. A proxy may be delivered to the Transfer Agent by fax or other means as set out in the accompanying Form of Proxy. (Refer to notes thereto for instructions).

The instrument of proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited at the office of the Company's registrar and transfer agent ("**Transfer Agent**"), Computershare Trust Company of Canada, 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

These security holder materials are being sent to both Registered and Non-Registered Shareholders of the securities. If you are a Non-Registered Shareholder, and the Company or its Transfer Agent, Computershare, 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 on your behalf.

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

If you are a Non-Registered Shareholder, and these materials have been sent to you by the Intermediary holding on your behalf, you will be required to provide proper voting instructions to the Intermediary who will, in turn, provide voting instructions to the Company or its Transfer Agent, Computershare. The Company and Computershare cannot accept voting instructions directly from such Non-Registered Shareholders. Each Intermediary has its own procedure for sending material to Non-Registered Shareholders and for Non-Registered Shareholders to provide instructions to the intermediaries to vote their Common Shares. Non-Registered Shareholders should carefully follow the instructions

provided to them by the Intermediary that is holding their Common Shares. In addition, Non-Registered Shareholders that received these materials from an Intermediary attending the Meeting will not be recognized as shareholders or entitled to vote at the Meeting unless they have been appointed as a proxy holder by the Intermediary that is holding their Common Shares. The Intermediary's instructions will advise how to effect that appointment. All references to Shareholders in this Information Circular and the accompanying Instrument of Proxy are to Registered Shareholders of record, unless specifically stated otherwise.

## **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

### ***General***

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed. Where directions are given by the shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS INFORMATION CIRCULAR. The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing 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 other matters which are not now known to the management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a "special resolution", in which case a majority of not less than 66 2/3% of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder approval, common shares held by Shareholders of the Company who are also "insiders," as such term is defined under applicable securities laws, and who have an interest in the outcome of the resolution, will be excluded from the count of votes cast on such motion.

### ***Advice to Beneficial Holders of Common Shares***

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of the Shareholders do not hold their Common Shares in their own name.** Shareholders holding their Common Shares through their brokers, intermediaries, trustees or other parties, or otherwise not holding their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders appearing on the records maintained by the Company's transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares, in all likelihood, will NOT be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common 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. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory polices require brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by the Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form requesting such voting instructions (a "**VIF**") supplied to the Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to the Registered Shareholders by the Company, however, its purpose is limited to

instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable VIF, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge (by way of mail, the Internet or telephone). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder cannot use a VIF to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) or other third party in accordance with the instructions on the VIF well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other Intermediary, please contact that broker or other Intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at a Meeting for the purposes of voting Common Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as Proxyholder for the Registered Shareholder and vote the Common Shares in that capacity if the Company receives a properly completed proxy from the Intermediary. **Beneficial Shareholders wishing to attend the Meeting and indirectly vote their Common Shares as Proxyholder for the Registered Shareholder, should enter their own names in the blank space on the VIF provided to them and return it in accordance with the instructions provided by such party on the VIF.**

These securityholder materials are being sent to both Registered Shareholders and Non-Registered Shareholders. If you are a Non-Registered Shareholder and the Company or the Transfer 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 on your behalf. In this event, by choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (“**NOBOs**” for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 (“**NI 54-101**”) issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy related materials directly to NOBOs.

In accordance with the Provisions of NI 54-101, the Company has elected not to pay for mailing to OBO’s. As a result, OBO’s will only receive paper copies of proxy-related materials if the OBO’s intermediary assumes the costs of delivery.

### **RECORD DATE AND QUORUM**

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on November 18, 2024 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company’s Articles, the quorum for the transaction of business at a meeting of Shareholders is two (2) persons who are, or represent by proxy, Shareholders holding, in the aggregate, at least five percent (5%) of the Common Shares entitled to be voted at the meeting.

## **VOTING COMMON SHARES AND PRINCIPAL HOLDERS THEREOF**

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares having attached thereto the special rights and restrictions as set forth in the Articles of the Company. On the Record Date, there were 86,108,470 Common Shares issued and outstanding, each share carrying the right to one vote. No Preferred shares have been issued. The Company has no other classes of voting shares.

To the knowledge of the directors and Senior Officers of the Company, as of the Record Date, there are no persons or corporations that beneficially own, or control or direct, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended May 31, 2024 (the “**Financial Statements**”), together with the Auditors’ Report thereon, will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor’s Report thereon together with Management Discussion and Analysis (“**MD&A**”) for the financial year ended May 31, 2024 are currently available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), from the Company’s Registrar and Transfer Agent, Computershare Trust Company of Canada, 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, or from the Company’s head office located at 2500 - 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

## **FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS**

The number for which positions exist on the Company's Board had been fixed previously at five (5). Management is proposing to keep the size of the Board at five (5). If this resolution is passed, five directors will be elected at the Meeting.

Although management is nominating five (5) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Each director of the Company is elected annually and holds office until the next annual general meeting of Shareholders, or until his successor is duly elected, or until his resignation as a director.

