



ANNUAL GENERAL AND SPECIAL MEETING

OCTOBER 28, 2021



NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

dated September 20, 2021

ABOUT US

K92 Mining owns the Kainantu Gold Mine located in the Eastern Highlands province of Papua New Guinea. The Kainantu Mine is a high-grade, low cost underground mine within a 725-square-kilometre land package in a region known for Tier 1 deposits. K92 has doubled throughput to 400,000 tonnes/year to increase annual production to +120,000 ounces per year.

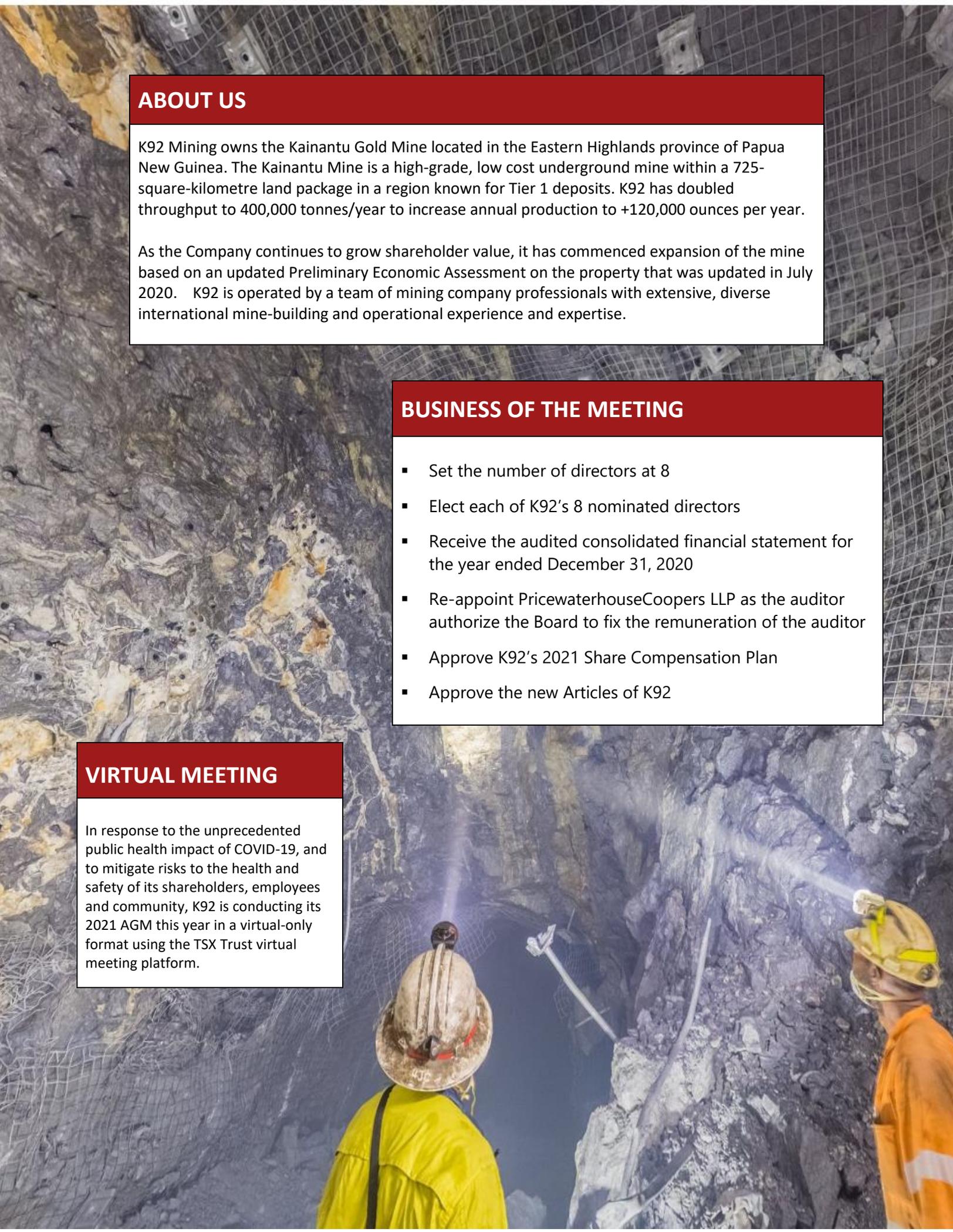
As the Company continues to grow shareholder value, it has commenced expansion of the mine based on an updated Preliminary Economic Assessment on the property that was updated in July 2020. K92 is operated by a team of mining company professionals with extensive, diverse international mine-building and operational experience and expertise.

BUSINESS OF THE MEETING

- Set the number of directors at 8
- Elect each of K92's 8 nominated directors
- Receive the audited consolidated financial statement for the year ended December 31, 2020
- Re-appoint PricewaterhouseCoopers LLP as the auditor authorize the Board to fix the remuneration of the auditor
- Approve K92's 2021 Share Compensation Plan
- Approve the new Articles of K92

VIRTUAL MEETING

In response to the unprecedented public health impact of COVID-19, and to mitigate risks to the health and safety of its shareholders, employees and community, K92 is conducting its 2021 AGM this year in a virtual-only format using the TSX Trust virtual meeting platform.



Management Proxy Information Circular

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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

MEETING INFORMATION

WHEN:

Thursday, October 28, 2021 at 2:00 pm (Pacific Time)

WHERE:

Virtual meeting online at <https://virtualmeetings.tsxtrust.com/1200>
Meeting Password k922021

This year, to mitigate health risks related to the COVID-19 pandemic, K92 will hold its annual and special meeting of shareholders in a virtual only format.

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of K92 MINING INC. (the “**Company**” or “**K92**”) will be held in a virtual only format.

At the Meeting, Shareholders will be asked to:

1. to set the number of directors for the ensuing year at seven (8);
2. to elect the eight director nominees to serve on the Company’s Board;
3. to appoint the PricewaterhouseCoopers as auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
4. to approve the Company’s new Share Compensation Plan;
5. to approve the new Articles of Incorporation of the Company;
6. to receive the consolidated financial statements of the Company for the year ended on December 31, 2020, together with the auditor’s report thereon; and
7. to transact any other business which may properly come before the Meeting or at any adjournment or postponement thereof.

WHO IS ELIGIBLE TO VOTE?

If you were a Shareholder on **September 20, 2021**, you are entitled to receive notice of, and to vote at, the Meeting and at any adjournment or postponement thereof.

Accompanying this Notice are: an Information Circular, a form of Proxy or Voting Instruction Form containing voting instructions from your broker, and a voluntary Mailing List Return Card.

We value your opinion and participation in the Meeting as a shareholder of K92. Please review the accompanying Information Circular before voting as it contains important information about the Meeting. It is important that you exercise your vote, either virtually at the Meeting, on the internet, or by mail, by completing and returning the enclosed Proxy or Voting Instruction Form.

Please note that the Company is not utilizing the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial shareholders.

HOW TO VOTE

If you are a **Registered Shareholder** of the Company who wishes to vote and are unable to attend the virtual Meeting, you must complete, date and sign the accompanying form of proxy and deliver it to the Company's transfer agent, TSX Trust Company ("**TSX Trust**"), by either of the methods below:

Internet: www.voteproxyonline.com

Mail: TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1

Fax: +1 (416) 595-9593

If applicable, please include the **12-digit control number** found on the front of your Proxy.

If you are a **Non-Registered Shareholder** (as defined in the accompanying Information Circular), please follow the instructions contained in any voting instruction form provided to you by your broker, investment dealer or other intermediary. If you received a Voting Instruction Form ("VIF"), you are a Non-Registered Shareholder that holds your common shares through a broker, investment dealer or other intermediary and must provide your instructions as specified in the VIF in sufficient time prior to the proxy deadline.

A Shareholder who wishes to appoint a person other than the management nominees identified on the Proxy or VIF (including a Beneficial Shareholder who wishes to appoint themselves to attend) must carefully follow the instructions in the Information Circular and on their Proxy or VIF. These instructions include the additional step of registering such proxy holder with our transfer agent, TSX Trust, after submitting their Proxy or VIF. In order to register a proxyholder, whether yourself or a third party, shareholders **MUST** email TSX Trust at tmxeinvestorservices@tmx.com with their proxyholder's contact information, so that TSX Trust may provide the proxyholder with a Control Number via email. **Failure to register the proxy holder with TSX Trust will result in the proxy holder not being able to participate in voting the Meeting and only being able to attend as a guest.**

VOTING DEADLINE

To be eligible for voting at the Meeting, the form of Proxy or VIF must be returned to or deposited with TSX Trust **no later than 2:00 p.m. (Pacific time) on October 26, 2021**, or if the Meeting is adjourned or postponed, at least 48 business hours (where "business hours" means hours on days other than a Saturday, Sunday or any other holiday in British Columbia) before the time on the date to which the Meeting is adjourned or postponed.

Dated at Vancouver, British Columbia this 20th day of September, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"John Lewins"

John Lewins
Chief Executive Officer

If you have any questions or need assistance completing your form of proxy or voting instruction form, please contact Laurel Hill Advisory Group:

Telephone: 1-877-452-7184 toll-free in North America +1-416-304-0211 outside of North America	Email: assistance@laurelhill.com
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LETTER TO SHAREHOLDERS

September 20, 2021

Dear Fellow K92 Mining Shareholders,



On behalf of the Board of Directors, we would like to invite you to our 2021 Annual General Meeting of Shareholders taking place on Thursday, October 28, 2021, at 2:00 pm Pacific Time. For the second consecutive year, in the interest of the continued health and safety of our directors, employees and shareholders, the Board has elected to conduct the shareholder meeting virtually. We invite shareholders to vote their shares in advance of the meeting and to join us virtually at the AGM. We want to hear from you and have provided the details on our website and in the accompanying meeting materials.

The outbreak of the COVID-19 pandemic made 2020 one of the most challenging years the world has faced in recent history. The pandemic created unprecedented challenges, and no country, no industry and no company has been immune from the impact.

Despite the myriad of challenges which our Company and industry faced during the year, 2020 represented a transformational year for K92 on multiple fronts. On safety, the Kainantu Gold Mine in Papua New Guinea (“PNG”) delivered one of the best safety records in the Australasia region with a lost time frequency incident rate of 0.35 per 1 million total hours worked. Additionally, measures were taken to improve our resiliency to the COVID-19 pandemic early on, allowing the operation to operate continuously throughout 2020 while also supporting PNG’s efforts to combat COVID-19 by setting up a 1.5 million PGK (~US\$440,000) Assistance Fund.

Operationally, the Kainantu Gold Mine delivered record throughput, production and development, and finished the year with record production of 29,820 ounces gold equivalent (“AuEq”) in the fourth quarter. Four key production growth milestones were delivered in 2020:

- Updated a mineral resource estimate for Kora in 2Q 2020, documenting Measured and Indicated Resources of 1.1 million ounces at 10.45 g/t gold equivalent AuEq and an Inferred resource of 3.7 million ounces at 9.01 g/t AuEq, representing a +180% and +50% increase, respectively, from the previous mineral resource estimate⁽¹⁾;
- Commissioned the Stage 2 Plant Expansion to double mill throughput to 400,000 tonnes per annum in late 3Q 2020;
- Commenced development of the twin incline, with a designed throughput capacity of 2 million tonnes per annum or 3 million tonnes per annum with conveyors; and
- Completed the Kora Stage 3 Expansion Preliminary Economic Assessment (“PEA”), outlining a Tier 1 asset at 1 million tonnes per annum throughput, producing approximately 318,000 ounces per annum AuEq over a long 12-year mine life with a life of mine average all-in sustaining costs of \$362/oz Au and capital costs funded from mine cash flow at \$1,500/oz gold prices⁽¹⁾.

On exploration, the number of drill rigs in 2020 doubled from 5 to end the year with 10 rigs. This has increased not only the rate of drilling but also our capacity to drill multiple high-grade vein and porphyry targets concurrently. High-grade exploration results were delivered from the Kora, Judd and Karempa vein systems, highlighting the significant exploration potential of the vein field. It is important to note that only ~20% of known vein field strike length has been drill tested with the system also largely open at depth. The Phase 2 drill program for the Blue Lake copper-gold porphyry target commenced in the second half of 2020. We will continue to expand our drilling capacity

rigs through 2021, with all our exploration and production growth activities funded from internal cash flow generation.

Multiple initiatives to support the prosperity and development of the people of PNG were also advanced in 2020. Community business development and infrastructure programs were expanded, covering health, literacy, education, roads, water supply, women empowerment programs, business joint ventures, and local supplier engagements. Employment was significantly increased as a result of the Stage 2 Plant Expansion, with the vast majority being PNG nationals, particularly from local landowners. Environmental programs were expanded, including tree planting and support for community agriculture programs. With most of our power coming from hydroelectricity and Kainantu being a relatively low-throughput, high grade underground operation, our carbon footprint is among the lowest in the industry. K92 also delivered its first corporate income tax payments only 2 years after declaring commercial production, significantly ahead of schedule and becoming major taxpayer in PNG's resource sector.

These achievements would be considered excellent in any year, but in the challenging COVID-19 pandemic environment, they are extraordinary. The commitment and resourcefulness of our workforce during this time has been exemplary, and employment turnover was also very low at 10%. The Government of Papua New Guinea has also been very supportive throughout, and their support continues to be a major factor in our success.

Looking ahead, we believe that the prospects for K92 are robust, with growing production and rapidly accelerating exploration activities. These prospects, in conjunction with very strong gold macroeconomic and geopolitical trends, in our view, make gold an even more important asset class for investors. The positive outlook for copper, driven by increased industrial activity and long-term electrification trends is also very promising and potentially a factor going forward. Copper by-products from vein field production is notable, but more importantly, exploration activities at copper-gold porphyry targets, particularly Blue Lake, provide investors with the potential for profound copper-gold exposure.

The Board of Directors and I thank you for your continued support of and interest in K92 Mining.

Sincerely,

"John D. Lewins"

John D. Lewins
Chief Executive Officer and Director

(1) Mineral Resource Estimate and PEA are included in a technical report titled, "Revised Independent Technical Report, Mineral Resource Estimate Update and Preliminary Economic Assessment for Expansion of the Kainantu Mine to Treat 1 Mtpa from the Kora Gold Deposit, Kainantu Project, Papua New Guinea" with an effective date of April 2, 2020.

(2) Andrew Kohler, PGeo, Mine Geology and Mine Exploration Manager of K92, a qualified person under the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has reviewed and is responsible for the technical content of the Letter to Shareholders.



2021 MANAGEMENT INFORMATION CIRCULAR

(as at September 20, 2021, unless otherwise indicated)

You have received this management information circular because you owned K92 common shares as of the close of business on **September 20, 2021** (the “**Record Date**”) and have the right to vote at our annual general and special meeting.

Management of K92 is soliciting your proxy for the virtual annual general and special meeting of shareholders to be held on **Thursday, October 28, 2021**.

YOUR VOTE IS **IMPORTANT**. PLEASE READ THIS CIRCULAR CAREFULLY AND THEN VOTE YOUR SHARES, EITHER BY PROXY OR AT THE VIRTUAL MEETING.

GENERAL PROXY INFORMATION

Solicitation

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies being made by the management of K92 Mining Inc. (the “**Company**”, “**K92**”, “**we**”, “**us**” or “**our**”) for use at our virtual Annual General and Special Meeting of Shareholders (the “**Meeting**”) and any adjournment or postponement thereof. The solicitation of proxies is being made primarily by mail. The cost of preparing and distributing Meeting materials and the cost of soliciting proxies will be paid by the Company.

The Company has retained Laurel Hill Advisory Group as its proxy solicitation agent to assist it in communicating with Shareholders in connection with the Meeting. In connection with these services, Laurel Hill Advisory Group will receive a fee of \$55,000, plus reasonable out-of-pocket expenses. If you have any questions regarding the Meeting, or if you require assistance with voting, you may contact Laurel Hill Advisory Group at 1-877-452-7184 (toll-free in Canada and the United States (“U.S.”)) or 1-416-304-0211 (other countries) or by email to assistance@laurelhill.com.

Vote using the following methods prior to the Meeting.	 Internet	 Telephone or Fax	 Mail
Registered Shareholders <i>Shares held in own name and represented by a physical certificate.</i>	www.investorvote.com	Telephone: 1-866-732-8683 Fax: 1-866-249-7775	Return the form of proxy in the enclosed postage paid envelope.
Non-Registered Shareholders <i>Shares held with a broker, bank, or other intermediary.</i>	www.proxyvote.com	Call or fax to the number(s) listed on your voting instruction form.	Return the voting instruction form in the enclosed postage-paid envelope.

K92’s directors, officers and employees, or representatives of Laurel Hill Advisory Group, our strategic advisor and proxy solicitation agent, may contact you by mail or phone to encourage you to vote.

This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such a solicitation.

This Information Circular describes the matters of business to be covered at the Meeting and how registered shareholders (“**Registered Shareholders**”) and non-registered shareholders (“**Non-Registered Shareholders**”) may vote.

Meeting Time, Date and Location

The Meeting will be held in a virtual format only on Thursday, October 28, 2021, at 2:00 p.m. (Pacific Time) for the purposes set forth in the accompanying Notice of Annual General and Special Meeting (the “**Notice of Meeting**”).