In the absence of express instructions to the contrary, the Common Shares represented by proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

## **INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT**

The following table sets out the names of the persons proposed to be nominated by management of the Company for election as a director, the province or state and country in which each person is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each person has been a director of the Company, the respective principal occupations or employment during the past five years and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this information circular.

Each director elected will hold office until the next Annual General Meeting unless his office is earlier vacated in accordance with the Articles of the Company and the *Business Corporations Act* (British Columbia) or unless he becomes disqualified to act as a director.

<b>Name, Province and Country of Ordinary Residence</b>	<b>Principal Occupation</b>	<b>Date First Became a Director</b>	<b>Approximate Number of Voting Securities <sup>(1)</sup></b>
<b>Richard D. Wilson</b> <i>Director, President and CEO</i> <i>British Columbia, Canada</i>	Chief Executive Officer of the Company.	March 27, 2006	1,807,754
<b>Douglas Edwin Eacrett</b> <i>Director, Secretary and CEO</i> <i>British Columbia, Canada</i>	Chief Financial Officer of the Company	Dec. 16, 2010	1,340,200
<b>William T. Carr</b> <i>Director</i> <i>Florida, USA</i>	President, since 1991, of Auriga Capital Corporation of West Palm Beach, FL, a private company providing corporate finance services.	Dec. 13, 2011	411,844
<b>Patrick Robinson</b> <i>Director</i> <i>British Columbia, Canada</i>	Self-employed entrepreneur	Jan. 5, 2024	5,000,000
<b>Sherman Dahl</b> <i>Director</i> <i>British Columbia, Canada</i>	President, Pretium Communications and Consulting	Jan. 5, 2024	1,070,000

**Notes:**

- (1) Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised as at November 18, 2024, the record date

All of the proposed nominees are ordinarily resident in Canada, except that William T. Carr resides in the USA.

The Board has not appointed an Executive Committee.

As the Company is a reporting company, the directors of the Company are required to elect from their number an Audit Committee. Currently William Carr, Patrick Robinson and Douglas Eacrett are the directors elected by the Board to the Audit Committee.

No proposed director:

- (a) is, as at the date of this Information Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:
- (i) was subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) 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 has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

In accordance with the provisions of applicable securities legislation, the Company had two (2) “Named Executive Officers” (“NEO’s”) during the financial year ended May 31, 2024, being Richard Wilson, as CEO, and Douglas Eacrett, as CFO of the Company. Richard Wilson became President and CEO of the Company on December 13, 2011, and resigned as President (remaining CEO) on March 5, 2021. Douglas Eacrett became CFO of the Company on December 13, 2011. Aside from the CEO, President and CFO, the Company has no other NEOs as no other executive officer or individual received total compensation amounting to more than \$150,000 in the completed financial years.

For the purposes of this Information Circular and the discussion of executive compensation herein:

“**CEO**” means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid, or payable under an incentive plan;

“**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, each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
- (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;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**replacement grant**” means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

“**repricing**” means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option; and

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

### Director and Named Executive Officer Compensation, excluding compensation securities

Particulars of the compensation paid to the Company's NEO's and Directors in each of the two completed financial years that ended May 31, 2024 and 2023 is as follows:

Table of Director and Named Executive Officer Compensation, excluding compensation securities							
Name and position	Year/Period ended	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
<b>Richard Wilson</b> <i>Director, CEO and former President</i>	2024	45,000	Nil	Nil	Nil	Nil	45,000
	2023	94,500	Nil	Nil	Nil	Nil	94,500
<b>Douglas Eacrett</b> <i>CFO, Secretary and Director</i>	2024	59,250	Nil	Nil	Nil	Nil	59,250
	2023	103,600	Nil	Nil	Nil	Nil	103,600
<b>William Carr</b> <i>Director</i>	2024	7,200	Nil	Nil	Nil	Nil	7,200
	2023	7,200	Nil	Nil	Nil	Nil	7,200
<b>Patrick Robinson<sup>(1)</sup></b> <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sherman Dahl<sup>(1)</sup></b> <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
<b>Raul Sanabria<sup>(2)</sup></b> <i>Former President and Former Director</i>	2023	105,000	Nil	Nil	Nil	Nil	105,000

**Notes:**

- (1) Patrick Robinson and Sherman Dahl were each appointed as a director of the Company in January, 2024.
- (2) Raul Sanabria resigned as president and director of the Company in July, 2023.

### Compensation Discussion and Analysis

The Company's compensation program for its executive officers, including its NEO's, and directors is administered by the Board. The Board is responsible for determining the compensation to be paid to its executive officers and for evaluating their performance.

The objective of the Company's approach to compensation of its NEO's is to provide competitive salary levels and compensation incentives to attract and retain qualified management for the Company with a compensation framework

that is competitive in the industry and with incentives that will encourage the continued development of the Company and thereby increase shareholder value. The Company's policy is to recognize and reward individual performance as well as to position NEO's compensation within the range found in industry for the applicable level of responsibility.