Due to the ongoing public health concerns related to the COVID-19 pandemic, and to ensure the health and well-being of our shareholders, employees, communities and other stakeholders, our board of directors (the “**Board**”) and management have decided to conduct the Meeting virtually, using the meeting platform of the TSX Trust Company (“**TSX Trust**”) <https://virtualmeetings.tsxtrust.com/1200>. Registered Shareholders and duly appointed proxyholders will be able to vote in real time and ask questions at the Meeting by following the instructions set out in this Information Circular. Non-registered shareholders who have not duly appointed themselves as proxyholders may attend the Meeting as guests. Guests may listen but cannot vote at the Meeting or ask questions. We firmly believe that a virtual Meeting gives all shareholders an equal opportunity to participate, regardless of their geographic location or the particular constraints, circumstances or health risks they may be facing.

For details on how access to the virtual Meeting, see “*Attending and Voting Virtually at the Meeting*” on page 11.

As a shareholder of the Company, you have the right to vote your common shares (the “**Shares**”) on all items that come before the Meeting. We strongly encourage you to vote your Shares by proxy prior to 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.

Currency

All dollar amounts are expressed in United States dollars unless otherwise indicated. The use of the symbol “\$” refers to US dollars, the use of the symbol “CAN\$” refers to Canadian dollars, the use of the symbol “AUS\$” refers to Australian dollars, and the use of the symbol “PGK” refers to the Papua New Guinean kina.

Date of Information

All information set out in this Information Circular is as at September 20, 2021 (the Record Date) unless otherwise noted.

Delivery of Meeting Materials to Registered and (Beneficial) Shareholders

These Meeting materials are being sent by mail to Registered Shareholders and Non-Registered Shareholders. If you are a Non-Registered Shareholder, and you have received these materials directly, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding your Shares.

Please note that the Company is not utilizing the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial shareholders.

The Company has agreed to pay to distribute the proxy-related materials to the objecting beneficial shareholders.

Shares represented by a properly executed proxy in favour of persons proposed by Management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and

- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL, YOUR SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

VOTING SECURITIES AND PRINCIPAL HOLDERS

Record Date

The Board has fixed September 20, 2021 as the Record Date for the purpose of determining shareholders entitled to receive the Notice and vote at the Meeting. Only those holders of Shares as of the Record Date, or their duly appointed proxyholders, are entitled to attend and vote at the Meeting.

A holder of record of one or more Shares on the securities register of the Company on the Record Date who either attends the Meeting personally or deposits a proxy form in the manner and subject to the provisions described in this Information Circular will be entitled to vote or to have their Shares voted at the Meeting, except when:

- (a) the Shareholder has transferred the ownership of any Shares after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Shares and makes a request to TSX Trust no later than ten (10) days before the Meeting that the transferee's name be included in the list of Shareholders of the Company.

Voting Shares Outstanding

Our Shares trade on the Toronto Stock Exchange ("TSX") under the trading symbol "KNT".

The Company has an authorized share structure consisting of an unlimited number of Shares without par value, and an unlimited number of Preferred shares (the "Preferred Shares") without par value. The holders of Shares and Preferred Shares are entitled to receive notice of, and to attend all meetings of shareholders and to have one vote for each Share and Preferred Share held, except to the extent specifically limited by the *Business Corporations Act* (British Columbia) (the "BCBCA").

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll, every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Share.

As of the close of business on the Record Date, the Company had outstanding (i) 222,426,497 fully paid and non-assessable Shares without par value, and (ii) Nil Preferred Shares outstanding.

Owners of 10% or More Shares

To the knowledge of the directors and officers of the Company, as at the Record Date, the only person or company who owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights of the Shares is set forth below.

Name	Number of Shares	Percentage of Outstanding
Van Eck Associates Corporation	23,913,389 ⁽¹⁾	10.75% ⁽²⁾

Notes:

- (1) Based on the most recent alternative monthly reporting system report filed under the Company's SEDAR profile.
- (2) On a non-diluted basis.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed in this Information Circular, no person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditor. Directors and executive officers may, however, have an interest in the approval of the Share Compensation Plan of the Company (as defined below) as detailed in “*Business of the Meeting - Share Compensation Plan*”.

For the purpose of this section, “person” includes each person or company: (a) who has been a director or executive officer of the Company at any time since the commencement of the Company’s last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person or company included in subparagraphs (a) or (b).

VOTING INFORMATION

All shareholders are advised to carefully read the voting instructions below that are applicable to them.

Who can vote?

How you can vote depends on if you are a **Registered Shareholder** or a **Non-Registered Shareholder**. The different voting options are summarized below, and more detail is provided in the following section.

Please follow the appropriate voting option based on whether you are a Registered or Non-Registered Shareholder:

- You are a **Registered Shareholder** if your name appears on your K92 share certificate(s), or your Shares are registered in your name on the K92 share registry with TSX Trust Company.
- You are a **Non-Registered Shareholder** if your shares are registered in the name of a bank, trust company, securities broker, trustee or other financial institution or nominee on your behalf (**Intermediary**).

If you are unsure if you are a Registered Shareholder or a Non-Registered Shareholder as of the Record Date, you may contact Laurel Hill Advisory Group, the proxy solicitation agent, by telephone at 1-877-452-7184 (Toll Free) or 416-304-0211 (Outside North America); or by email at assistance@laurelhill.com.

If you are a Registered Shareholder at the close of business on September 20, 2021, you, or the person you have appointed as your proxyholder can attend and vote at the Meeting (which this year will be virtual and online) or any adjournment or postponement thereof. **Please see “Registered Shareholders Voting Options” below.**

If you are a Non-Registered or beneficial Shareholder at the close of business on September 20, 2021, you have the ability to vote at the Meeting by providing voting instructions to your intermediary, or virtually as proxy for yourself. **Please see “Non-Registered Shareholders Voting Options” on page 10.**

Registered Shareholders Voting Options

Registered Shareholders Option 1 – Voting by Proxy

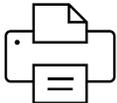
Voting by proxy is the easiest way to vote. By completing and returning your proxy form, you are authorizing your proxyholder to vote your Shares at the Meeting, or withhold your vote, according to your instructions. The individuals named in the accompanying form of proxy are directors or officers of the Company (the “Management

Proxyholders”). Unless otherwise noted, the following instructions assume that you are appointing the Management Proxyholders as your proxy.

If there are other items of business that properly come before the Meeting, or amendments or variations to the items of business, your proxyholder has the discretion to vote your Shares as he or she sees fit. It is important that you provide voting instructions with your proxy. If you appoint the Management Proxyholders but do not tell them how to vote, your Shares will be voted FOR each of the items of business currently proposed for the Meeting.

A proxy will not be valid unless it is dated and signed by you, as the Registered Shareholder, or by your attorney with proof that they are authorized to sign, and completed according to the instructions set out in the proxy form. If you represent a Registered Shareholder who is a company or association, your proxy should have the seal of the company or association, if applicable, and must be executed by a duly authorized officer or an attorney. If you execute a proxy as an attorney for a Registered Shareholder who is an individual, or as an officer or attorney of a Registered Shareholder who is a company or association, you must include the original authorization, or a notarized copy of the written authorization for the officer or attorney, with your proxy form.

Registered Shareholders who wish to submit a proxy may do so by returning a completed, dated and signed Proxy to the Company’s transfer agent, TSX Trust Company, prior to the cut-off time of 2:00 pm (Pacific Time) on October 26, 2021, by either of the methods shown below:

	<p>Mail or courier</p> <p>Complete your proxy form, sign and date it, and send it to TSX Trust in the envelope provided to the address below.</p> <p>TSX Trust Company 301 – 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1</p>
	<p>Internet</p> <p>Go to www.voteproxyonline.com and follow the instructions on screen. If you vote using the internet, you will need your 12-digit control number, which appears in the bottom of the first page of your proxy.</p>
	<p>Fax</p> <p>Complete your proxy form, sign and date it, and send it by fax to +1-416-595-9593.</p>
	<p>Appoint another person to attend the Meeting virtually and vote your Shares on your behalf</p> <p>You can appoint a person other than the Management Proxyholders to attend the Meeting and vote on your behalf. If you want to appoint someone else as your proxyholder, strike out the names of the Management Proxyholders in the enclosed proxy form and print the name of the person that you want to appoint as your proxyholder in the space provided. This person does not need to be a K92 shareholder. Complete your voting instructions, sign and date the proxy form, and return your proxy form to TSX Trust using one of the methods noted above.</p> <p>You or your appointee must then register with TSX Trust in advance of the Meeting by emailing to tsxtrustproxyvoting@tmx.com a completed "Request for Control Number" form, which can be found here https://tsxtrust.com/resource/en/75. TSX Trust will provide the appointee with a Control Number by e-mail after the voting deadline has passed.</p> <p>Please refer to “Appointing a Proxyholder to Vote at the Meeting” below.</p>

Registered Shareholder Proxy Voting Cut-off Time

A proxy will not be valid unless completed, dated and signed and received by TSX Trust no later than 2:00 p.m. (Pacific time) on October 26, 2021, or if the Meeting is adjourned or postponed, at least 48 business hours (where "business hours" means hours on days other than a Saturday, Sunday or any other holiday in British Columbia) before the time on the date to which the Meeting is adjourned or postponed. If not dated, the proxy will be deemed to have been dated the date it is mailed to TSX Trust.

Registered Shareholders Option 2 – Voting by Attending the Virtual Meeting and Voting Online



The Meeting will be hosted virtually by a live audiocast starting at **2:00 p.m. (Pacific Time) on October 28, 2021**. To participate online, Registered Shareholders must have a valid 12-digit control number and appointed proxyholders must be registered with and have received login credentials for the Meeting from TSX Trust Company.

Please refer to “Attending and Voting Virtually at the Meeting” on page 112 for instructions on how to access the virtual Meeting.

Non-Registered Shareholders Voting Options

The information set forth in this section is of significant importance to many K92 Shareholders, as a substantial number of K92 Shareholders are Non-Registered Shareholders whose Shares are not registered in their own names.

A person or company is not a Registered Shareholder if Shares that are held on behalf of the person or company (the “**Non-Registered Shareholder**”) are registered in the name of an intermediary (“**Intermediary**”) that the Non-Registered Shareholder deals with regarding the 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 in the name of a clearing agency (such as The Canadian Depository of Securities Limited) of which the intermediary is a participant. Typically, Intermediaries will use a service company (such as Broadridge Investor Communications) to forward meeting materials to Non-Registered Shareholders.

Non-Registered Shareholders Option 1 – Voting by Proxy

Voting by proxy or using the voting instruction form is the easiest way to vote. By completing and returning the voting instruction form (VIF) or form of proxy according to the instructions on the VIF, you are advising your Intermediary how you would like your Shares voted for the Meeting.

You should receive from your Intermediary either a VIF, which is not signed by the Intermediary, or a pre-authorized form of proxy indicating the number of Shares to be voted that has already been signed by the Intermediary. Your Intermediary must ask for your voting instructions before the Meeting.

Your Intermediary will have its own procedures that you should carefully follow to ensure your Shares are voted on your behalf by your Intermediary at the Meeting. Please be aware that the deadline for submitting your voting instruction form or form of proxy to your Intermediary may be earlier than the deadlines for Registered Shareholders set out above. Your voting instructions must be received in sufficient time to allow your instructions to be forwarded by your Intermediary to TSX Trust for receipt at least 48 hours before the Meeting, or its postponement or adjournment.

Most brokers delegate responsibility for obtaining instructions from clients to Broadridge in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's proxy to represent your Shares at the Meeting. The completed VIF must be returned by mail (using the return envelope provided) or by facsimile. Alternatively, Non-Registered Shareholders may call a toll-free number or go online to www.proxyvote.com to vote. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Shares to be represented at the Meeting and the appointment of any Shareholder's representative.

The Company may utilize Broadridge's **QuickVote™** system to assist Shareholders with voting their Shares. Certain Non-Registered Shareholders who have not objected to the Company knowing who they are (non-objecting beneficial owners or "NOBOs") may be contacted by Laurel Hill, which is soliciting proxies on behalf of management of the Company, to conveniently obtain a vote directly over the phone.

A Non-Registered Shareholder who receives a VIF or form of proxy cannot use that form to vote Shares directly at the Meeting. The VIF or form of proxy must be returned following the instructions set out on the form well in advance of the Meeting in order to have the Shares voted at the Meeting on your behalf.

Non-Registered Shareholders Option 2 – Attending and Voting at the Virtual Meeting

ONLY REGISTERED SHAREHOLDERS OR DULY APPOINTED PROXYHOLDERS ARE PERMITTED TO VOTE AT THE MEETING. MOST SHAREHOLDERS OF THE COMPANY ARE NON-REGISTERED SHAREHOLDERS BECAUSE THE SHARES THEY OWN ARE NOT REGISTERED IN THEIR NAMES BUT ARE INSTEAD REGISTERED IN THE NAME OF THE BROKERAGE FIRM, BANK OR TRUST COMPANY (INTERMEDIARY).

If you are a Non-Registered Shareholder and wish to attend and vote at the Meeting instead of by proxy, you must insert your name (or the name of another person as you wish to attend and vote on your behalf) in the blank space provided for that purpose on the VIF and return the completed VIF as per the instructions set out on the VIF.

You or your appointee **must** then register with TSX Trust in advance of the Meeting by emailing to tsxtrustproxyvoting@tmx.com a completed "Request for Control Number" form, that can be found here <https://tsxtrust.com/resource/en/75>. TSX Trust will provide the appointee with a Control Number by e-mail after the voting deadline has passed. If you or your appointee is approved as a proxyholder, you will need to attend the Meeting for your votes to be counted.



The Meeting will be hosted virtually by a live audiocast starting at **2:00 p.m. (Pacific Time) on October 28, 2021**. To participate online, Non-Registered Shareholders must have received from TSX Trust Company a valid 12-digit control number and login credentials for the Meeting.

Please refer to "Attending and Voting Virtually at the Meeting" for instructions on how to access the virtual Meeting.

Attending and Voting Virtually at the Meeting

The Meeting will be hosted virtually. Shareholders and duly appointed proxyholders may attend via live audio webcast at <https://virtual-meetings.tsxtrust.com/1200> (Password **k922021**).

In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), shareholders **MUST** have a valid **Control Number**.

The virtual Meeting will give you the opportunity to attend the Meeting online, using your computer, smartphone or tablet. You will be able to view a live webcast of the Meeting, ask the Board questions and submit your votes in real time.

The Meeting will begin promptly at **2:00 p.m. (Pacific Time) on October 28, 2021**. Online check-in will begin starting 15 minutes prior, at 1:45 p.m. Shareholders and duly appointed proxyholders should allow ample time for online check-in procedures.

Registered Shareholders and duly appointed proxyholders can attend and vote at the Meeting virtually by following the steps listed below:

1. At least 15 minutes before the start of the Meeting, type in <https://virtual-meetings.tsxtrust.com/1200> on your browser (**do not use Internet Explorer**).
2. Click on **"I have a control number"**.
3. Enter your 12-digit **control number** (found on your proxy form).
4. Enter the password: **k922021** (case sensitive).
5. When the ballot is opened on the screen, click on the **"Voting"** icon.
6. To vote, simply select your voting direction from the options shown on screen, then click **Submit**.
7. A confirmation message will appear to show your vote has been received.

The live audio webcast will enable Registered Shareholders to listen to the Meeting, submit questions, and vote online. Questions about a motion can be submitted by any Registered Shareholder using the instant messaging service of the virtual interface.

If you are a **K92 Registered Shareholder and you want to appoint someone else as your proxyholder** (other than the Management Proxyholders designated in the proxy) to vote online at the Meeting, you may do so either by inserting the name of that other person in the blank space provided in the proxy or by completing and delivering another suitable form of proxy to TSX Trust. You or your appointee must then register with TSX Trust in advance of the Meeting by emailing to tsxtrustproxyvoting@tmx.com a completed "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>. TSX Trust will provide the proxyholder with a Control Number by e-mail after the voting deadline has passed.

Non-Registered Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:

1. In advance of the Meeting, appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or voting instruction form (VIF).
2. Sign and send the proxy form or VIF to your intermediary, following the submission instructions on the VIF.
3. Obtain a control number by sending to TSX Trust Company by email (tsxtrustproxyvoting@tmx.com) the **"Request for Control Number"** form, which can be found here <https://tsxtrust.com/resource/en/75>.
4. At least 15 minutes before the start of the Meeting, type in <https://virtual-meetings.tsxtrust.com/1200> on your browser (**do not use Internet Explorer**).
5. Click on **"I have a control number"**.
6. Enter the 12-digit control number (on your proxy form).
7. Enter the password: **k922021** (case sensitive).
8. When the ballot is opened on the screen, click on the **"Voting"** icon.
9. To vote, simply select your voting direction from the options shown on screen, then click **Submit**.
10. A confirmation message will appear to show your vote has been received.

Non-Registered U.S. Shareholders Notwithstanding the foregoing, Non-Registered Shareholders located in the United States will generally have to first obtain a valid legal proxy from their intermediary and will need to submit such legal proxy to TSX Trust Company at 301- 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 or by email to tsxtrustproxyvoting@tmx.com. For further details, Non-Registered Shareholders located in the United States should contact their intermediary directly. Additionally, requests for registration from Non-

Registered Shareholders located in the United States that wish to attend and vote at the Meeting online must be deposited with TSX Trust Company by visiting <https://tsxtrust.com/resource/en/75> on or before 2:00 p.m. (Vancouver time) on October 28, 2021. Once such legal proxy is deposited with TSX Trust Company in accordance with these instructions, the Shareholder should receive from TSX Trust Company a control number via email shortly after this deadline and may then proceed with following instructions 4, 5, and 6 above.

If a Non-Registered Shareholder does not comply with these requirements, such Non-Registered Shareholder will be able to attend the Meeting online as a guest but will not be able to vote or ask questions at the Meeting online.

The live audio webcast will enable duly appointed proxyholders to listen to the Meeting, submit questions, and vote online. Questions about a motion can be submitted by any duly appointed proxyholder using the instant messaging service of the virtual interface.

Guests and Non-Registered Shareholders who have not duly appointed themselves as proxyholders may attend the Meeting virtually as guests, but will not have the ability to vote virtually or ask questions. Guests and Non-Registered Shareholders, may attend the Meeting by following the steps listed below:

1. Before the start of the Meeting, type in <https://virtual-meetings.tsxtrust.com/1200> on your browser (**do not use Internet Explorer**).
2. Click on “I am a guest”.
3. Complete the online form to access the Meeting.

The live audio webcast will enable Guests and Non-Registered Shareholders to listen to the Meeting.

Technical

The Meeting platform is supported across browsers and devices running the most updated version of applicable software plug-ins. Shareholders and duly appointed proxyholders should ensure they have a strong, preferably highspeed, internet connection wherever they intend to participate in the Meeting. For any technical difficulties experienced during the check-in process or during the Meeting, **please refer to the virtual meeting guide insert, which outlines the instructions for attending the Meeting virtually.**

If you have any questions or require further information with regard to voting your Shares, please contact Laurel Hill Advisory Group, the proxy solicitation agent, by telephone at 1-877-452-7184 (Toll Free) or 416-304-0211 (Outside North America); or by email at assistance@laurelhill.com.

It is important that you or your proxyholder are always connected to the internet during the Meeting to ensure you are able to vote when required. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

Appointing a Proxyholder to Vote at the Meeting

The persons named as proxyholders in the accompanying form of proxy are directors or officers of the Company (the “**Management Proxyholders**”). A shareholder has the right to appoint as proxyholder a person other than the persons whose names are printed as proxyholders in the accompanying form of proxy.

A proxyholder is the person you appoint to act on your behalf at the Meeting (including any postponement or adjournment of the Meeting) and to vote your Shares. You may choose anyone to be your proxyholder, including someone who is not a shareholder of K92. Simply fill in the proxyholder's name in the blank space provided on the form of proxy mailed to you. If you leave the space in the form of proxy blank, the persons designated in the proxy or voting instruction form (VIF) are appointed to act as your proxyholder.

The following applies to shareholders who wish to appoint a person (a "**third-party proxyholder**"), other than the management nominees set forth in the form of proxy or VIF, as proxyholder, including Non-Registered Shareholders who wish to appoint themselves as proxyholder to participate or vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to participate or vote at the Meeting as their proxy and vote their Shares MUST submit their proxy or VIF (as applicable) appointing the third-party proxyholder AND register the third-party proxyholder, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Control Number to attend, participate or vote at the Meeting.

- **STEP 1:** Submit your proxy or VIF: To appoint a third-party proxyholder, insert the person's name in the blank space provided in the form of proxy or VIF (if permitted) and follow the instructions for submitting the proxy or VIF.
- **STEP 2:** Register your proxyholder: The person you appoint as proxyholder MUST contact TSX Trust at tsxtrustproxyvoting@tmx.com to request a control number to be represented or voted at the Meeting. TSX Trust will provide the proxyholder with a Control Number by e-mail after the voting deadline has passed. Without the control number, proxyholders will not be able to participate or vote at the Meeting. It is the responsibility of the shareholder to advise their proxy (the person they appoint) to contact TSX Trust to request a control number.

If you are a Non-Registered Shareholder and wish to attend, participate and vote at the Meeting, you must insert your own name in the space provided on the VIF sent to you by your Intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described above. By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary. Please also see further instructions under the heading "*Attending and Voting Virtually at the Meeting*".

Revocation or Change of Proxies

Any Registered Shareholder who has returned a proxy may revoke it at any time before it is used by:

- Submitting a new completed proxy form that is dated later than your original proxy and is received by TSX Trust by the proxy voting cut-off time of 2:00 p.m. (Pacific Time) on October 26, 2021, or, in the case of an adjournment or postponement of the Meeting, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to such reconvened Meeting;
- Voting during the Meeting by logging into the Meeting following the procedures described above (if you login using the 12-digit control number on your proxy form you will revoke all previously submitted proxies and be able to vote by ballot at the Meeting);
- Submitting to the Company's Corporate Secretary at 488, 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, or to TSX Trust Company 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, or by fax to +1-416-595-9593, a written notice of revocation signed by you or your duly authorized attorney ("**Revocation Notice**") and stating that you want to revoke your proxy, any time up to and including the last business day before the day of the Meeting, or the day the Meeting is reconvened if it was postponed or adjourned; or
- Any other manner permitted by law.

If you represent a Registered Shareholder who is a company or association, your Revocation Notice must have the seal of the company or association, if applicable, and must be executed by an officer of the company or an attorney who has written authorization. The written authorization must accompany the Revocation Notice.

If you are a Non-Registered Shareholder who has voted by proxy through your Intermediary and would like to change or revoke your vote, contact your Intermediary to discuss whether this is possible and what procedures you need to follow. The change or revocation of voting instructions by a Non-Registered Shareholder can take several days or longer to complete and, accordingly, any such action should be completed well in advance of the deadline given in the proxy or voting instruction form by the Intermediary or its service company to ensure it is effective.

QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS

Pursuant to the articles of the Company (the “**Articles**”), a quorum for the transaction of business at any meeting of Shareholders is one person present or represented by proxy. Under the BCBCA and pursuant to the Articles, a majority of not less than two-thirds (2/3) of the votes cast at the Meeting is required to pass all special resolutions.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass a special resolution approving the adoption of new Articles. See “*Approval and Adoption of New Articles for the Company*” below.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass ordinary resolutions to: (i) elect eight (8) directors to the Board; (ii) appoint an auditor and to authorize the directors to fix the auditor’s remuneration; (iii) approve the Company’s Share Compensation Plan; and (iv) approve any other business that properly comes before the Meeting.

Processing the Votes

Our transfer agent, TSX Trust Company, or its authorized agents count and tabulate the votes on our behalf. We will announce the voting results of the Meeting by press release after the Meeting.

BUSINESS OF THE MEETING

There are six items of business to be considered at the Meeting. The matters are described in this section below.

If you sign and return your proxy form without designating a proxyholder and do not give voting instructions or specify that you want your Shares withheld from voting, the K92 Management Proxyholders will vote **FOR** each item of business that requires a vote.

Your proxy authorizes your proxyholder to act and vote for you on any amendment or variation of any of the business of the Meeting and on any other matter that properly comes before the Meeting. Your proxy is effective at any continuation following an adjournment of the Meeting. As of September 20, 2021, no director or officer of the Company is aware of any variation, amendment, or other matter to be presented for a vote at the Meeting.

1. RECEIVING THE FINANCIAL STATEMENTS

K92’s consolidated financial statements, including the related auditor’s report, for the years ended December 31, 2020 and December 31, 2019 will be available at the virtual Meeting. The audited consolidated financial statements are currently available on the Company’s website at www.k92mining.com, under K92’s profile on SEDAR at www.sedar.com, or by request to the Company. Printed copies will be mailed to Shareholders who have requested them. No shareholder vote is required in respect of the financial statements.

2. APPOINTMENT OF AUDITOR AND AUTHORIZING AUDITOR REMUNERATION

The auditor for the Company is presently PricewaterhouseCoopers LLP (“**PwC**”) of 700 - 250 Howe Street, Vancouver, British Columbia, V6C 3S7, Canada. PwC was first appointed auditor in August 2014, when the Board, upon the recommendation of the Audit Committee, approved PwC’s appointment.

All services to be performed by the Company’s auditor, subject to the de minimis exceptions for non-audit services, must be approved in advance by the Audit Committee in accordance with the Audit Committee Charter.

The Audit Committee has reviewed the overall performance of PwC and determined that PwC should be re-appointed as the Company’s auditor and made such recommendation to the Board. The Board agreed with the recommendation. At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, pass an ordinary resolution to appoint PwC as auditor of the Company, to hold office until the next annual meeting of shareholders, and to authorize the directors to fix the remuneration of the auditor. Management and the Board recommend that PwC be appointed as auditor of the Company until the close of the next annual meeting of shareholders.

The aggregate fees billed by our external auditor, PwC, in each of the last two financial years are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit-Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ^{(4) (5)}
December 31, 2020	\$137,407	\$1,641	\$52,460	\$35,445
December 31, 2019	\$135,807	\$1,517	\$53,550	\$29,014

Notes:

- (1) Represents the aggregate fees billed by the Company’s external auditor in each of the last two financial years for audit services. Audit fees include fees billed by PwC’s offices in Papua New Guinea and Vancouver.
- (2) Represents Canadian Public Accountability Board (CPAB) fees related to the annual audit.
- (3) Represents fees for preparation of income tax returns and stock options tax withholding analyses.
- (4) Represents the aggregate fees billed in each of the last two financial years by the Company’s auditor for products and services not included under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”. These other fees relate to reviews of interim financial statements.
- (5) Canadian Dollars converted to US Dollars at the average annual exchange rate of 0.7462 for the year ended December 31, 2020 and the average annual exchange rate of 0.7536 for the year ended December 31, 2019.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP as auditor of K92 until the close of the next annual meeting of shareholders of K92 and to authorize the directors to fix the remuneration of the auditor.

3. NUMBER OF DIRECTORS

The Company’s Articles require that the Board of K92 consists of the at least three directors if the Company is a public company and provide that there is no requirement for the directors or shareholders to fix or set the number of directors from time to time. At the Meeting, the eight (8) persons named in “*Board Nominees*” below will be proposed for election as directors of the Company. The Company is asking shareholders to set, by ordinary resolution, the number of directors of the Company at eight (8).

Unless directed otherwise in the form of proxy, the persons named in the form of proxy intend to vote FOR setting the number of directors at eight (8) persons.

4. ELECTION OF DIRECTORS

The term of office of each of the current directors will end at the conclusion of the Meeting. At the Meeting, shareholders of the Company will be asked to elect the directors of the Company, to hold office until the close of our next annual meeting of shareholders or until their successor is elected or appointed, unless their office is earlier vacated, in accordance with the Articles or with the provisions of the BCBCA.

The Board has approved the eight nominees on recommendation of the Nominating and Corporate Governance Committee. Management does not anticipate that any nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the Management Proxyholders designated in the enclosed form of proxy have the authority to vote for another nominee at their discretion.

The directors being nominated for election at the Meeting in 2021 are:

- | | |
|-----------------------------|-----------------------|
| 1. R. Stuart (Tookie) Angus | 5. Cyndi Laval |
| 2. Mark Eaton | 6. John D. Lewins |
| 3. Anne E. Giardini | 7. John (Ian) Stalker |
| 4. Saurabh Handa | 8. Graham Wheelock |

The biographies and other detailed background information regarding our nominees for election to the Board are listed in the section, “*Board Nominees*” starting on page 23. The information provided includes the following for each nominee: their current principal occupation; description of their principal occupation, business or employment within the past five years; details of residence; independence status; date they first became a director of K92; areas of expertise; number of securities of K92 beneficially owned or controlled, directly or indirectly, and other important matters to consider. Also included are the committee memberships and attendance records for the year. The biographies have each been reviewed by the respective nominee.

Each of the director nominees is well-qualified and demonstrates the competencies, character and commitment that is complementary to K92’s business. Each of the eight director nominees has indicated his or her willingness to serve as a director. All of the proposed nominees except two are “independent” within the meaning of National Instrument 52-110 - *Audit Committees*. John Lewins is not considered independent because he is our Chief Executive Officer, and Cyndi Laval is not independent as she is a partner at the law firm acting as the Company’s legal counsel.

Majority Voting Policy

Our directors are elected annually, individually, and by majority vote. Shareholders can vote “for” or “withhold” from voting on the election of individual directors. The Board has adopted a Majority Voting Policy that stipulates, in an uncontested election of directors of the Company at a shareholders’ meeting, any nominee for director who receives more “withheld” votes than votes “for” such election will be considered not to have received the support of the shareholders. Such nominee is required to tender his or her resignation to the Board promptly following the Meeting.

The balance of the Board will then consider whether to accept the resignation and may seek a recommendation from the Nominating and Corporate Governance Committee in considering its decision. Absent exceptional circumstances, it is expected that the Board will accept the resignation in a timeframe consistent with the interests of the Company and, in any event, within 90 days from the date of the relevant shareholders’ meeting. The resignation will be effective on a date determined by the Board. The Board will announce its final decision in a news release within the 90-day period and will also inform the TSX. The applicable director will not be permitted to participate in any deliberations regarding such directors’ resignation offer. If a resignation is accepted, the Board may appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board. A copy of the Majority Voting Policy can be found on our website (www.k92mining.com).

The Board recommends the shareholders vote in favour of the nominees described in the following pages. Unless authority to do so is withheld, the persons named in the form of proxy intend to vote FOR the election of each of the nominees.

5. ADOPTION OF SHARE COMPENSATION PLAN

The Company presently has in place a “rolling” stock option plan (the “**Stock Option Plan**”) whereby the Company is authorized to grant stock options (“**Options**”) equal to up to 10% of the number of issued and outstanding Shares, from time to time.

The Company intends to replace the Stock Option Plan with a share compensation plan (the “**Share Compensation Plan**” or “**Plan**”) that provides for the issuance of Options, restricted share units (“**RSUs**”), and performance share units (“**PSUs**”).

The Share Compensation Plan is a 9% rolling plan pursuant to which the number of Shares that may be issuable pursuant to Options, RSUs, and PSUs granted under the Share Compensation Plan, together with Options previously granted under the Stock Option Plan and any other Shares issuable under all other security-based compensation arrangements of the Company and its subsidiaries, is a maximum of 9% of the issued and outstanding Shares at the time of the grant, on a non-diluted basis.

The purpose of the Plan is to advance the interests of the Company and its subsidiaries and shareholders by: (i) ensuring that the interests of directors, officers, employees or certain consultants who provide services to the Company and its subsidiaries (“**Eligible Persons**”) are aligned with the success of the Company and its subsidiaries; (ii) encouraging stock ownership by Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate Eligible Persons.

The Board considers Options, RSUs and PSUs to be core elements of K92’s executive compensation program; particularly because equity securities provide long-term “at risk” compensation that helps ensure the interests of the executive officers are aligned with shareholders in creating long term shareholder value in combination with the other short- and long-term incentive compensation practices of the Company.

The Board has approved the Plan as well as all unallocated Options, RSUs and DSUs under the Plan at the recommendation of the Compensation and Benefits Committee. The Plan has been conditionally approved by the TSX. The Plan will only be effective if the shareholders approve it at the Meeting. As such, shareholders will be asked at the Meeting to consider and, if thought appropriate, to pass an ordinary resolution to approve the Share Compensation Plan.

Details of the terms of the Share Compensation Plan can be found under “*Incentive Plan Awards - Share Compensation Plan*” in this Information Circular. The full text of the Plan is attached as Schedule “B”.

A summary of the key terms of the Plan is set out below:

- the aggregate number of Shares that may be issuable pursuant to Options, RSUs, and PSUs (together with any other Shares issuable pursuant to other security-based compensation arrangements of the Company) may not exceed 9% of the number of outstanding Shares, calculated at the time of grant;
- the maximum aggregate number of Shares that may be issuable pursuant to RSUs together with PSUs may not exceed 2% of the number of outstanding Shares, calculated at the time of grant;
- from the effective date of the Plan on which the Option is awarded by the Board, non-employee directors will only be permitted to receive Options in lieu of Board fees on an equal value for value basis;
- the aggregate equity award value of all grants to any one non-employee director within a one-year period may not exceed \$150,000 per such non-employee director, of which no more than \$100,000 may comprise Options; and
- RSUs and Options will vest as to one-third of the number of such RSUs or Options, on each of the first, second and third anniversaries of the date the RSU or Option is granted, unless otherwise determined by the Board;
- PSUs will vest on the date at the end of the performance cycle, subject to satisfaction of any performance criteria established by the Board, unless otherwise determined by the Board.

The TSX requires that every three years after the institution by an issuer of a security-based compensation arrangement that does not have a fixed maximum number of securities issuable, such as the Share Compensation Plan, all unallocated rights, options or other entitlements under such arrangement must be specifically approved by a majority of the issuer's shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the Share Compensation Plan (the "**Share Compensation Plan Resolution**") and the unallocated Options, RSUs and PSUs under the Plan, in the following form:

"BE IT RESOLVED THAT:

1. the share compensation plan (the "**Plan**") of the Company as described in the management information circular of the Company dated September 20, 2021, be and is hereby ratified, confirmed and approved;
2. all unallocated stock options ("Options"), restricted share units ("RSUs") and performance share units ("PSUs") issuable under the Plan, as further amended or supplemented from time to time, be and are hereby authorized and approved;
3. the Company shall have the ability to continue granting Options, RSUs and PSUs under the Plan until October 28, 2024, being the date that is three (3) years from the date on which shareholder approval of unallocated Options, RSUs and PSUs under the Plan is being sought at a shareholder meeting; and
4. any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, or the taking of any such action."