The deliberations of the Board in these matters are private. To achieve the compensation objectives described above, compensation to the Company's NEO's may consist of: (i) base cash salary or consulting fees; (ii) cash incentive bonus; and (iii) option grants pursuant to the Company's stock option plan.

The Board determines the specific compensation to be paid to NEO's based on a number of factors, including: the Board's understanding of compensation paid for positions of similar responsibility in companies of comparable size; the performance of the individual NEO's in advancing the development and objectives of the Company; the roles and responsibilities of the individual NEO's; and the relevant experience and skills of each NEO.

The Board reviews the compensation paid to the NEO's on an annual basis.

### Use of Financial Instruments

The Company does not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. However, management is not aware of any Named Executive or director purchasing such an instrument.

### Management Services Arrangements

During the years ended May 31, 2024 and 2023, the management services requirements of the Company were provided by the senior officers and directors of the Company.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and named executive officer by the company or one of its subsidiaries in the most recently completed financial year ended May 31, 2024, for services provided, or to be provided, directly or indirectly, to the Company or any of its subsidiaries. As of the financial year ended May 31, 2024, there were 1,400,000 stock options outstanding.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (dd/mm/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security at date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (dd/mm/yy)
<b>Richard Wilson</b> <i>Director, CEO and former President</i>	Stock Option	Nil	-	-	-	-	-
<b>Douglas Eacrett</b> <i>CFO, Secretary and Director</i>	Stock Option	Nil	-	-	-	-	-
<b>William Carr</b> <i>Director</i>	Stock Option	Nil	-	-	-	-	-
<b>Patrick Robinson</b> <i>Director</i>	Stock Option	Nil	-	-	-	-	-

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (dd/mm/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security at date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (dd/mm/yy)
<b>Sherman Dahl</b> <i>Director</i>	Stock Option	Nil	-	-	-	-	-
<b>Raul Sanabria</b> <sup>(2)</sup> <i>Former President and Director</i>	Stock Option	Nil	-	-	-	-	-

**Notes:**

- (1) As of the financial year ended May 31, 2024, Richard Wilson held 750,000 stock options and Douglas Eacrett held 350,000 stock options.
- (2) Raul Sanabria resigned as president and director of the Company in July, 2023.

**Exercise of Compensation Securities**

During the fiscal year ended May 31, 2024, there were no exercises of compensation securities by NEO's or Directors of the Company.

**Equity compensation plans**

The Company has one equity-based compensation arrangement, its stock option plan (the "**Stock Option Plan**"), that is approved each year by Shareholders of the Company. The Stock Option Plan serves the objective of motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Stock Option Plan to purchase shares of the Company. Particulars of the Stock Option Plan are set below herein under "Particulars of Other Matters to be Acted Upon – Stock Option Plan." Stock options are fully vested at the time of grant except options granted to investor relations consultants which under the policies of the TSX Venture Exchange (the "**Exchange**") must not vest more than 25% every three months.

Other than the Stock Option Plan, the Company does not have any share-based award plans in place.

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

The following table sets out particulars of the compensation plans under which equity securities of the Company are authorized for issuance as of May 31, 2024:

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 (excluding securities reflected in column (a)) (c)
<b>Equity compensation plans approved by security holders</b>	1,400,000 <sup>(1)</sup>	--	7,210,847 <sup>(1)</sup>
<b>Equity compensation plans not approved by security holders</b>	Nil	N/A	N/A

**Notes:**

- (1) Represents the Company's Stock Option Plan.

**Pension Plan Benefits**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

**Termination and Change of Control Benefits**

During the year ended May 31, 2024, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in an NEO's responsibilities.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than "routine indebtedness" as defined in applicable securities legislation, since the beginning of the last fiscal year of the Company, none of the executive officers, directors or employees, any former executive officers, directors or employees of the Company, or any proposed nominee for election as a director, or any affiliate or associate of any of the foregoing, is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries. "Support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

**MANAGEMENT CONTRACTS**

Management functions of the Company are not, to any substantial degree, performed by a person or persons other than the directors or senior officers of the Company.

**CORPORATE GOVERNANCE**

Pursuant to National Policy 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to and hereby discloses its corporate governance practices as follows:

**Board of Directors**

During fiscal year ended May 31, 2024, the Board was comprised of Richard Wilson, William Carr, Douglas Eacrett, Patrick Robinson and Sherman Dahl. Each of William Carr, Patrick Robinson and Sherman Dahl are considered "**independent**" as defined by NP 58-101. Richard Wilson, CEO and Douglas Eacrett, Secretary and CFO of the Company, because of their positions as officers are not considered "**independent**". Raul Sanabria resigned as president and director of the Company in July, 2023 but would not have been considered "**independent**" due to his position as an officer.

The Board facilitates the independent supervision over the Company's management through frequent meetings of the board.

**Directorships**

None of the directors are currently directors of other reporting issuers in any Canadian or foreign jurisdiction.

**Orientation and Continuing Education**

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The board does not provide any continuing education.

### **Ethical Business Conduct**

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

### **Nomination of Directors**

The Board is responsible for identifying individuals qualified to become new board members and recommending to the board new director nominees for the next annual meeting of Shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The compensation practices of the Company with respect to its executive officers and directors is set out herein under the heading "**Statement of Executive Compensation**" above.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the board and its committee.

### **AUDIT COMMITTEE DISCLOSURE**

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 is attached to this Information Circular as Schedule "A" and incorporated by reference herein.

### **RE-APPOINTMENT AND REMUNERATION OF AUDITOR**

The persons named in the enclosed Instrument of Proxy intend to vote for the re-appointment of WDM Chartered Professional Accountants ("WDM"), as the Company's auditor until the next Annual General Meeting of Shareholders at a remuneration to be fixed by the Board. WDM were first appointed auditors on August 21, 2021.

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

Since June 1, 2023, being the commencement of the Company's most recently completed financial year, none of the following persons (the "**Informed Persons**"), except as set out herein and below, has any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or will materially affect the Company:

- (a) any person who has been a director, senior officer or insider of the Company since June 1, 2023;
- (b) any proposed nominee for election as a director of the Company; and
- (c) any associate or affiliate of any of the foregoing persons.

### **Matters to be Acted Upon**

The directors and officers of the Company have an interest in the resolutions concerning the approval of the stock option plan. Otherwise, no director or senior officer of the Company or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted

upon at the said Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company.

### **Material Transactions since June 1, 2023**

#### **Other informed party transactions**

During the financial year ended May 31, 2024, the Company entered into certain transactions with directors and officers, or former directors, of the Company or companies controlled by directors of the Company as follows:

1. Consulting fees of \$45,000 were paid or accrued to Richard Wilson, CEO and a director of the Company;
2. Director's fees of \$7,200 were paid to William Carr, a director of the Company;
3. Consulting fees of \$59,250 were paid or accrued to Douglas Eacrett, CFO and a director of the Company

### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

#### **Stock Option Plan and Incentive Stock Options**

Capitalized terms used and not defined in this Section have such meaning ascribed to it in the policies of the Exchange.

The Company has implemented a 10% rolling Stock Option Plan. Under the policies of the Exchange, a rolling stock option plan, such as the Company's must be approved by Shareholders on a yearly basis. At the Company's last annual general meeting held January 5, 2024, the Stock Option Plan was amended to, among other things, bring the Stock Option Plan in compliance with certain changes to the policies of the Exchange applicable to security-based compensation plans, and the Stock Option Plan was then approved by the Shareholders.

Accordingly, at the Meeting, Shareholders will be asked to pass an Ordinary Resolution to ratify, confirm and re-approve the Stock Option Plan. The Stock Option Plan remains subject to Exchange approval in accordance with its policies. No stock options of the Company may be issued until the Stock Option Plan has been approved by the Exchange. A summary of the material provisions of the Stock Option Plan are as follows:

1. the Stock Option Plan reserves, for issue pursuant to stock options, a maximum number of Common Shares equal to 10% of the outstanding Common Shares of the Company from time to time;
2. an optionee must either be a director, senior officer, employee, management company employee or consultant of the Company at the time the stock option is granted in order to be eligible;
3. the maximum aggregate number of Common Shares issuable pursuant to all security-based compensation (including stock options) granted to any one person in any 12-month period may not exceed 5% of the outstanding Common Shares at the time of grant without Disinterested Shareholder Approval;
4. the maximum aggregate number of Common Shares issuable pursuant to all security-based compensation (including stock options) granted to any one Consultant (as defined by the Exchange) in any 12-month period may not exceed 2% of the outstanding Common Shares at the time of grant;
5. Investor Relations Service Providers (as defined by the Exchange) may not receive any compensation involving the issuance or potential issuance of Common Shares, other than stock options;
6. the aggregate number of Common Shares reserved for issue to insiders must not exceed 10% of the issued Common Shares at any point in time without Disinterested Shareholder Approval;