In order to be effective, the Share Compensation Plan Resolution must be approved by a majority (greater than 50%) of the votes cast by shareholders who vote in respect of the Share Compensation Plan Resolution. If the resolution to approve unallocated Options, RSUs and PSUs is not passed, no RSUs, PSUs or further options will be granted (including in respect of options which are subsequently cancelled, terminated or exercised) until shareholder approval is obtained. Outstanding Options will not be affected.

If the Share Compensation Plan is approved by shareholders at the Meeting, all future awards of Options, RSUs or PSUs ("**Awards**") will be granted or awarded under the Share Compensation Plan. Outstanding Options under the Stock Option Plan will not be affected, but no further Options will be granted under the Stock Option Plan.

If the Share Compensation Plan is not approved by shareholders at the Meeting, no options, RSUs or PSUs will be granted under the Plan. The existing Stock Option Plan will remain in effect and will continue to govern the terms of all outstanding Options issued under the Stock Option Plan. The Company will be able to continue to grant further Options under the Stock Option Plan and the total number of outstanding Options issued (but not exercised) under the Stock Option Plan will count towards the maximum number of Options issuable under the Stock Option Plan until the earlier of (i) shareholder approval of a new equity incentive plan is obtained at a meeting of shareholders; and (ii) December 9, 2023, being the date by which shareholder approval of unallocated Options under the Stock Option Plan is required to be sought, under the TSX Company Manual.

Management has recommended and the Board has determined that approving the Share Compensation Plan is in the best interests of K92 and recommends that shareholders vote FOR the Share Compensation Plan Resolution.

Unless the shareholder has specified in the enclosed Proxy that the Shares represented by such Proxy are to be voted against the Share Compensation Plan Resolution, the persons named in the enclosed Proxy will vote FOR the Share Compensation Plan Resolution.

6. ADOPTION OF NEW ARTICLES FOR THE COMPANY

From time to time, it is appropriate for a public corporation to review its form of Articles to ensure it is up to date with the current legislation and standard practices with respect to the management and administration of a reporting issuer in Canada. The existing Articles of the Company (the “**Existing Articles**”) were last amended in 2016 to, among other things, create the Preferred Shares and create special rights and restrictions for the Shares and the Preferred Shares. Other than the foregoing, the Existing Articles mostly remain in the same form since the incorporation of the Company in 2010. Accordingly, the Company is proposing to delete the Existing Articles in their entirety and replace them with a new set of Articles (the “**New Articles**”). The New Articles will make the Company’s Articles consistent with the current terminology and provisions of the BCBCA. A complete copy of the proposed New Articles is attached hereto as Schedule “C”.

Most of the changes in the New Articles are minor in nature and will not affect shareholders or the day-to-day administration of the Company. The following is a summary of the material differences between the Existing Articles and the New Articles:

Summary of Material Differences Between Existing Articles and New Articles

Securities Transfer Act: The Existing Articles do not contain provisions of the *Securities Transfer Act* (British Columbia) (the “**STA**”), which establishes rules for the transfer of investment securities that reflect international practices, and which facilitates the use of an electronic book-based shareholder registry system. The New Articles incorporate several non-substantive changes, including the use of the new terminology adopted under the STA. The specific changes are not discussed in detail here. For full particulars, please refer to the New Articles.

Increased Quorum for Shareholders’ Meetings: The Existing Articles provide that the quorum for the transaction of business at a meeting of shareholders is one person, present in person or represented by proxy, subject to special rights and restrictions attached to the shares of any class or series of shares. In keeping with best corporate governance practices, the New Articles provide that the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 25% of the issued shares entitled to be voted at the meeting.

Confirmation of Quorum for Directors’ Meetings: The Existing Articles provide that the quorum for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at a majority of the directors then in office. The New Articles provide that the quorum necessary for the transaction of the business of the directors is deemed to be set at a majority of the directors.

Removal of Alternate Directors Provisions: The Existing Articles allow for any director to appoint an alternate director to act in his or her place at meetings of the directors or committees of the directors at which the appointing director is not present unless the directors have reasonably disapproved the appointment of such person as an alternate director. The alternate director provisions are rarely relied upon and the ability of a director to appoint an alternate director raises governance concerns. As such, the New Articles do not allow for directors to appoint alternate directors.

Removal of Preferred Class of Shares: The Existing Articles were amended in 2016 to create a new class of preferred shares (the “**Preferred Shares**”). The Preferred Shares had detailed rights pertaining to (i) voting, (ii) conversion to Shares, (iii) redemption, (iv) preference as to dividends, (v) preference upon liquidation, and (vi) restrictive covenants. The Preferred Shares were created and issued to facilitate a financial transaction. The transaction has been completed and all of the previously issued Preferred Shares were converted to Shares pursuant to their underlying rights. There are currently no Preferred Shares outstanding. The Company no longer requires or wishes to issue the Preferred Shares and has determined that it is in the best interests of the Company to remove Preferred Shares from the authorized share structure of the Company.

Addition of Advance Notice Provisions: The New Articles include provisions requiring advance notice of director nominees from shareholders (the “**Advance Notice Provisions**”). The purpose of the Advance Notice Provisions is to

ensure that an orderly nomination process is observed, that shareholders are well-informed about the identity, intentions and credentials of director nominees, and that shareholders vote in an informed manner after having been given reasonable time for appropriate deliberation.

Among other things, the Advance Notice Provisions fix a deadline by which shareholders must provide notice to the Company of nominations for election to the Board. The notice must include all information that would be required to be disclosed, under applicable corporate and securities laws, in a dissident proxy circular in connection with the solicitations of proxies for the election of directors relating to the shareholder making the nominations (as if that shareholder were a dissident soliciting proxies) and each person that the shareholder proposes to nominate for election as a director. In addition, the notice must provide information as to the shareholdings of the shareholder making the nominations, confirmation that the proposed nominees meet the qualifications of directors and residency requirements imposed by corporate law, and confirmation as to whether each proposed nominee is independent for the purposes of National Instrument 52-110 - *Audit Committees*. The deadline by which the notice must be delivered to the Company is set out in the table below.

Advance Notice Deadlines

Meeting Type	Nomination Deadline
Annual Meeting of Shareholders	i) Not less than 30 days prior to the date of the annual meeting of shareholders; or ii) if the Company uses notice-and-access (as such term is defined in National Instrument 54-101 <i>Communication with Beneficial Owners of Securities of a Reporting Issuer</i> of the Canadian Securities Administrators), not less than 40 days prior to the date of the annual meeting of shareholders; or iii) in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “ Notice Date ”) on which the first public announcement of the date of the annual meeting was made, notice by the nominating Shareholder may be made not later than the close of business on the 10 th day following the Notice Date.
Special meeting of shareholders (which is not also an annual meeting)	Not later than the close of business on the 15 th day following the date on which the first public announcement of the date of the special meeting of shareholders was made.

The Advance Notice Provisions do not affect nominations made pursuant to shareholder proposals or the requisition of a meeting of shareholders, in each case made in accordance with the provisions of the BCBCA.

At the Meeting, shareholders will be asked to pass the following special resolution to adopt the New Articles for the Company in replacement of the Existing Articles (the “**New Articles Resolution**”):

“BE IT RESOLVED, as a special resolution of the shareholders of the Company, that:

1. the existing Articles of the Company be terminated;
2. the form of Articles presented to the Meeting and attached hereto, be adopted as the Articles of the Company in substitution for, and to the exclusion of, the existing articles of the Company;
3. the board of directors of the Company be authorized, at any time in its absolute discretion, to determine whether or not to proceed with the foregoing resolutions, without further approval, ratification or confirmation by the shareholders of the Company; and
4. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver for and on behalf of the Company, under the corporate seal of the Company or otherwise, all such certificates, instruments, agreements, notices and other documents as in such person’s opinion may be necessary or desirable for the purpose of giving effect to the foregoing resolutions.”

The New Articles Resolution must be approved by at least two-thirds of the votes cast by the Shareholders who, being entitled to do so, vote in person or by proxy at the Meeting in respect of the New Articles Resolution.

Management of the Company recommends that the shareholders vote in favour of the New Articles Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the New Articles Resolution. A full draft of the proposed New Articles is attached as Schedule C to this Information Circular.

7. OTHER BUSINESS

Management is not aware of any matter to come before the Meeting other than those referred to in the Information Circular. If any other matter properly comes before the Meeting, it is the intention of the Management appointees named in the form of proxy accompanying this Information Circular to vote in accordance with their best judgement of such matter. If other items of business are properly brought before the Meeting, you or your Proxyholder can vote on such items.

BOARD NOMINEES

This year, eight (8) individuals, all of whom are currently K92 directors, are being nominated to serve on the Board. All but two of the director nominees are considered independent; John Lewins is the Company's CEO and Cyndi Laval is a partner at the law firm acting as the Company's legal counsel. The director nominees have significant and complementary experience across multiple sectors and markets, which will help form a strong, diverse and independent Board.

- All of the key committees are and will comprise independent directors
- Female nominees represent 25% of the Board
- None of the director nominees are considered overboarded by the market-leading proxy advisory firms
- There are no Board interlocking relationships among the director nominees

BOARD AND COMMITTEE COMPOSITION								
	R. Stuart Angus	Mark Eaton	Anne Giardini ⁽¹⁾	Saurabh Handa	Cyndi Laval	John D. Lewins	John (Ian) Stalker	Graham Wheelock
Independent (I) ⁽²⁾ Non-Independent (N)	I	I	I	I	N	N	I	I
Gender	M	M	F	M	F	M	M	M
Position with K92	Chair					CEO		
Public Board Interlocks	-	-	-	-	-	-	-	-
Current and Planned Committee Membership								
Audit Committee		✓	✓	C				
Compensation & Benefits Committee	✓	C		✓				
Nominating & Corporate Governance Committee			C	✓				✓
Health & Safety Committee						✓	✓	

Notes:

1. Anne Giardini was appointed to the Board on July 15, 2020, and was appointed Chair of the Nominating and Corporate Governance Committee on August 12, 2020.
2. Independent as defined by National Instrument 52-110 - *Audit Committees*.

Director Profiles

The following disclosure provides more detailed information about each nominated director, including his or her jurisdiction of residence, business or employment for the five (5) preceding years, all major offices and positions held within the Company, independence status, areas of expertise, other public company directorships and committee memberships, his or her attendance record at Board and committee meetings held in the financial year ended December 31, 2020, and the number of Shares and other securities of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at September 20, 2021. The biographies have each been reviewed by the respective nominee.

**R. STUART (TOOKIE)
ANGUS**

British Columbia, Canada

Independent Chair

Director Since: May 2016

Top Relevant Competencies

- Legal and Regulatory
- Mining and Exploration
- Mergers and Acquisitions
- Capital Markets
- Corporate Finance
- Strategic Leadership
- Risk Oversight
- Public Company Boards



Mr. R. Stuart ("Tookie") Angus is an independent business advisor to the mining industry and is presently Chair of K92, Chair of Kenadyr Metals Corp., and Chair of Sun Summit Minerals Inc. He is the former Head of the Global Mining Group for Fasken Martineau. For the past 40 years, Mr. Angus has focused on structuring and financing significant international exploration, development and mining ventures. He is the former managing Director of Mergers and Acquisitions for Endeavour Financial. Previously he served as Chair of BC Sugar Refinery Limited, and a Director of First Quantum Minerals Ltd., Canico Resources Company until its takeover by Brazil's CVRD, Director of Bema Gold Company until its takeover by Kinross Gold Company, Director of Ventana Gold Corp. until its takeover by AUX Canada Acquisition Inc. and a Director of Plutonic Power Company until its merger with Magma Energy Corp. (Alterra Power Corp.). He resigned in June 2017 as Chair of Nevsun Resources Ltd. following its acquisition of Reservoir Minerals.

Mr. Angus holds a Bachelor of Laws degree from the University of British Columbia and is a retired member of the Law Society of British Columbia.

Mr. Angus has an extensive track record of strong leadership acquired through a wide range of experience at the senior levels of law firms, financial institutions, and mining corporations. His broad experience and demonstrated ability to bring people of divergent views together for a common purpose adds strength to our Board and the Company. **Accordingly, the Board recommends that Shareholders vote FOR Mr. Angus's re-election to the Board.**

Principal Occupation, Business or Employment

Professional Corporate Director; Independent business advisor to companies in the mining industry.

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
			Company Name / Committee	Director Since
Board of Directors (Chair)	9 of 9	100%	Sun Summit Minerals Inc. (TSX-V) - Chair - Audit Committee Member - Compensation Committee Chair - Corporate Governance Committee Chair	September 2009
Audit Committee	3 of 3	100%		
Compensation and Benefits Committee	2 of 2	100%		
	14 of 14	100%	Kenadyr Metals Corp. (TSX-V) - Chair - Audit Committee Member - Compensation Committee Member - Corporate Governance Committee Member	March 2017

Intended 2021 Committee Appointments After Election as Director

Compensation and Benefits Committee

Value of Compensation Received in 2020	Public Board Interlocks
\$600,249 (Cash - \$60,000 and Stock Options \$540,249)	None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
1,894,261	9,376,260	1,335,000	4,676,221	-	-	\$14,052,481

MARK EATON

Ontario, Canada

Independent Director

Director Since: May 2016

Top Relevant Competencies

- Strategic Leadership
- Finance and Accounting
- Mining Operations
- Corporate Governance
- Capital Markets
- Corporate Finance



Mark Eaton is an independent business consultant who has worked as an investment professional in equity capital markets specializing in the resource sector for over 20 years. He is currently the Executive Chairman and is the former Chief Executive Officer of Belo Sun Mining Corp. Prior to becoming an independent business consultant, Mr. Eaton held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton is also a former Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer. In addition to his leadership in institutional mine

finance and investment banking, Mr. Eaton has served in management and on the Boards of several public mining companies.

Mr. Eaton graduated from Hull University, England with Bachelor of Arts degree (Honours).

Mr. Eaton brings significant experience in the capital markets as well as expertise in compensation matters through his high-level involvement with large investment companies and with publicly listed resource companies. **Accordingly, the Board recommends that Shareholders vote FOR Mr. Eaton's re-election to the Board.**

Principal Occupation, Business or Employment

Executive Chair of Belo Sun Mining Corp.; Independent business consultant.

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
			Company Name / Committee	Director Since
Board of Directors	9 of 9	100%	Belo Sun Mining Corp. (TSX) - No committees	February 2010
Audit Committee	4 of 4	100%		
Compensation and Benefits Committee (<i>Chair</i>)	2 of 2	100%		
	15 of 15	100%		

Intended 2021 Committee Appointments After Election as Director

Audit Committee
Compensation and Benefits Committee (*Chair*)

Value of Compensation Received in 2020	Public Board Interlocks
\$422,501 (Cash - \$30,000 and Stock Options - \$392,501)	None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
50,000	247,491	425,000	1,015,689	-	-	\$1,263,180

ANNE E. GIARDINI

British Columbia, Canada

Independent Director

Director Since: July 2020

Top Relevant Competencies

- Securities/Corporate Law
- Executive Leadership
- Corporate Governance
- Risk Oversight
- Finance and Accounting
- Human Resources
- Government Relations



Anne Giardini, QC, has over 30 years' experience as a lawyer, senior executive, director, journalist and author, and has held a number of senior advisory roles. Ms. Giardini had a +20-year career with Weyerhaeuser, including as General Counsel and subsequently President of Weyerhaeuser's Canadian subsidiary. Ms. Giardini also brings extensive board experience, currently serving on the boards of Capstone Mining Corp., Stella-Jones Inc., Pembina Institute and Canadian Mortgage and Housing Corporation and as Chair of the British Columbia Achievement Foundation. She was previously Chair of the Greater Vancouver Board of Trade and served on numerous boards including Weyerhaeuser Company Limited; Nevsun Resources Ltd.; Thompson Creek Metals Company Inc; HydroOne, and TransLink. In 2016, Ms. Giardini was made an Officer of the

Order of Canada and in 2018 she was admitted to the Order of British Columbia. She is an active community volunteer, author and public speaker, recognized for expertise on natural resource development, public and government relations, safety, risk and brand management, and manufacturing.

Ms. Giardini holds an L.L.M. from Trinity Hall, University of Cambridge, an L.L.B. from the University of British Columbia, and a B.A. (Economics) from SFU.