7. the aggregate number of Common Shares issuable pursuant to all security-based compensation (including stock options) granted to insiders (as a group) in a 12-month period must not exceed 10% of the issued Common Shares, calculated at the time of grant, without Disinterested Shareholder Approval;
8. the Stock Option Plan provides that no stock options may be granted under the Stock Option Plan until the requisite yearly shareholder approval of the Stock Option Plan has been obtained;
9. the exercise price per common share for a stock option shall be determined by the Board and may not be less than the Discounted Market Price (as determined pursuant to the policies of the Exchange), subject to a minimum exercise price of \$0.10;
10. stock options may have a term not exceeding ten years;
11. stock options issued to Investor Relations Service Providers (as defined by the Exchange) must vest such that: (i) no more than  $\frac{1}{4}$  of the stock options vest no sooner than three months after the stock options were granted; (ii) no more than another  $\frac{1}{4}$  of the stock options vest no sooner than six months after the stock options were granted; (iii) no more than another  $\frac{1}{4}$  of the stock options vest no sooner than nine months after the stock options were granted; and (iv) the remainder of the stock options vest no sooner than 12 months after the stock options were granted;
12. other than in the case of (i) death, (ii) termination for cause, or (iii) as a result of prevention by order of a regulatory authority with appropriate jurisdiction, stock options will cease to be exercisable no later than the earlier of the Expiry Date (as defined in the Stock Option Plan) and 90 days after the optionee ceases to be a Director, Officer, Employee, Consultant, or Management Company Employee (each as defined in Stock Option Plan) or for a “reasonable period” (not exceeding 12-months) after the optionee ceases to serve in such capacity, as determined by the Board;
13. stock options are non-assignable and non-transferable;
14. the Stock Option Plan contains a “cashless exercise” provision and a “net exercise” provision. The “cashless exercise” provision provides a mechanism for a brokerage firm to facilitate the exercise of a stock option by loaning funds to the optionee. The “net exercise” provision allows for a method of stock option exercise under which the optionee does not make any payment to the issuer for the exercise of their stock options and receives, on exercise, a number of shares equal to the value (current market price less the exercise price) of the stock option valued at the current market price. The current market price must be the 5-day volume weighted average trading price prior to stock option exercise. The “**net exercise**” provision is not available for use by Investor Relations Service Providers (as defined by the Exchange);
15. the Stock Option Plan contains provisions for adjustment (subject to prior Exchange acceptance, if applicable) in the number of Common Shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the Common Shares, or a stock dividend, arrangement, amalgamation, merger or combination, or other relevant change in the Company’s corporate structure, or any other relevant change in the Company’s capitalization; and
16. Disinterested Shareholder Approval will be obtained for (i) any reduction in the exercise price of, or extension to the term of, a stock option if the optionee is an insider of the Company at the time of the proposed amendment, (ii) for any amendment resulting in a benefit to an insider of the Company, and (iii) for any increase to the limits prescribed by the Stock Option Plan, including any grant that would result in such limits being exceeded, and for any other type of compensation granted through the issuance of Common Shares.

A copy of the Stock Option Plan is available on request from the Company.

The text of the resolution to be passed (the “**Rolling Stock Option Plan Resolution**”) is as follows:

*“BE IT RESOLVED THAT the Company’s rolling Stock Option Plan be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable.”*

In order to pass the Rolling Stock Option Plan Resolution, a majority of the votes cast at the Meeting or in person or by proxy must be voted in favour of the resolution.

**Management recommends that Shareholders approve the Rolling Stock Option Plan Resolution as set out above, and the persons named in the enclosed Proxy intend to vote FOR the foregoing.**

### **Consolidation**

On November 1, 2024, the Company announced it has entered into an amalgamation agreement (the “**Amalgamation Agreement**”) with Terra Rossa Gold Ltd. (“**Terra Rossa**”) pursuant to which the Company will acquire all of the issued and outstanding share capital of Terra Rossa in a reverse-take over transaction (the “**RTO**”).

In accordance with the terms and conditions of the Amalgamation Agreement, subject to Exchange approval, the RTO will be completed by way of a three-cornered amalgamation, whereby, among other things: (i) the Company will complete a consolidation (the “**Consolidation**”) of its issued and outstanding share capital on the basis of one post-Consolidation common share for every 14 pre-Consolidation common shares; (ii) 1460971 B.C. Ltd, a wholly owned subsidiary of the Company incorporated for the purpose of effecting the RTO, will amalgamate with Terra Rossa to form a new amalgamated company (“**Amalco**”); (iii) holders of common shares in the capital of Terra Rossa will receive one post-Consolidation common share in the capital of the Company for each Terra Rossa share held and the Terra Rossa shares will be cancelled; (iv) all issued and outstanding share purchase warrants and stock options exercisable to acquire Terra Rossa shares shall cease to represent a right to acquire Terra Rossa shares and shall provide the right to acquire post-Consolidation shares of the Company; (v) Amalco will become a wholly owned subsidiary of the Company; and (vii) the Company will change its name to “Terra Rossa Gold Ltd.” or such other similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors of the resulting issuer. For additional details regarding Terra Rossa and the proposed RTO, please refer to the Company’s news release dated November 1, 2024.

The principal purpose of the Board in seeking shareholder approval for the Consolidation is to give effect to the RTO, however, in addition, the Board believes, for the reasons listed below, that the Consolidation is in the best interests of the Company and its shareholders. Shareholders are being asked to consider and, if thought fit, to pass an Ordinary Resolution (the “**Consolidation Resolution**”) authorizing the Board, in its sole discretion, to affect the Consolidation and, if necessary, to amend the Company’s Articles and Notice of Articles accordingly. Notwithstanding approval of the Consolidation Resolution by shareholders of the Company, the Board may, in its sole discretion, determine the timing of the Consolidation and whether to revoke this Consolidation Resolution, and abandon the Consolidation Resolution without further approval or action by or prior notice to shareholders.

#### *Principal Effects of the Consolidation*

As the Company currently has an unlimited number of common shares authorized for issuance, the Consolidation will not have any effect on the number of Common Shares that remain available for future issuances.