Ms. Giardini brings extensive board and executive experience in a diverse range of industries. With her notable expertise in law, natural resource development, corporate governance, community affairs, risk and safety, and compliance, she is a valuable member the Board. **Accordingly, the Board recommends that Shareholders vote FOR Ms. Giardini's election to the Board.**

Principal Occupation, Business or Employment

Professional Director and Advisor

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
	Company Name / Committee	Director Since		
Board of Directors	4 of 4	100%	Capstone Mining Corp. (TSX)	April 2021
Nominating and Corporate Governance Committee	2 of 2	100%	- Audit Committee Member - Corporate Governance and Nominating Committee Member	
	6 of 6	100%	Stella-Jones Inc. (TSX)	January 2021
			- Environmental, Health and Safety Committee Member - Remuneration Committee Member	

Intended 2021 Committee Appointments After Election as Director

Nominating and Corporate Governance Committee (*Chair*)
Audit Committee

Value of Compensation Received in 2020 ⁽⁶⁾	Public Board Interlocks
\$1,740,205 (Cash - \$13,871 and Stock Options - \$1,726,334)	None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
-	-	650,000	-	-	-	-

SAURABH HANDA

British Columbia, Canada

Independent Director

Director Since: May 2016

Top Relevant Competencies

- Finance and Accounting
- Risk Management
- Regulatory Compliance
- Mining and Exploration
- Corporate Governance
- Public Reporting
- Mergers and Acquisitions



Saurabh Handa is a mining professional with diverse senior experience that includes finance, mergers and acquisitions and multi-jurisdictional public company disclosures. He is currently Chief Financial Officer of Metalla Royalty & Streaming Ltd. a Director of Carbon Streaming Corporation, and the Principal of Handa Financial Consulting Inc. Previously, he was Chief Financial Officer of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., Chief Financial Officer of Meryllion Resources Corp., Chief Financial Officer of Yellowhead Mining Inc. and Controller for SouthGobi Resources Ltd. Prior to that, Mr. Handa worked at Deloitte Vancouver in its audit and valuation practices, primarily with international mining clients.

Mr. Handa is a Chartered Professional Accountant, certified by the Institute of Chartered Accounts of British Columbia. He graduated with Honours from the University of British Columbia with a diploma in Accounting. Prior to joining the accounting profession, Mr. Handa obtained a Bachelor of Science degree in Cellular Biology and Genetics from the University of British Columbia and a diploma in Computer Systems from the British Columbia Institute of Technology.

Mr. Handa's leadership accomplishments, financial expertise, extensive knowledge of regulatory and compliance matters, and diverse range of industry experience has made him a valuable contributor to the Board. **Accordingly, the Board recommends that Shareholders vote FOR Mr. Handa's re-election to the Board.**

Principal Occupation, Business or Employment

Chief Financial Officer of Metalla Royalty & Streaming Ltd.

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
			Company Name / Committee	Director Since
Board of Directors	9 of 9	100%	Carbon Streaming Corporation (NEO, FSE) - Audit Committee Chair - Compensation Committee Member	April 2021
Audit Committee (<i>Chair</i>)	4 of 4	100%		
Nominating and Corporate Governance Committee	3 of 3	100%		
	16 of 16	100%		

Intended 2021 Committee Appointments After Election as Director

Audit Committee (*Chair*)
Compensation and Benefits Committee
Nominating and Corporate Governance Committee

Value of Compensation Received in 2020	Public Board Interlocks
\$471,438 (Cash - \$42,000 and Stock Options - \$429,438)	None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
170,000	841,470	225,000	243,954	-	-	\$1,085,064

CYNDI LAVAL

British Columbia, Canada

Non-Independent Director

Director Since: November 2019

Top Relevant Competencies

- Securities/Corporate Law
- Risk Oversight
- Mergers and Acquisitions
- Regulatory Compliance
- Corporate Governance
- Public Reporting
- Mining Law



Ms. Laval is a partner at the law firm of Gowling WLG (Canada) LLP in Vancouver, B.C. She specializes in mergers and acquisitions, corporate finance, securities and mining law. Ms. Laval is the former Leader of Gowling WLG's National Corporate Finance, M&A and Private Equity Practice Group, the former Co-Leader of its Canadian Mining Group and former Leader of the Firm's Vancouver Business Law Group. Ms. Laval served as the Vice Chair of the American Bar Association's 2017 and 2015 Canadian Public Target M&A Deal Point Studies and is the Chapter President of the Vancouver M&A Club, a national network of mergers and acquisitions professionals. Ms. Laval was a member of the TSX Venture Exchange's Local Advisory Committee from 2006 to 2013 and an instructor of the TSXV Rules and Tools Corporate Governance Workshop from 2004 to 2010. Ms. Laval is recognized as a leading lawyer in the areas of mergers and acquisitions, securities and mining law in various national and international publications and was named Vancouver "Lawyer of the Year – Mining" by the Best Lawyers in Canada in 2017.

Ms. Laval holds a Bachelor of Laws degree and a Bachelor of Arts (Political Science) degree from the University of British Columbia, a Certificate of Mining Law from Osgoode Law School and has completed the Canadian Securities Institute's Canadian Securities Course.

Ms. Laval leadership and expertise in the legal industry, extensive knowledge of regulatory and compliance matters, and diverse range of industry experience makes her an important contributor to the Board. **Accordingly, the Board recommends that Shareholders vote FOR Ms. Laval's re-election to the Board.**

Principal Occupation, Business or Employment

Partner at the law firm of Gowling WLG (Canada) LLP

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
			Company Name / Committee	Director Since
Board of Directors	9 of 9	100%	Riley Gold Corp. (TSX-V)	July 2014
Nominating and Corporate Governance Committee ⁽¹⁾	1 of 1	100%	- Audit Committee Member	
	10 of 10	100%		

Intended 2021 Committee Appointments After Election as Director

None

Value of Compensation Received in 2020

\$422,501 (Cash - \$30,000 and Stock Options - \$392,501)

Public Board Interlocks

None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
-	-	425,000	927,995	-	-	\$927,995

JOHN D. LEWINS

Western Australia, Australia

Non-Independent - CEO

Director Since: May 2016

Top Relevant Competencies

- Executive Leadership
- Mining and Operations
- Mergers and Acquisitions
- Capital Markets
- Strategic Leadership
- Human Resources
- Environment, Safety, and Sustainability



John D. Lewins is a Mineral Engineer with over 35 years' experience in the mining industry, and has worked in Africa, Australia, Asia, North America and the former Soviet Union. He is currently the Chief Executive Officer of the Company and served as Chief Operating Officer from May 2016 to August 2017. Mr. Lewins has successfully managed the development of a number of open pit and underground gold, precious and base metal mines from feasibility study through to profitable operations. He has operated extensively at the corporate level in various roles

from Executive General Manager to Director and Chief Executive Officer with several other mining companies, including MIM Holdings, First Dynasty Mines, Platinum Australia and African Thunder Platinum. Mr. Lewins received his National Diploma for Technicians (Extractive Metallurgy) from Technikon Witwatersrand, South Africa, a Bachelor of Science degree (Honours) in Mineral Engineering from University of Leeds, England and a Graduate Diploma in Management from University of Queensland, Australia.

As the Chief Executive Officer of the Company, Mr. Lewins has responsibility for the overall stewardship of K92 Mining, including providing strategic leadership to the Company. He has contributed to the growth of the Company as it has transformed to a strong competitor among its peers. **Accordingly, the Board recommends that Shareholders vote FOR Mr. Lewins's re-election to the Board.**

Principal Occupation, Business or Employment

Chief Executive Officer of the Company.

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
	Company Name / Committee	Director Since		
Board of Directors	9 of 9	100%	Fosterville South Exploration Ltd. (TSX-V)	January 2020
Health and Safety Committee (<i>Chair</i>)	6 of 6	100%	- Audit Committee Member - Compensation Committee Member	
	15 of 15	100%	Zacatecus Silver Corp. (TSX-V)	August 2020
			- Audit Committee Member - Compensation Committee Member	

Intended 2021 Committee Appointments After Election as Director

Health and Safety Committee

Value of Compensation Received in 2020 (as CEO) ⁽⁷⁾	Public Board Interlocks
\$2,372,048 (Salary - \$516,670, Bonus - \$188,368, Options - \$1,667,011)	None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
2,369,000	11,726,135	2,615,000	6,994,454	-	-	\$18,720,589

JOHN (IAN) STALKER

La Massena, Andorra

Independent Director

Director Since: May 2016

Top Relevant Competencies

- Executive Leadership
- Mineral Operations
- Mergers & Acquisitions
- Capital Markets
- Project Development
- Strategic Planning
- International Expertise



John (Ian) Stalker is a mining executive with over 48 years' experience in mine development and operations in Europe, Africa, North and South America, Oceania and Australia. He is currently President and Managing Director of Pasofino Gold Limited, a gold exploration company, and Non-Executive Chair of Helium One Ltd., a Tanzanian focused helium development company. He was previously CEO of LSC Lithium Corporation. and Chair of Plateau Energy Metals Inc. Mr. Stalker served as CEO of the Company from May 2016 to August 2017. He was Chair of Azincourt Energy Corp. from May 2013 until June 2018. Mr. Stalker has acted in the capacity of CEO for Brazilian Gold Corp., Berkeley Resources Ltd., Niger Uranium Ltd.

and UraMin Inc. He was a Vice President of Gold Fields Ltd. from April 2001 to October 2005, where he was involved with its international operations. Mr. Stalker holds a Bachelor of Science degree (Honours) in Chemical Engineering, from Strathclyde University, Glasgow, Scotland.

Mr. Stalker brings decades of senior experience with major gold producers in the mining sector, including directing over 12 major gold, base metal, uranium and industrial minerals projects at various phases, from exploration drilling to start-up. He is known in the capital markets environment, having raised capital equity for numerous international projects. His wealth of knowledge and experience in the mining industry makes him a valuable member of the Board. **Accordingly, the Board recommends that Shareholders vote FOR Mr. Stalker's re-election to the Board.**

Principal Occupation, Business or Employment

President and Chief Executive Officer of Pasofino Gold Limited

Board/Committee Membership	2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships	
	Company Name / Committee	Director Since		
Board of Directors	9 of 9	100%	Pasofino Gold Limited (TSX-V)	December 2020
Compensation and Benefits Committee	2 of 2	100%	Nexus Gold Corp. (TSX-V)	May 2018
Health and Safety Committee	3 of 3	100%	- Chair - Audit Committee Member	
	14 of 14	100%	Condor Gold plc (TSX-V; AIM) Helium One Global Ltd. (AIM)	November 2019 April 2019

Intended 2021 Committee Appointments After Election as Director

Health and Safety Committee

Value of Compensation Received in 2020

\$422,501 (Cash - \$30,000 and Stock Options - \$392,501)

Public Board Interlocks

None

Securities Held as at September 20, 2021

Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
1,887,950	9,345,022	1,125,000	3,987,532	-	-	\$13,332,554

GRAHAM WHELOCK Auckland, New Zealand				<p>Graham Wheelock is a geologist and mining professional with 40 years of experience working for international mining companies. He is currently the Managing Director and former Project Manager, of Polynatura Corporation, that is developing the Ochoa Fertilizer project in New Mexico, USA. In 2005, Mr. Wheelock co-founded Gem Diamonds Limited, which grew quickly under his leadership. Mr. Wheelock helped manage Gem Diamonds's initial public offering in 2007, when the company was listed with a market capitalization of £600 million. From 2000 to 2003, he was Acting General Manager for De Beers Namaqualand Mines in South Africa, with 2,300 employees and responsibility for the production of 4.5 million tons per year. From 1981 to 1999, Mr. Wheelock worked with Anglo American plc and De Beers as a gold and diamonds geologist and a manager.</p> <p>Mr. Wheelock obtained a Master of Science degree in Geology from the University of Cincinnati, Ohio, and a Bachelor of Science degree (Honours) in Geology from the University of Natal, South Africa.</p> <p>Mr. Wheelock brings extensive industry experience with major mining companies, and a solid knowledge of capital markets. This along with his wealth of experience in leadership, finance and entrepreneurship make him an important contributor. Accordingly, the Board recommends that Shareholders vote FOR Mr. Wheelock's re-election to the Board.</p>		
Independent Director Director Since: May 2016 Top Relevant Competencies <ul style="list-style-type: none"> ▪ Executive Management ▪ Mining Operations ▪ Geoscience ▪ Mineral Exploration ▪ Capital Markets ▪ Corporate Governance 						
Principal Occupation, Business or Employment						
Managing Director of Polynatura Corporation						
Board/Committee Membership		2020 Meeting Attendance ⁽¹⁾		Other Public Company Board and Committee Memberships		
				Company Name / Committee		Director Since
Board of Directors		9 of 9	100%	None		N/A
Nominating and Corporate Governance Committee		2 of 2	100%			
		11 of 11	100%			
Intended 2021 Committee Appointments After Election as Director						
Nominating and Corporate Governance Committee						
Value of Compensation Received in 2020				Public Board Interlocks		
\$422,501 (Cash - \$30,000 and Stock Options - \$392,501)				None		
Securities Held as at September 20, 2021						
Shares ⁽²⁾ #	Value ⁽³⁾ \$	Stock Options ⁽⁴⁾ #	Value ⁽⁵⁾ \$	RSUs / PSUs #	Value \$	VALUE OF ALL SECURITIES HELD
-	-	134,000	66,258	-	-	\$66,258

Notes to Director Nominee Profiles:

- (1) Attendance by each nominee at Board and committee meetings is based on the number of meetings held during the portion of the calendar year during which the director served on the Board and/or the applicable committee.
- (2) Information regarding the number of Shares beneficially owned directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, has been confirmed by the relevant director nominee.
- (3) Share value calculated using the closing price of the Shares on September 20, 2021, of \$6.35. Canadian Dollars converted to US Dollars at 0.7795, the Bank of Canada exchange rate on September 20, 2021.

- (4) Includes vested and unvested Options.
- (5) Value of unexercised in-the-money Options, calculated as the difference between the closing price of the Shares on September 20, 2021, of \$6.35, and the exercise price of the Option. Canadian Dollars converted to US Dollars at 0.7795, the Bank of Canada exchange rate on September 20, 2021.
- (6) Ms. Giardini was appointed on July 15, 2020. Figures presented reflect the applicable portion of the year.
- (7) John Lewins does not receive compensation for his services as a director of the Company.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, to the knowledge of the Company, as at the date of this Information Circular and within the preceding 10 years, none of the proposed directors (or any of their personal holding companies) is, or has been a director, chief executive officer or chief financial officer of any company (including K92) that was:

- (a) subject to a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation (each an “Order”), that was in effect for a period of more than 30 consecutive days (an “Order”) while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) 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; or
- (c) while that person was acting in that capacity of director, chief executive officer or chief financial officer, 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.

The following information, not being within the knowledge of the Company, has been furnished by the director nominees mentioned below.

Saurabh Handa was a director of Banks Island Gold Ltd. (“Banks Island”) from June 7, 2011 to July 28, 2015. On January 8, 2016, Banks Island announced its intention to make an assignment into bankruptcy and Industry Canada accepted that assignment effective January 8, 2016. The assignment was also filed with the Office of the Superintendent of Bankruptcy the same day.

John Lewins was a director of Platinum Australia Limited (“Platinum Australia”), a company listed on the Australian Stock Exchange (“ASX”) when, on June 28, 2012, Bryan Hughes of Pitcher Partners Accountants, Auditors & Advisors was appointed Voluntary Administrator (the “Administrator”) of Platinum Australia pursuant to Section 436A of the Australia Corporations Act.

The decision was made due to operational issues at the company’s Smokey Hills platinum mine, combined with decreasing commodity prices. Mr. Lewins remained a director of Platinum Australia until December 2014, while the company was still in Administration status. Under the Corporations Act, all powers of the directors ceased on the appointment of the Administrator.

The Administrator found that Platinum Australia had not traded while insolvent and that the directors had not committed any offences.

Platinum Australia was still in Administration when it was suspended from the ASX on August 31, 2015. The Administrator subsequently made an application for Platinum Australia to be wound up voluntarily.

Penalties or Sanctions

To the knowledge of the Company, none of the proposed directors (or any of their personal holding companies), has been subject to:

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

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors, officers and shareholders holding a sufficient number of K92 securities to affect materially control of K92.

Personal Bankruptcies

To the knowledge of the Company, as at the date of this Information Circular and within the preceding 10 years, none of the proposed directors has 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.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as director or officers of other companies. Some of the directors and officers have been and will continue to be similarly engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition and exploitation of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Company.

The Board takes appropriate measures to exercise independent judgement when considering any transactions and agreements. Under the laws of the Province of British Columbia, the directors and officers of the Company are required by law to act honestly and in good faith, with a view to the best interests of the Company. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will disclose such interest in a contract or transaction and will abstain from voting on any resolution in respect of such contract or transaction.

Director and Officer Equity Ownership

As at the date of this Information Circular, the officers and directors of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, 6,725,011 Shares or approximately 3.02% of the number of outstanding Shares.

	Number of Shares	% of Outstanding Shares
Directors including CEO	6,371,211	2.86%
Officers excluding CEO	353,800	0.16%

ABOUT THE BOARD

The Board is responsible for the stewardship of the Company, including the responsibility to supervise the management of and oversee the conduct of the business of the Company; provide leadership and direction to management and consider management's performance in conjunction with the Company's compensation plans; set policies appropriate for the business of the Company; and approve corporate strategies and goals. Management is responsible for the day-to-day conduct of our business.

We expect our directors to have personal attributes and expertise that contribute to the Board, to devote the necessary time for Board and committee duties, to act with integrity, to exercise independent business judgment, and to stay informed and participate fully in board matters.

The directors must also be able to support the business and affairs of the Company through strategic stewardship and oversight, including by assisting with the establishment of key policies and standards for the Company and through the review and approval of the strategic plans of the Company.

The Board relies on management to ensure the Company is conducting its everyday business to the appropriate standards and to provide regular reports to the Board. The Board works with management to develop the Company's strategic direction, including the Company's long-range strategic plan, budgets, financial plans and strategies, and corporate opportunities, as well as identifying strategic risks.

The Nominating and Corporate Governance Committee and the Board believe the director nominees possess a diversity of skills and the appropriate mix of competencies needed for the Board to effectively carry out its mandate and oversee the execution of the Company's strategies.

Duties and Responsibilities

The Board works with management throughout the strategic planning process to establish long-term goals and is responsible for monitoring our progress in achieving our corporate strategy.

We have an engaged Board that takes an active role in:

- Assessing and monitoring internal systems for managing the risks inherent in our business.
- Overseeing the establishment of our standards of ethics, risk management, succession planning.
- Compliance with applicable laws and regulatory policies, financial practices, disclosure and reporting.
- Overseeing our culture, practices and procedures on health and safety.

The Board has adopted a Board Mandate that describes its responsibility for stewardship, including:

- Adopting the strategic, capital and operating planning processes, and approving the strategic plan at least annually, including addressing the opportunities and risks of our business, among other things.
- Overseeing the performance of the CEO and other executive officers with a view to the successful execution and implementation of the strategic plan adopted by the Board.
- Being satisfied with the integrity of the CEO and other executive officers and their effort in creating a culture of integrity throughout the organization.
- Identifying the principal risks of our business and overseeing the implementation of appropriate systems for managing these risks.
- Overseeing our succession planning, including appointing and monitoring the development of senior management.
- Overseeing our internal control and management information systems.
- Ensuring the development of an effective approach to corporate governance, including sound governance principles and guidelines for the Company.
- The establishment of a communications policy to facilitate effective communications with investors and other stakeholders while avoiding selective disclosure of material undisclosed information.
- Adopting a description of the expectations and responsibilities of directors, including preparing for meetings and meeting attendance.

Board Skills Matrix

We maintain a skills matrix for which each director indicates whether he or she has expertise and professional background in areas we consider to be essential for K92, having regard to our strategies, plans, operations and stakeholders. The skills matrix is also used by our Board and the Nominating and Corporate Governance Committee as part of the director succession planning process, when identifying, selecting and nominating directors for appointment to the Board, and as part of evaluating the necessary competencies, characteristics, qualities, skills and experiences needed to maximize performance and effectiveness of our Board and committees. Additional information about each director is contained in their profiles under “Board Nominees” starting on page 23.

		R. Stuart Angus	Mark Eaton	Anne Giardini	Saurabh Handa	Cyndi Laval	John Lewins	Ian Stalker	Graham Wheelock
1	Executive Leadership	A	A	A	G	G	A	A	A
2	Public Company Board	G	A	G	A	G	G	G	G
3	Capital Markets	A	A	G	G	G	A	A	G
4	Accounting / Finance	G	A	G	A	G	G	G	G
5	Government Relations	L	G	A	L	L	G	L	L
6	Sales and Marketing	L	A	L	L	G	G	G	G
7	Risk Management	G	G	A	A	A	A	A	G
8	Corporate Governance	G	A	A	A	A	G	G	G
9	Legal / Regulatory	A	G	A	G	A	G	G	L
10	Mergers & Acquisitions	A	A	G	A	A	A	A	G
11	Human Resources / Compensation	G	G	G	G	G	G	G	L
12	Mining Industry	G	G	G	G	G	A	A	G
13	Project Development	L	G	L	G	L	A	A	A
14	Mine Operations	G	G	G	G	G	A	G	A
15	Geology / Exploration	G	G	G	G	G	G	A	A
16	Mine Engineering	L	G	L	L	L	G	G	A
17	Processing/Metallurgy	L	L	L	L	G	G	G	G
18	Environment / Sustainability	L	G	G	G	G	A	G	G
19	Health & Safety	L	G	G	L	L	A	A	G

L - Limited experience or expertise

G - General experience or expertise

A - Advanced expertise or experience

Definitions for the top relevant competencies:

- Executive Leadership** - Experience as a senior officer responsible for setting and achieving organizational objectives, strategic planning, execution and overall decision making with good business judgement.
- Public Company Board** - Served as a director of another public, private or non-profit organization.
- Capital Markets** - Experience in investment banking, corporate finance or in major mergers and acquisitions.
- Government Relations** – The understanding of government, diplomacy and public policy, internationally, federally or provincially.
- Accounting / Finance** – Senior financial officer of a publicly listed company or major organization, or experience in financial accounting and reporting, and corporate finance (familiarity with internal financial controls, Canadian or US GAAP, and/or International Financial Reporting Standards).

6. **Government Relations** - Experience with, or a good understanding of, the workings of governments and public policy, domestically and internationally, and experience developing strong working relationships with communities and mining regulators, including corporate public outreach.
7. **Risk Management** – The understanding of enterprise risk management, internal risk controls, risk assessments and reporting.
8. **Corporate Governance** - Understanding of corporate governance practices and stakeholder engagement.
9. **Legal / Regulatory** – The understanding of legal principles and the workings of regulatory systems.
10. **Mergers & Acquisitions** – Competency in leading major organizational change and/or managing a significant merger, divestiture, joint venture or acquisition.
11. **Human Resources / Compensation** – The understanding of executive compensation, talent management and retention, and succession planning.
12. **Mining Industry** – Experience or understanding of the international mining industry, whether as an officer, employee, consultant or director.
13. **Project Development** - Experience in successfully managing and delivering large-scale capital projects.
14. **Mine Operations** - Experience or understanding of the full scope of mining operations.
15. **Geology / Exploration** - University degree in Geoscience or similar area; or experience as executive or senior consultant involving geological analysis (including resource estimation). Experience or knowledge of exploration techniques, strategies, and risks.
16. **Mine Engineering** – The knowledge of engineering principles and application of technical skills and expertise.
17. **Processing / Metallurgy** – Understanding of or experience with metallurgy and mine processing.
18. **Environment / Sustainability** – The knowledge of corporate responsibility practices and the constituents involved in sustainable development practices (including as it pertains to climate change), environmental stewardship, community development, social progression, and protection of human rights.
19. **Health & Safety** – Understanding of or direct experience with health and/or safety standards, policies, practices and management.

Board Independence

The Board has considered the relationship of each director to the Company and determined that the majority of directors (six of eight, or 75%) are independent. A director is independent if he or she would be “independent” as defined by National Instrument 52-110 - Audit Committees (“NI 52-110”). Generally, directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgement.

Six of the Board’s existing eight directors qualify as independent directors under NI 52-110. Having independent directors on the Company’s Board allows for objective opinions, particularly in relation to the evaluation and performance of the Board and well-being of the Company. With the guidance of the Nominating and Corporate Governance Committee, the Board structure is assessed annually and considered continually throughout the year to ensure that the directors can act objectively and in an unfettered manner, independent of management and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with their ability to act in the Company’s best interests. The Board will, in appropriate circumstances, meet separately from non-independent directors, and the independent directors will have open and candid discussions among themselves.

Tookie Angus, the Chair of the Board, is independent. It is the Company’s policy that the Board Chair be independent. Mr. Angus, an independent director and Chair of the Board acts as Chair of Board meetings and meetings of the independent members of the Board, as well as acting as the liaison between management and the Board. It is the Company’s policy that the Board Chair be independent.

John Lewins is not independent and is considered to have a material relationship with K92 as CEO. Cyndi Laval is considered not independent as she is a partner at the law firm acting as the Company’s legal counsel.

All of the members of the Company’s key committees are independent.

The following table describes whether the current and proposed directors are independent and, if not independent, sets out the reasons:

Director Name	Independent	Not Independent	Reason For Non-Independent Status
R. Stuart (Tookie) Angus	■		
Mark Eaton	■		
Anne Giardini	■		
Saurabh Handa	■		
Cyndi Laval		■	Partner at Company's legal counsel firm
John Lewins		■	CEO of the Company
Ian Stalker	■		
Graham Wheelock	■		
	75%	25%	

Director Interlocks and Outside Board Memberships

The Nominating and Corporate Governance Committee monitors the outside boards on which our directors serve to determine if there are circumstances that would impact a director's ability to exercise independent judgment and to confirm each director has enough time to fulfill his or her commitments to the Company. The Nominating and Corporate Governance Committee ensures that directors advise the committee when they are considering outside public company board appointments.

An interlock occurs when two or more Board members are also fellow board members of another public company. The Company limits the number of directors sitting together on another public company board to two directors. In considering whether or not to permit more than two directors to serve on the same board, the Board takes into account all relevant considerations including, in particular, the total number of Board interlocks at that time. There are currently no Board interlocks.

Board Tenure

The Company has not adopted term limits for the directors or other formal mechanisms of Board renewal as term limits could restrict the Company's ability to benefit from the contributions of otherwise qualified, experienced directors. The Board has chosen not to implement mandatory retirement or term limits for directors. The Board believes that term limit restrictions and mandatory retirement age policies do not consider the value that a knowledgeable and experienced director can provide to the Company and are not in the best interest of the Company. The Board has a rigorous process to review directors and Board effectiveness, including a skills gap analysis and a diversity policy which all assist in Board renewal and ensuring the strong performance and independence of directors. The average tenure of our director nominees is 4.2 years.

Director Succession

The Board has a proactive and robust succession planning process for directors. The Nominating and Corporate Governance Committee is responsible for identifying and recommending director candidates for election to the Board at each annual meeting or to fill vacancies on the Board. Director candidates are assessed based on their individual qualifications, experience, diversity of background and expertise, as well as their integrity, professionalism, values and independent judgement.

In assessing the composition of the Board, the Nominating and Corporate Governance Committee uses a matrix to identify areas the Board feels are necessary in fulfilling its duties and responsibilities in overseeing our strategic direction, management, and the Company's affairs. The skills matrix is updated regularly, reviewed annually, and used as a reference tool for continual assessment.

Other Directorships

In addition to their positions on the Board some director nominees also serve as directors of other reporting issuers. The following table provides details of the directorships and committee appointments held by the director nominees on other public companies as at the date of this Information Circular. None of the director nominees of the Company have interlocking relationships by which they serve together as directors on the boards of other public companies.

The Board has determined that the simultaneous service of some of its directors on other audit committees does not impair the ability of such directors to effectively serve on K92's Audit Committee.

Name of Director	Name of Reporting Issuer	Director and Committee Position
R. Stuart (Tookie) Angus	Kenadyr Metals Corp. (TSX-V)	<ul style="list-style-type: none"> - Chair - Audit Committee Member - Compensation Committee Member - Corporate Governance Committee Member
	Sun Summit Minerals Inc. (TSX-V)	<ul style="list-style-type: none"> - Chair - Audit Committee Member - Compensation Committee Chair - Corporate Governance Committee Chair
Mark Eaton	Belo Sun Mining Corp. (TSX)	<ul style="list-style-type: none"> - Chair
Anne Giardini	Capstone Mining Corp. (TSX)	<ul style="list-style-type: none"> - Audit Committee Member - Corporate Governance and Nominating Committee Member
	Stella-Jones Inc. (TSX)	<ul style="list-style-type: none"> - Environmental, Health and Safety Committee Member - Remuneration Committee Member
Saurabh Handa	Carbon Streaming Corporation (NEO, FSE)	<ul style="list-style-type: none"> - Audit Committee Chair - Compensation Committee Member
Cyndi Laval	Riley Resources Corp. (TSX-V)	<ul style="list-style-type: none"> - Audit Committee Member
John Lewins	Fosterville South Exploration Ltd. (TSX-V)	<ul style="list-style-type: none"> - Audit Committee Member - Compensation Committee Member
	Zacatecus Silver Corp. (TSX-V)	<ul style="list-style-type: none"> - Audit Committee Member - Compensation Committee Member
John (Ian) Stalker	Nexus Gold Corp. (TSX-V)	<ul style="list-style-type: none"> - Chair - Audit Committee Member
	Pasofino Gold Limited (TSX-V)	-
	Condor Gold plc (TSX-V; AIM)	-
	Helium One Global Ltd. (AIM)	-

Summary of Board and Committee Meetings Held

The Board meets a minimum of four times per year and as otherwise required. Typically, each committee of the Board meets at least once each year, or more frequently as deemed necessary by the applicable committee. The frequency of the meetings and the nature of each meeting agenda depend on the business and affairs that the Company faces from time to time. Directors may also attend informal updates by management from time to time. The CEO and CFO are invited to attend certain committee meetings with a portion of each meeting held in-camera.

The following table summarizes director attendance at Board and committee meetings held during 2020. The attendance table only reflects attendance at meetings for which the director was required to attend as a committee or Board member.

In 2020, the Board held 11 meetings. Each meeting is normally chaired by the Board Chair. To promote independent functioning, it is the Company's practice to hold an "in-camera" session, with management not present, for each Board meeting.

Board and Committee Meetings Held In the 12-month period ended December 31, 2020

Board of Directors	9
Audit Committee	4
Compensation and Benefits Committee	2
Nominating and Corporate Governance Committee	3
Health and Safety Committee	3

Board and Committee Meeting Attendance

Director	Board	Audit Committee	Compensation and Benefits Committee	Nominating and Corporate Governance Committee	Health and Safety Committee	Total Attendance
R. Stuart Angus ⁽¹⁾	9 of 9	3 of 3	2 of 2			100%
Mark Eaton	9 of 9	4 of 4	2 of 2			100%
Anne Giardini ⁽¹⁾	4 of 4	1 of 1		2 of 2		100%
Saurabh Handa	9 of 9	4 of 4		3 of 3		100%
Cyndi Laval ⁽²⁾	9 of 9			1 of 1		100%
John Lewins	9 of 9				3 of 3	100%
Ian Stalker ⁽³⁾	9 of 9		2 of 2		3 of 3	100%
Graham Wheelock	9 of 9			3 of 3		100%

(1) Anne Giardini was appointed to the Board on July 15, 2020. She replaced Cyndi Laval on the Nominating and Corporate Governance Committee, and R. Stuart (Tookie) Angus on the Audit Committee

(2) Cyndi Laval attended one meeting of the Nominating and Corporate Governance Committee until she was replaced by Anne Giardini on the committee.

(3) Saurabh Handa replaced Ian Stalker on the Compensation and Benefits Committee in 2021.

(4) Attendance by each director at Board and committee meetings is based on the number of meetings held during the portion of the calendar year during which the director served on the Board and/or the applicable committee.

During 2020, ten meetings of the Board were held via videoconference and one meeting was held in person. All committee meetings were held via videoconference. The Board normally meets once per year for an in-person full-day strategy session. The Board met in early 2020 for such a session.

The committee meetings held in 2020 were virtual as a cautionary measure due to the ongoing pandemic.

In addition, written consent resolutions were passed by the Board and the committees. Resolutions in writing must be executed by all the directors entitled to vote on a matter in order to be effective.

As set out in the Board Mandate, Board members are expected to attend all meetings of the Board in person or by telephone or other electronic communications device that permits all members in the meeting to speak and to hear each other; to devote the necessary time and attention to the work of the Board; and to have reviewed Board materials in advance and be prepared to discuss such materials.

In-Camera Sessions

At the conclusion of each regularly scheduled meeting of the Board, the independent directors hold an in-camera session at which non-independent directors and members of management are not present unless the Board Chair otherwise determines. These sessions encourage open and candid discussion among the directors and with the auditor. Each committee of the Board also holds similar in-camera sessions. The Audit Committee holds in-camera sessions with our auditor and without management present to allow committee members to ask the auditor questions on any topic and to invite the auditor to make comments of any nature related to their work. In addition, The Audit Committee holds in-camera sessions without our auditor present.

If that the independent directors wish to convene a meeting amongst themselves, they may do so by making arrangements through the Corporate Secretary. In addition, all members of the Board regularly and independently confer amongst themselves and keep apprised of all operational and strategic aspects of the Company's business.

Board Assessments

The Nominating and Corporate Governance Committee established a formal process for assessing the effectiveness of the Board as a whole, its committees and individual directors. As part of this process, directors complete a detailed questionnaire which provides for quantitative and qualitative ratings of their individual performance in key areas and seeks subjective comment in each of those areas. The Nominating and Corporate Governance Committee also reviews the results of the self-assessment process for the Board and its committees and identifies areas requiring follow-up.

The Chair of the Nominating and Corporate Governance Committee reviews individual responses on a confidential basis and provides a summary report to the Board consolidating such responses and the results of the assessment process. Action plans to follow up on any specific issues identified in the assessment process are monitored by the Nominating and Corporate Governance Committee. The evaluation process includes individual director self-assessments and committee performance reviews.

Additional Information Regarding the Board

For additional information regarding the Company's Board, including compensation and corporate governance practices, see "Board Nominees", "Statement of Executive Compensation", "Corporate Governance Practices", and "Board Committees" in this Information Circular.

CORPORATE GOVERNANCE PRACTICES

K92 recognizes the importance of good corporate governance to the long term and successful management of the Company. The Company's management and Board value accountability and honest and ethical behaviour, and have developed mandates and practices into the Company's corporate governance framework to maintain high corporate governance standards.