The Consolidation will not affect any shareholder’s percentage ownership interest or proportionate voting power in the Company prior to giving effect to the RTO, other than as a result of the creation and disposition of fractional share interests as described below. Likewise, all equity awards granted, the number of Common Shares reserved for issuance and any maximum number of Common Shares with respect to which equity awards may be granted to any participant, under the Company’s equity incentive plans, would also be adjusted as a result of the Consolidation, such that the number of Common Shares underlying outstanding options, restricted share units and deferred share units, would be reduced proportionately such that its underlying award value will not change as a result of the Consolidation.

*Risks associated with the Consolidation*

Reducing the number of issued and outstanding Common Shares through the Consolidation is intended, absent other factors, to increase the per share market price of the Common Shares, for the principal purpose of giving effect to the RTO. However, the market price of the Common Shares will also be affected by the Company's financial and operational results, its financial position, including its liquidity and capital resources, the development of its mining projects, general industry conditions including commodity prices, geopolitical developments, the market's perception of the Company's business and prospects giving effect to the RTO and other factors, which are unrelated to the number of Common Shares outstanding.

Having regard to these other factors, there can be no assurance that the market price of the Common Shares will increase following the Consolidation or that the market price of the Common Shares will not decrease in the future and create a minimum price deficiency.

The market price of the Common Shares is expected to be approximately equal to the market price of the Common Shares prior to the Consolidation multiplied by fourteen but there is no assurance that the anticipated market price immediately following the implementation of the Consolidation will be realized or, if realized, will be sustained or will increase. There is a risk that the total market capitalization of the Company's Common Shares (the market price multiplied by the number of Common Shares outstanding) after the Consolidation may be lower than the total market capitalization of the Common Shares prior to the Consolidation.

Although the Company believes that establishing a higher market price for the Common Shares could increase investment interest for the Common Shares by potentially broadening the pool of investors that may consider investing in the Company, including investors whose internal investment policies prohibit or discourage them from purchasing stocks trading below a certain minimum price, increasing analyst and broker interest in the Common Shares and reducing volatility in the trading of the Common Shares, there is no assurance that the Consolidation will achieve this result. Furthermore, in connection with the announcement of the RTO, trading of the Company's Common Shares on the Exchange was halted at market open on October 31, 2024, and as a result, until trading resumes, either in connection with the completion of or the termination of the RTO, there is currently no liquidity of the Common Shares.

If the Consolidation is implemented and the market price of the Common Shares (adjusted to reflect the consolidation ratio) declines, the percentage decline as an absolute number and as a percentage of the Company's overall market capitalization may be greater than would have occurred if the Consolidation had not been implemented. Both the total market capitalization of the Company and the adjusted market price of the Common Shares following the Consolidation may be lower than they were before the Consolidation took effect. Consequently, the reduced number of Common Shares that would be outstanding after the Consolidation is implemented could adversely affect the liquidity of the Common Shares.

The Consolidation will, in all likelihood, result in some shareholders owning "odd lots" of fewer than 100 Common Shares on a post-Consolidation basis. Odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than Common Shares in "board lots". Brokerage commissions and other costs of transactions in odd lots are often higher than the costs of transactions in "round lots" of even multiples of "board lots". Further, because public data feeds that display stock market quotes generally include only standard trading units, odd lot orders and the odd lot portions of mixed lot orders are unable to trade against the displayed liquidity and, thus, are not covered by applicable order protection regulations in Canada that require a sale order to be executed at the best available (i.e., highest) bid price. Accordingly, shareholders selling odd lot shares may do so at a price that is lower than the quoted bid price and may have a reduced ability to ascertain whether or not they are getting the best available price when selling their shares.

A share consolidation may also create an immaterial element of dilution for certain shareholders because the Consolidation is likely to create fractional Common Shares. For more details see Section "*Effects of the Consolidation*".

*Effects of the Consolidation*

If the Consolidation is approved and implemented, its principal effect will be to proportionately decrease the number of issued and outstanding Common Shares by a factor of fourteen. At the close of business on October 30, 2024, being the last trading day of the Company's Common Shares on the Exchange before trading was halted at market open on October 31, 2024 pending announcement of the RTO, the closing price of the Common Shares on the Exchange was \$0.02 and there were 86,108,470 Common Shares issued and outstanding. Based on the number of Common Shares currently issued and outstanding on the Record Date, immediately following the completion of the Consolidation, for illustrative purposes only, the number of Common Shares then issued and outstanding (disregarding any resulting fractional Common Shares) will be as follows:

<b>Share Consolidation Ratio</b>	<b>Common Shares Approximately Outstanding Post-Consolidation</b>
14:1	6,150,605

The Company would not expect the Consolidation itself to have any economic effect on holders of Common Shares or securities exercisable to acquire Common Shares, except to the extent the Consolidation could result in fractional shares (see Section "*No Fractional Shares*" below).

Following the Consolidation and completion of the RTO, the Company would continue to be subject to periodic reporting and other requirements of Canadian securities laws and it is anticipated that the post-Consolidation Common Shares will be listed on Tier 2 of the Exchange categorized as a "mining issuer" under the Policies of the Exchange.