We believe that responsible and transparent corporate governance practices provide us with a framework for exercising timely and effective decisions and serve as a foundation for our commitment to the shareholders and other stakeholders in representing their interests with integrity, honesty and ethical conduct.

This section discusses K92's corporate governance practices and provides information pertaining to our Board and its committees.

Governance Overview

The Company is listed on the TSX, under the trading symbol "KNT" and is subject to the governance regulations, rules and standards applicable of a TSX Issuer. Our corporate governance practices meet the governance requirements of the TSX and the Canadian Securities Administrators, including:

- National Instrument 52-110 - Audit Committees ("NI 52-110")
- National Policy 58-201 - Corporate Governance Guidelines
- National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101")
- National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings

The key elements of K92's governance practices are:

- ensuring employees, management and the Board are committed to ethical business conduct, integrity and honesty;
- establishing key policies and standards to provide a framework for how we conduct our business;
- retaining directors, other than our CEO, the majority of whom are independent;
- having a Board with individuals that have a mix of diversity, skills, knowledge and experience, including the core competencies identified in our skills matrix to maximize the effectiveness of the Board and its committees and oversight of the execution of our strategies;
- maximizing the effectiveness of the Board, its committees and individual directors through annual evaluations and continuing education of our directors; and
- facilitating and fostering an open dialogue between our management and the Board with our shareholders and community stakeholders.

Governance structures and processes:

- Majority independent directors
- Independent Chair of the Board
- Separate Chair and CEO
- CEO only member of management on the Board
- Independent committee Chairs
- Key committees 100% independent
- Any director may call a meeting of the Board
- Board meetings include in-camera sessions of the independent directors
- Written Board Mandate
- Formal written Diversity Policy
- Regularly scheduled independent director meetings
- Code of Business Conduct and Ethics

Committees of the Board

The Board has the following four standing committees:

- Audit Committee
- Compensation and Benefits Committee
- Nominating and Corporate Governance Committee
- Health and Safety Committee

Each committee reports directly to the Board. For details on the committees, please refer to “Board Committees”.

2021 Committee Structure

Upon director elections in 2021, the Board intends to compose committees of the Board as recommended by the Nominating and Corporate Governance Committee. The planned committee structure is set out below.

Director Name	Independence	Audit	Compensation and Benefits	Nominating & Corporate Governance	Health and Safety
R. Stuart Angus	✓		M		
Mark Eaton	✓	M	C		
Anne Giardini	✓	M		C	
Saurabh Handa	✓	C	M	M	
Cyndi Laval	N				
John Lewins	N				M
Ian Stalker	✓				M
Graham Wheelock	✓			M	

M - Committee Member

C - Committee Chair

✓ - Independent

N - Non-Independent

The Nominating and Corporate Governance Committee nominates to the Board for approval, an independent director as Chair of each committee based on an assessment of the appropriate skills for the given committee. The Board has the authority to appoint *ad hoc* committees as needed.

Loans to Directors and Officers

We do not grant loans to our directors, officers or employees. As a result, we do not have any loans outstanding to them.

Independent Chair

The Chair of the Board, R. Stuart (Tookie) Angus, is an independent director. He has never served as an executive officer or consultant of the Company and the Board has affirmatively determined that he is independent. The Board has adopted guidelines which, subject to the discretion of the Board, provide that the Chair of the Board shall be appointed by the Board and shall be responsible for the overall process involved in the work of the Board as well as the development and effective performance of the Board.

Separate Chair and CEO

The roles and responsibilities of the Chair and the CEO of K92 are separated to allow for more effective oversight and to hold management more accountable. The Board believes this leadership structure is appropriate because it effectively allocates authority, responsibility and oversight between management and the independent directors.

As Chair, Mr. Angus seeks to ensure that the Board operates independently of management, promotes communication between management and the Board, engages with shareholders and leads the Board's consideration of key governance matters.

As CEO, Mr. Lewins is principally responsible for the management of the business and affairs of the Company in accordance with the strategic plan and objectives approved by the Board.

The Chair and CEO positions each have a formal position description that describes the terms and responsibilities of each role. These are available on the Company's website at www.k92mining.com.

Nomination of Directors

The Board has a Nominating and Corporate Governance Committee that is composed entirely of independent directors. The Nominating and Corporate Governance Committee was established to assist the Board with the nomination of directors and to develop, monitor and implement the Company's approach to corporate governance.

The Board is committed to maintaining high standards of corporate governance in all aspects of the Company's business and affairs and recognizes the benefits of fostering greater diversity in the boardroom. A fundamental belief of the Board is that a diversity of perspectives maximizes the effectiveness of the Board and decision-making in the best interests of the Company. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, is an important component in the Nominating and Corporate Governance Committee's search for and selection of candidates. The Company seeks to increase diversity at the Board level through the recruitment efforts of the Nominating and Corporate Governance Committee and the Board aspire to increasing the representation of women on the Board, as director turnover occurs.

The role of the Nominating and Corporate Governance Committee is intended to, amongst other things: (i) identify individuals qualified to become members of the Board and Board committees; and recommend that the Board select such persons as nominees for appointment or election to the Board; (ii) develop and recommend to the Board corporate governance guidelines for the Company and make recommendations to the Board with respect to corporate governance practices; and (iii) recommend the establishment of such permanent or ad hoc committees of the Board as it deems necessary for the purposes of assisting in the corporate governance of the Company. All members shall have a working familiarity with corporate governance practices.

In fulfilling its responsibilities to identify individuals qualified to become members of the Board, the committee will consider: (i) the independence of each nominee; (ii) the experience and background of each nominee; (iii) the skill set of each nominee relative to the balance of skills required by the Board and its committees to meet their respective mandates; (iv) the overall diversity of the Board, including gender diversity; (v) the past performance of directors being considered for re-election; (vi) applicable regulatory requirements; and (vii) such other criteria as may be established by the Board or the Nominating and Corporate Governance Committee from time to time.

Director nominees must have a track record in general business management, expertise in an area of strategic interest to the Company, and the ability to devote the time required and a willingness to serve. The Nominating and Corporate Governance Committee also considers the size of the Board from time to time, and currently considers the size of the Board to be appropriate.

Having received management's nominees and utilizing their extensive knowledge of the industry and personal contacts to identify additional nominees, the Nominating and Corporate Governance Committee recommended to the Board the nomination of the proposed directors for election at the Meeting following a review of the experience, qualifications and background of each proposed director.

Orientation and Continuing Education

The Nominating and Corporate Governance Committee and the Board are responsible for ensuring that all new directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, and that they understand the nature and operation of the Company's business. In addition, the Nominating and Corporate Governance Committee is responsible for providing continuing education opportunities designed to maintain or enhance the skills and abilities of the directors and to ensure that their knowledge and understanding of the business remains current to address ongoing and emerging issues in the functional areas of the Board.

Management provides each new director with access to an electronic director orientation portal containing information that is continually updated regarding the Company and a range of topics, including:

- the Board mandate and committee charters
- key position descriptions
- Company policies, guidelines and governance practices
- Company organizational documents
- Corporate and organizational structure
- Board and committee meeting minutes and resolutions
- information on the Company's share capital and security-based compensation arrangements
- strategic plans, operation reports and budgets
- publicly filed documents of the Company, technical reports and the Company's internal reports
- public communications with the communities in which we operate
- corporate governance guidelines literature and website information
- applicable industry articles and reports
- mine operations reports
- the Board and committee meeting calendar

New directors are encouraged to review and familiarize themselves with this information and to have individual meetings with senior management and other directors. All Directors are encouraged to communicate with management, auditors, and technical consultants, to keep themselves current with industry trends and developments and changes in legislation, to attend related industry seminars and visit the Company's operations.

Management informs and educates the Board on a continuing basis as necessary to keep the directors current with information on the Company, its business and the environment in which it operates. At each of its meetings, the Board receives a presentation from management which is focused on deepening the Board's knowledge of the business, the industry, and the key risks and opportunities facing the Company. The directors are regularly and timely provided with updates from members of management regarding strategic issues or events affecting the Company, including its competitive environment, the Company's performance relative to its peers and any other developments that could materially impact the Company's business.

Directors, including new Board members, regularly are provided an opportunity to interact with management, its external auditors and its legal counsel to discuss key operational, financial and industry matters regarding the Company's business, or any information they may consider necessary in order to properly perform their duties.

In addition, directors may take courses, attend seminars, conferences and other continuing education programs relevant to the Company and its business, particularly with respect to corporate governance, Board responsibilities, Company risk, financial and accounting practices, and the mining industry, at the Company's expense. The Company and all of our directors are members of the Institute of Corporate Directors ("ICD"), which offers professional development and continuing education programs, and the Company pays the cost of this membership. Published third-party reports and articles that are likely to be of interest are routinely forwarded to the directors for review.

The Nominating and Corporate Governance Committee oversees the director education and development programs. The committee ensures that all directors receive updates to Company policy documents and information related to

changes to applicable laws and stock exchange requirements, including major public policy and regulatory initiatives relating to the Company's business.

The Board meets at least annually outside the offices of the Company for in-person comprehensive strategy sessions to formulate the short-term and long-term objectives of the Company. Directors are encouraged to visit the Company's operations including a tour of a Company mine site and its facilities to provide them with an extended opportunity to interact with employees, government officials and community members. Site visits have been temporarily halted due to restrictions related to COVID-19 and will resume when the Company determines that such visits can be safely carried out.

Potential Conflicts of Interest

Our directors and officers, among others, are expected to make decisions and take actions that are in the Company's best interests, and which are not based on or unduly influenced by personal relationships or benefits. It is also a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect to the transaction or agreement if the interest is material.

Certain members of the Board are directors or officers of, or have shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Where such a conflict involves a particular director (i.e. where a director has an interest in a material contract or material transaction involving the Company), such Board member will be required to disclose his or her interest to the Board and refrain from voting at the Board meeting of the Company considering such contract or transaction. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest are encouraged to be reported immediately to a member of the Board who is independent of the potential conflict and who will assess the issue with the advice of legal counsel. If deemed appropriate, the Company may establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

Board Mandate

The Board is responsible for the stewardship of the Company and, in doing so, must act honestly and in good faith with a view to the best interests of the Company. The Board has adopted a written mandate (the "Board Mandate"), a copy of which is attached to this Information Circular as Schedule "A". The Board Mandate includes approving long-term goals and objectives for the Company, ensuring the plans and strategies necessary to achieve those objectives are in place, and supervising the conduct of the Company's affairs and of senior management. Management has been delegated responsibility for the implementation of long-term strategies and day-to-day management of the Company.

The Nominating and Corporate Governance Committee is responsible for reviewing and assessing the adequacy of the Board Mandate at least annually or otherwise, as it deems appropriate, and recommending any changes to the Board for consideration. The Board retains a supervisory role and ultimate responsibility for all matters relating to the Company and its business. The Board discharges its responsibilities both directly and through its Audit Committee, Nominating and Corporate Governance Committee, Compensation and Benefits Committee, Health and Safety Committee, and Risk Committee. The Board may also appoint ad hoc committees periodically to address issues of a more short-term nature.

The Board fulfills the Board Mandate and its duties to the Company directly and through its committees at regularly scheduled meetings and as required. Frequency of meetings may be increased, and the nature of the agenda items may be changed depending on the state of the Company's affairs and depending on opportunities or risks it faces.

The directors are kept informed of the Company's operations at these meetings, as well as through reports and discussions with management on matters within their particular areas of expertise.

The Nominating and Corporate Governance Committee is responsible for assessing the Board's performance in fulfilling the Board Mandate. It reviews with the Board, on a regular basis and at least annually, the role of the Board, the Board Mandate, the charters of each of the committees of the Board and the methods and processes by which the Board fulfills its duties and responsibilities. When appropriate, the Board Mandate and committee charters are updated to reflect evolving governance practices.

Ethical Business Conduct - Code of Business Conduct and Ethics

The Board considers good corporate governance to be integral to the success of the Company and a requirement to meet its responsibilities to the Company and its shareholders.

The Board encourages and promotes a culture of ethical business conduct through communication, meetings and other informal discussions with management, and supervision as part of its overall stewardship responsibility. The Company has adopted a Code of Business Conduct and Ethics (the "**Code**") which sets out principles and standards for honest and ethical behavior and addresses the Company's continuing commitment to integrity and ethical standards. The Code is applicable to all employees, consultants, officers and directors ("**Representatives**") regardless of their position in the organization, at all times and everywhere the Company does business. The Code requires the Company's Representatives to uphold its commitment to a culture of honesty, integrity, accountability and respect for the communities in which the Company operates. The Company requires the highest standards of professional and ethical conduct from its Representatives.

Directors, officers or employees who have concerns about violations of laws, rules or regulations or of the Code are to report them to either an immediate supervisor, the CEO, or a member of the Audit Committee or the Nominating and Corporate Governance Committee. Each case will be investigated, kept confidential and reported to the Chair of the Audit Committee as appropriate. The Audit Committee has primary authority and responsibility for monitoring compliance with and enforcement of the Code, subject to the supervision of the Board. The Audit Committee reviews compliance with the Code at each of its meetings. Employees and directors are required to annually certify their understanding of and adherence to the Code. The Board reviews the Code on an annual basis to determine whether any changes are necessary or desirable.

A copy of the Code is available under the "Corporate Governance" section of the Company's website at www.k92mining.com, under the Company's profile at www.sedar.com or by contacting the Corporate Secretary.

Whistleblower Policy

The Company has adopted a whistleblower policy (the "**Whistleblower Policy**"). The Whistleblower Policy provides a procedure, mandate and responsibilities around handling anonymous complaints by directors, officers, employees and contractors who feel that a violation of the Code or the Company's Anti-Bribery and Anti-Corruption Policy has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, whereby such violations can be reported to the Chair of the Audit Committee, whether through the whistleblowing process and dedicated email address, or reported otherwise. Concerns are confidentially reviewed by the Chair of the Audit Committee in the manner deemed to be appropriate based on the nature and merits of the submission and with the assistance of whomever the Chair of the Audit Committee deems appropriate.

The whistleblower reporting procedure is tested periodically as part of the Company's internal control procedures. If someone is acting in good faith in reporting any violations of the Code or Anti-Bribery and Anti-Corruption Policy, the Company will not condone any retaliation against a director, officer, employee or contractor of the Company.

A copy of the Whistleblower Policy may be obtained from our website at www.k92mining.com or by contacting the Corporate Secretary.

Anti-Bribery and Anti-Corruption Policy

K92 is committed to maintaining the highest ethical and legal standards. The Company has adopted an Anti-Bribery and Anti-Corruption Policy that provides guidance and procedures to ensure that the Company's directors, officers, employees, consultants and contractors conduct themselves in an honest and ethical manner when dealing with government officials, community stakeholders, and all other parties, and in compliance with all applicable laws and regulations pertaining to bribery and corruption. The policy prohibits, amongst other things, all forms of bribery or corrupt practices, either directly or indirectly on the Company's behalf, to advance its business interests or those of its associates.

The Anti-Bribery and Anti-Corruption Policy prohibits the provision of facilitation payments, gifts above a certain threshold, kickbacks, and political and charitable contributions to government officials (for example, benefits that could inappropriately influence the decision-making of the recipient). Training and other awareness initiatives on this policy is provided on an ongoing basis to offer guidance on how to recognize and deal with bribery and corruption issues, and to report such issues to the Audit Committee. Directors, employees and consultants must read the Anti-Bribery and Anti-Corruption Policy when they join the Board or begin working for the Company. They must acknowledge that they understand this policy and attest to their compliance annually.

The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at www.k92mining.com.

Board Diversity Policy and Representation of Women in Executive Officer Positions

The Company recognizes the value of diversity among its directors and management. Our workforce is made up of individuals of varied gender, background, skills, values and experiences. The Company also believes that a Board made up of highly qualified individuals from diverse backgrounds promotes better corporate governance, superior performance and effective decision-making. Diversity includes, but is not limited to: skills, competencies, gender, age, nationality, cultural background, education, geographic representation, business and other experience, particular areas of expertise, character and merit, and other characteristics in the environment in which the Company operates.

The Board believes that gender diversity is a significant aspect of diversity and women with appropriate and relevant skills and experience have an important role in contributing to the diversity of perspective on the Board. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, are key components by the Nominating and Corporate Governance Committee for the search for and selection of candidates. The Board has adopted a diversity Policy (the "Diversity Policy") that communicates the importance that the Company places on the diversity of its Board. The Diversity Policy is reviewed annually by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee reviews the adequacy of the Diversity Policy at least annually and monitors its effectiveness through the Board assessment process.

The Diversity Policy has set a target for the Company of to maintain a Board in which at least 30% of Board are women, no later than 2022. As of the Record Date, two directors, representing 25% of the Board, are women.

The Company acknowledges the benefits of diversity at the executive level, and therefore female representation is a factor taken into consideration during the search process to fill leadership roles within the Company. Although no targets have been adopted for executives or senior positions, when Management and the Board selects candidates for executive officer positions, they consider not only the qualifications, personal qualities, gender, business background and experience of the candidates, but also the composition of the group of nominees, to best bring together a selection of candidates allowing the Company's management to perform efficiently and act in the best interest of the Company and its stakeholders.