Voting rights and other rights of the holders of Common Shares prior to the implementation of the Consolidation would also not be affected by the Consolidation, other than as a result of the creation and disposition of fractional shares as described below. For example, a holder of 2% of the voting power attached to the outstanding Common Shares immediately prior to the implementation of the Consolidation will generally continue to hold 2% of the voting power attached to the Common Shares immediately after the Consolidation, prior to giving effect to the RTO.

*Effect the Consolidation could have on Share Certificates*

If the Consolidation does occur, registered shareholders who hold at least one new post-Consolidation Common Share would be required to exchange their share certificates representing their pre-Consolidation Common Shares for new share certificates representing their new post-Consolidation Common Shares or, alternatively, a Direct Registration System ("**DRS**") Advice/Statement representing the number of new post-Consolidation Common Shares they hold following the Consolidation. DRS is an electronic registration system which allows shareholders to hold Common Shares in their name in book-based form, as evidenced by a DRS Advice/Statement rather than a physical share certificate.

The transfer agent, Computershare Investor Services Inc., would send each registered shareholder a letter of transmittal that contains instructions on how to surrender common share certificates representing pre-consolidation Common Shares to the transfer agent of the Company. The transfer agent would then send to each registered shareholder who follows the instructions provided in the letter of transmittal, a new share certificate representing the number of new post-Consolidation Common Shares to which the registered Shareholder is entitled, alternatively, a DRS Advice/Statement representing the number of post-Consolidation Common Shares the registered Shareholder holds following the Consolidation. Non-registered shareholders who hold Common Shares through intermediaries (securities brokers, dealers, banks, financial institutions, etc.) would need to contact their intermediaries.

Until surrendered to the transfer agent, each share certificate representing pre-Consolidation Common Shares will be deemed for all purposes to represent the number of post-Consolidation Common Shares to which the registered shareholder is entitled as a result of the Consolidation. Until registered shareholders have returned their properly completed and duly executed letter of transmittal and surrendered their pre-Consolidation share certificate(s) for

exchange, registered shareholders would not be entitled to receive any other distributions, if any, that may be declared and payable to holders of record following the Consolidation.

Any registered Shareholder whose pre-Consolidation certificate(s) have been lost, destroyed or stolen would be entitled to a replacement share certificate only after complying with the requirements that the Company the transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

The method chosen for delivery of share certificates and letters of transmittal to the Company's transfer agent would be the responsibility of the registered shareholder and neither the transfer agent nor the Company will have any liability in respect of share certificates and/or letters of transmittal which are not actually received by the transfer agent. The Company recommends that such certificates and documents be delivered by hand to the transfer agent and a receipt therefor be obtained or, if mailed, that registered mail with return receipt be used and that appropriate insurance be obtained.

*Effect the Consolidation could have on uncertificated shares*

If the Consolidation does occur, the holders of Common Shares who hold uncertificated shares (i.e., shares held in book-entry form and not represented by a physical share certificate), either as registered holders or beneficial owners, would have their existing book-entry account(s) electronically adjusted by the Company's transfer agent or, for beneficial owners, by their brokerage firms, banks, trusts or other nominees that hold in "street name" for their benefit, as the case may be, to give effect to the Consolidation. Such holders would not need to take any additional actions to exchange their pre-Consolidation book-entry shares, if any, for post-Consolidation shares.

*Effect the Consolidation could have on non-registered shareholders*

If the Consolidation does occur, non-registered shareholders holding their Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered shareholders. If you hold your Common Shares through an intermediary, shareholders would be encouraged to contact their intermediary.

*No fractional shares*

If the Consolidation does occur, no fractional Common Shares would be issued pursuant to the Consolidation. As set out in Section 83 of the *Business Corporations Act* (British Columbia) if any fractional shares are to be converted into whole common shares, each fractional common share remaining after conversion that is less than one-half of a common share must be cancelled and each fractional common share that is at least one-half of a common share must be changed to one whole common share.

For the avoidance of doubt, the Company would only be responsible for dealing with fractions arising on registered holdings. For shareholders whose Common Shares are held through an intermediary (a securities broker, dealer, bank or financial institution), the effect of the Consolidation on their individual shareholdings would be administered by the intermediary. The effect would be expected to be the same as for registered shareholders, however, it is the intermediary's responsibility to deal with fractions arising within their customer accounts, and would not be the responsibility of the Company.

*No dissent rights*

Shareholders would not be entitled to exercise any statutory dissent rights in connection with a share consolidation.

*Vote Required and Form of Resolution*

In order to pass the Consolidation Resolution, an Ordinary Resolution of the votes cast at the Meeting or in person or by proxy must be voted in favour of the resolution.

Accordingly, at the Meeting, shareholders will be asked to consider the following resolution:

*“BE IT RESOLVED as an ordinary resolution THAT:*

- 1. Subject to the approval of the TSX Venture Exchange and all other applicable regulatory authorities, the shareholders of the Company hereby approve the consolidation (the “**Consolidation**”) of the issued and outstanding common shares of the Company on the basis of fourteen (14) pre-Consolidation shares for every one (1) post-Consolidation share and further authorize the board of directors of the Company to determine when and if to effect such Consolidation;*
- 2. any fractional common shares resulting from the Consolidation of the common shares of the Corporation shall be converted to whole common shares pursuant to the provisions of section 83 of the Business Corporations Act (British Columbia) such that each fractional common share remaining after conversion that is less than one-half of a common share must be cancelled and each fractional common share that is at least one-half of a common share must be changed to one whole common share;*
- 3. notwithstanding that this resolution has been passed by the shareholders of the Company, the board of directors of the Company may revoke such resolution at any time before it has been effected without further action by the shareholders; and*
- 4. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to execute and deliver all documents and instruments and take such other actions, including making all necessary filings with applicable regulatory bodies and stock exchanges, as such director or officer may determine to be necessary or desirable to implement this ordinary resolution and the matter authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument and the taking of any such action.”*

**Management recommends that Shareholders approve the Consolidation Resolution as set out above, and the persons named in the enclosed Proxy intend to vote FOR the foregoing. The Board recommends a vote “FOR” approval of the Consolidation Resolution and further authorizes the Board to determine when and if to effect such Consolidation.**

If shareholders pass the Consolidation Resolution, and if the Consolidation takes place, the Consolidation will take effect on a date to be coordinated with the Exchange and announced in advance by the Company.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information relating to the Company is provided in the Company’s comparative financial statements and MD&A for the financial year ended May 31, 2024, which are available on SEDAR+. Shareholders may contact the Company to request copies of financial statements and MD&A at its office, 25th floor – 700 W Georgia St., Vancouver, BC V7Y 1B3.

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

#### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

**DIRECTOR APPROVAL**

The contents of this Information Circular and the sending thereof to the Shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, this 19<sup>th</sup> day of December, 2024.

**BAROYECA GOLD & SILVER INC.**

*Signed "Richard Wilson"*

---

Richard Wilson

CEO

## SCHEDULE "A"

### BAROYECA GOLD & SILVER INC.

#### FORM 52-110F2 AUDIT COMMITTEE DISCLOSURE

---

#### ITEM 1: THE AUDIT COMMITTEE'S CHARTER

##### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

##### *Composition*

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in Multilateral Instrument 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in Multilateral Instrument 52-110), then all members 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. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

##### *Meetings*

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

## *Responsibilities and Duties*

To fulfil its responsibilities and duties, the Committee shall:

### 1. Documents/Reports Review

- (a) review and update this Audit Committee Charter annually; and
- (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

### 2. External Auditors

- (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and

- (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### 3. Financial Reporting Processes

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### 4. Other

- (a) review any related-party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.

## **ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE**

During the Fiscal year ended May 31, 2024, the members of the Company's Audit Committee (the "**Committee**") were Messrs. Eacrett, Robinson and Carr. Messrs. Robinson and Carr are considered independent. Mr. Eacrett is the Chief Financial Officer and Secretary of the Company thereby having a material relationship with the Company and is not considered independent. All members of the Committee are considered financially literate. "Independent" and "financially literate" have the meaning used in National Instrument 52-110-Audit Committees (the "Instrument") of the Canadian Securities Administrators.

## **ITEM 3: RELEVANT EDUCATION AND EXPERIENCE**

The members of the Company's audit committee have primarily gained their financial education and experience through their participation in the management of other private and publicly traded companies. Douglas Eacrett and William Carr consider themselves "financially literate", meaning that they have 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 be reasonably expected to be raised by the Company's financial statements. Mr. Eacrett is a Chartered Public Accountant and has been a director of the Company since December 2010 and officer of the Company since December 2011 and strengthens the continuity of the committee with his knowledge of the Company's financial and business history. Mr. Robinson, a Chartered Public Accountant since 1983, has over 30 years experience as an investment advisor ending as Senior Vice President and Managing Director of BMO Nesbitt Burns in Vancouver, B.C. This experience has provided him with the requisite understanding of financial statements. Mr. Carr holds an MBA in finance and has work for over 25 years in the finance and corporate finance industry, primarily by serving as President of his own corporate finance consulting firm, which training and experience has provided him with the requisite understanding of financial statements.

## **ITEM 4: AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, WDM Chartered Professional Accountants) not adopted by the Board.

## **ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or 8 of the Instrument. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Sections 6.1.1(4), 6.1.1(5) and 6.1.1(6) provide exemptions from audit committee composition requirements applicable to venture issuers in certain circumstances. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

## **ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES**

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Committee, on a case-by-case basis.

## **ITEM 7: EXTERNAL AUDITOR 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 aggregate fees charged to the Company by the external auditor in each of the last three fiscal years is as follows:

<b>Financial Year Ending May 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>	<b>Total Fees</b>
2024	\$35,000	Nil	\$3,000	Nil	38,000
2023	\$35,000	Nil	\$3,000	Nil	38,000
2022	\$38,000	Nil	\$3,200 <sup>(1)</sup>	Nil	\$41,200

**Notes:**

- (1) Represents fee for preparation of the 2021 and 2022 T2 Corporate Income Tax returns

**ITEM 8: EXEMPTION**

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.