K92 is also committed to advancing women, and other individuals representing a diversity of backgrounds, into leadership roles in the Company through mentoring, continuing educational development and succession planning

processes. In particular, the Company has established the “Women in Mining” program in PNG, which supports women’s groups in the communities and is supporting literacy, bookkeeping, business development and other initiatives that will lead to an increase of female representation in K92’s workforce and leadership team.

The Diversity Policy may be accessed on the Company’s website at www.k92mining.com.

Insider Trading Policy

The Company maintains an insider trading policy (the "**Disclosure, Confidentiality and Insider Trading Policy**") and reporting guidelines that place restrictions on "insiders" and those in a special relationship with K92 from trading in Shares and other securities of the Company. Our policy meets the requirements of the stock exchanges on which our Shares are listed as well as those of corporate law and includes the following measures:

- Establishment of quarterly and annual trading blackout periods when financial results are being prepared and have not yet been publicly disclosed. These blackouts extend to all employees engaged in the preparation of our financial results and all officers and directors. The blackouts are effective two weeks prior to the Audit Committee meeting at which financial statements are approved and the end at the close of trading on the second trading day after we issue the news release or disclose our financial results.
- Publishing and communicating the dates for regular blackout periods and sending a reminder to all reporting insiders of their obligations.
- Establishment of special trading blackouts at times when employees, for business reasons, may be in possession of material non-public information.
- Prohibiting informing other persons of any undisclosed material information about the Company
- Requiring all reporting insiders to pre-clear securities trading transactions.
- Annual certification of acknowledgement of and compliance with the Disclosure, Confidentiality and Insider Trading Policy.

Position Descriptions

The Board has adopted written position descriptions for its independent Chair, the Chair of each Board committee, and the CEO in order to delineate the roles and responsibilities of each position. All position descriptions are reviewed on an annual basis by the Nominating and Corporate Governance Committee in collaboration with the Chair and the CEO, and revised at that time, if deemed necessary. All position descriptions are available in the Corporate Governance section of the Company’s website at www.k92mining.com.

Chair Position Description

The Board has appointed R. Stuart (Tookie) Angus, as independent Chair of the Board. As Chair, Mr. Angus chairs all meetings of the Board and of the shareholders.

The primary responsibility of the Chair of the Board is to oversee the operations and affairs of the Board and to provide leadership to the Board to enhance its effectiveness. The Board has ultimate responsibility for the supervision of management of the Company. Critical to fulfilling this responsibility is the relationships among the Board, management, and committees of the Board. The Chair, as the presiding member of the Board, oversees these relationships and ensure that they are effective, efficient and further the best interests of the Company. The Chair ensures that an appropriate committee structure is in place, and that the functions and responsibilities identified in the Board Mandate are being effectively carried out by the Board and its committees.

The Chair’s responsibility for facilitating highly effective performance by the Board, includes:

- Ensuring proper flow of accurate, timely and relevant information, including management strategies, plans and performance matters to enable the directors to make business decisions.
- Coordinating, in conjunction with management, the agenda for the Board meetings, and facilitating effective review, analysis and discussion at such meetings.
- Collaborating with committee Chairs to ensure each committee's functions are effectively carried out and assisting the committees in presenting their recommendations to the Board for consideration.
- Assisting the Nominating and Corporate Governance Committee in identifying and assessing potential director candidates.
- Presiding over all meetings of shareholders of the Company.
- Working collaboratively with the CEO and the Nominating and Corporate Governance Committee with respect to governance and Board processes.
- Ensuring that the CEO is aware of any concerns raised by the Board.
- Promoting and supporting a Board culture characterized by, among other things, a high level of integrity and honesty in the actions of the Board and management, and a commitment to good governance practices.
- Facilitating separate in-camera sessions in which the independent directors can meet, as necessary.

Chief Executive Officer Position Description

The primary responsibility of the CEO of the Company is to oversee the day-to-day operations and affairs of the Company, to provide leadership to management, to provide vision for future growth opportunities, and hold primary accountability for the profitability and growth of the Company. In collaboration with the Board, the CEO formulates the strategic direction of the Company to enhance its short-term and long-term performance.

The CEO position description sets out a number of specific responsibilities of the CEO including.

- Managing the day-to-day operations of the business of the Company.
- Having primary accountability for the profitability and growth of the Company.
- Working with the Board and management to formulate the strategic direction of the organization and to carry out that strategic direction.
- Reporting regularly to the Chair and, where appropriate, the Board, with relevant, timely and quality information so that the Board can discharge its responsibilities effectively and, in particular, reporting on progress by the Company toward its strategic objectives and towards its short, medium and long term plans.
- Identifying and reviewing with the Board all significant risks to the Company's business and ensuring the implementation of appropriate systems, procedures and controls to eliminate or mitigate such risks.
- Motivating, guiding and directing the management team, employees and contractors to fully contribute to Company objectives.
- Ensuring the development and maintenance of financial and administrative systems and controls.
- Providing hands-on leadership in pursuing acquisitions and divestitures and development opportunities.
- Developing positive and productive relationships with external stakeholders, including shareholders, customers, contractors, suppliers, regulatory and governmental authorities.

Position Descriptions of Committee Chairs

The Board has delegated various responsibilities to four standing committees, which in turn regularly report and make recommendations (when applicable) to the full Board: (i) Audit Committee; (ii) Nominating and Corporate Governance Committee; (iii) Compensation and Benefits Committee; and (iv) Health and Safety Committee. The

Chair of the Audit Committee is Saurabh Handa; the Chair of the Nominating and Corporate Governance Committee is Anne Giardini, and the Chair of the Compensation and Benefits Committee is Mark Eaton.

The primary responsibility of the Chair of each committee of the Board is to oversee the operations and affairs of the respective committee and to provide leadership to the committee to enhance the committee's effectiveness. Each committee Chair plays a critical role in guiding the committee in the fulfillment of the committee's duties and responsibilities as set out in the committee's charter and managing the process through which the committee carries out such duties and responsibilities. Each Chair is responsible for ensuring an effective relationship among management, committee members and the Board. All of the committee Chairs are independent.

Board Committees

To assist the Board in carrying out its mandate, the Board has established the following four standing committees that report to the Board: 1) Audit Committee; 2) Compensation and Benefits Committee; 3) Nominating and Corporate Governance Committee; and 4) Health and Safety Committee.

Each of these committees has a charter that includes a statement of the committee's purpose, a description of the committee's powers and responsibilities, and sets out the procedures governing the committee. The committee charters are reviewed annually to ensure they remain appropriate for the Company and are consistent with market practice and applicable law. Any changes to the charters are reviewed by the relevant committee, the Nominating and Corporate Governance Committee and the Board. Each committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities and each committee charter also expressly entitles the committee's members to retain the services of outside advisors and/or consultants as it deems necessary or appropriate to carry out its responsibilities. A copy of each committee charter is available in the Corporate Governance section of the Company's website at www.k92mining.com.

The CEO does not participate in making decisions regarding appointments to the committees of the Board. From time to time, the Board may appoint special committees if warranted to address extraordinary issues.

Audit Committee

2021 Members	Independent	Financially Literate	2020 Meeting Attendance	
Saurabh Handa, CPA, CA (Chair)	✓	✓	4 of 4	100%
Mark Eaton	✓	✓	4 of 4	100%
Anne Giardini, QC	✓	✓	1 of 1	100%

The Audit Committee consists of three independent members of the Board who are financially literate, meaning that each member can read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements and disclosures. Tookie Angus served on the Audit Committee until July 15, 2020, when he was replaced on the committee by Anne Giardini. Mr. Angus attended three meetings of the Audit Committee in 2020. Following the election of directors at the Meeting, the Board intends to re-appoint the above three Audit Committee members.

The overall purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to accounting, auditing, financial reporting and internal control processes by, among other things:

- Ensuring the integrity of the financial statements and financial reporting of the Company.
- Overseeing compliance with related legal and regulatory requirements including tax and disclosure.
- Ensuring the overall adequacy and maintenance of the systems of internal controls and disclosure controls and procedures that management has established.

- Maintaining overall responsibility for the Company’s external and internal audit processes, including the external auditor’s qualifications, independence and performance.
- Reviewing the effectiveness of the Company’s procedures for the identification, assessment, reporting and management of risks.
- Oversight of the Whistleblower Policy and responding to reports under that policy.

During 2020, the Audit Committee met four times. The external auditor of the Company reports directly to the Audit Committee which meets *in-camera* with the external auditor at the end of each quarterly meeting.

Further information regarding the Audit Committee is contained in K92’s latest annual information form (“AIF”) under the heading “*Audit Committee*”, and a copy of the Audit Committee charter is attached as a schedule to the AIF. The AIF is available on our website at www.k92mining.com, under the Company’s profile on SEDAR at www.sedar.com or may be obtained upon request from the Corporate Secretary of the Company.

Compensation and Benefits Committee

2021 Members	Independent	2020 Meeting Attendance	
Mark Eaton (Chair)	✓	2 of 2	100%
R. Stuart Angus	✓	2 of 2	100%
Saurabh Handa (since June 2021)	✓	Nil	N/A

The Company has a Compensation and Benefits Committee (the “**Compensation Committee**”) comprised entirely of independent directors. During 2020, the Compensation Committee met two times. Ian Stalker served on the Compensation Committee until June 2021, when he was replaced on the committee by Saurabh Handa. Mr. Stalker attended two meetings of the Compensation Committee in 2020. Following the election of directors at the Meeting, the Board intends to re-appoint the above three Compensation Committee members.

The purpose of the Company’s Compensation Committee and program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the interests of shareholders of the Company and to provide for transparent and defensible compensation.

The Compensation Committee is responsible for:

- Developing director and executive compensation and principles, policies and programs in consultation with senior management and external advisors, that address K92’s talent and workforce needs, and reviewing the programs annually.
- Reviewing and recommending to the Board K92’s Share Based Compensation Plan and other security-based plans and programs.
- Reviewing and approving the terms of employment and performance objectives for the CEO.
- Recommending to the Board security ownership targets for executive officers and directors and monitoring and administering security ownership policies and procedures, as well as the Clawback Policy
- Reviewing and recommending to the Board the goals and objectives of the CEO, evaluating the performance of the CEO in light of those goals and objectives, and reviewing and recommending to the Board the compensation of the CEO based on this evaluation.
- Monitoring trends in compensation philosophy and practices, making recommendations regarding appropriate levels and types of executive and director compensation that are competitive in order to attract, retain and motivate the directors and senior officers.

None of the Compensation Committee members has been an employee or executive officer of the Company, has or has had a material relationship with the Company, taken a loan from the Company or had an interest in any material transactions involving K92.

Each of the members of the Compensation Committee has extensive experience with compensation matters, which is not limited to public companies, and their expertise enables them to assess the relative benefits and costs of compensation plans. Each of the members have served in senior executive positions and on compensation committees of public companies, and have in-depth knowledge of compensation practices. The members' combined experience in the resource sector provides them with insight into the specific risks and success factors applicable to the Company's operations, which is important in setting and measuring the Company's performance metrics.

Further information on the Compensation Committee's policies, philosophy, guidelines, metrics, targets and market information used by the Compensation Committee in the process of recommending to the Board the amount, form and structure of the compensation to be awarded to officers and directors, can be found in the section titled "Compensation Discussion and Analysis" in this Information Circular.

Information related to the retention by the Compensation Committee of the compensation consultant and the services performed by such consultant is available in the Statement of Executive Compensation.

Nominating and Corporate Governance Committee

2021 Members	Independent	2020 Meeting Attendance	
Anne Giardini (Chair)	✓	2 of 2	100%
Graham Wheelock	✓	3 of 3	100%
Saurabh Handa	✓	3 of 3	100%

The Board has a Nominating and Corporate Governance Committee that is comprised of three directors, all of whom are independent directors. The Nominating and Corporate Governance Committee was established to assist the Board with the nomination of directors and to develop, monitor and implement the Company's approach to corporate governance focussed on promoting a culture of integrity throughout the Company. The committee held three meetings in 2020. Cyndi Laval served on the Nominating and Corporate Governance Committee until July 2021, when she was replaced on the committee by Anne Giardini. Ms. Laval attended one meeting of the Nominating and Corporate Governance Committee in 2020. Following the election of directors at the Meeting, the Board intends to re-appoint the above three Nominating and Corporate Governance Committee members.

Each member brings to the committee experience and knowledge relevant to the committee's responsibilities and accountabilities, including experience in corporate governance, industry experience, finance and business judgment.

The Nominating and Corporate Governance Committee is responsible for:

- Developing and recommending to the Board a set of corporate governance policies, practices and guidelines applicable to the Company and to monitoring the compliance with these principles as part of the Company's overall approach to its ESG (environmental, social and governance), while considering (among other things) industry best practices.
- Identifying and proposing Board candidates for nomination and election or re-election as directors of the Company, giving consideration to diversity, as well as the skills and competencies required to comprise an effective Board.
- Succession planning and for the nomination of directors to the Board and its committees.
- Reviewing the adequacy of the size and composition of the Board, its committees and its structures and procedures with a view to facilitating the Board to function with sufficient independence from management.

- Evaluating the Board, Board committee and individual director performance.
- Oversight for Code of Business Conduct and Ethics.
- Oversight of risks related to board structure, membership and corporate governance.
- Establishing the process for ongoing development of directors and orientation programs for new directors.

The Charter of the Nominating and Corporate Governance Committee is available on the Company's website at www.k92mining.com.

For more information on the Nominating and Corporate Governance Committee, please refer to the section titled "Director Nominees" in this Information Circular.

Health and Safety Committee

2021 Members	Independent	2020 Meeting Attendance	
John Lewins (Chair)	-	3 of 3	100%
Ian Stalker	✓	3 of 3	100%
Warren Uyen (Senior Vice President Operations)	-	3 of 3	100%

The Board has appointed a Health and Safety Committee composed of two Directors and a member of the Company's management team. The primary objective of the Health and Safety Committee is to review and oversee the Company's established safety, health and environmental policies and procedures at the Company's project sites. The Health and Safety Committee also reviews any incidents that occur and provides guidance on how to prevent recurrences.

The Health and Safety, Environmental Committee is responsible for:

- Ensuring that the Company has developed, implemented and is maintaining satisfactory health, safety and environmental policies and standards for all workers, contractors and visitors.
- Reviewing and recommending, as appropriate, changes to the health, environmental, safety and social responsibility policies of the Company.
- Ensuring effective implementation of corporate social responsibility programs that are transparent and directed towards sustainable initiatives developed by the Company.
- Monitoring the status of compliance with the Company policies and applicable laws and regulations in the areas of health, environment, safety and social responsibility based on written reports from management.
- Reviewing management responses to material health, environmental or safety incidents where the occurrence is required to be reported to the appropriate authorities.
- Reviewing quarterly reports from management on the nature and number of all lost time accidents or incidents. Regularly reporting to the Board on health, environment, safety and social responsibility issues affecting the Company.

Environmental, Social and Governance (ESG) Measures

K92 is committed to integrating sustainability into our daily actions to help create long-term value for our shareholders and the communities where we operate. We are dedicated to the highest safety and environmental standards, to establishing and maintaining good relationships with our communities and host governments, and creating real, lasting and tangible benefits for the people whose lives our operations touch. We believe this is achieved through safe and environmentally responsible mining; strong community engagement; investing in each

community's future through education and training; providing infrastructure and services development; and providing employment and economic opportunities.

Management and the Board are committed to continuing to improve the Company's performance and oversight of the ESG aspect of its business. The Company's internal management systems and policy frameworks are informed by – and evolve in line with – an array of external frameworks, including UN Sustainable Development Goals, Global Standards for Sustainability Report (GRI), the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosure (TCFD) related to climate change and carbon reduction targets linked to a global climate goal.

The following information highlights our environmental, social and governance ("ESG") program, policies, and initiatives that are being enhanced on an ongoing basis. Additional information on our approach to ESG is contained in our Sustainability Report that provides an overview of how K92 manages key aspects of ESG, along with key metrics from the SASB Metals and Mining Standard. K92's first Sustainability Report was published in 2020 and will be updated at least annually. The Sustainability Reports can be found on our website at www.k92mining.com.

Environmental

By applying industry best practices, we aim to preserve the delicate balance between human progress and the natural environment. K92's environmental programs focus on both the near-mine and global impacts.

Highlights of K92's environmental practices and initiatives include:

Low impact mining - through underground mine, process plant and tailings designs.

No surface waste rock - through keeping waste rock underground as backfill or repurposing the waste rock as fill for building the tailings storage facility impoundment.

Carbon sequestering - 20,000 tree seedlings donated to support PNG's tree planting program.

Low greenhouse gas profile - due to high-grades and most power sourced from renewables (hydro-electricity).

No cyanide - conventional flotation concentrate is used instead of cyanide.

Water quality – K92 meets or exceeds discharge water quality requirements that are closely monitored.

Greenhouse gas monitoring - K92 is completing a greenhouse gas audit to identify opportunities for improvement.

Social

By hiring and training local employees, we develop capacity in our host communities and deliver long-lasting benefits. We are proud that more than 96% of our workforce are PNG nationals. Not only does K92 benefit from their service, but the skills acquired in our operations are transferrable to other jobs and help drive the host community's economic development.

K92's social and programs are predominantly focused on the following key areas:

96% Local workforce – our work force is +96% PNG nationals of which the majority are from local communities.

Job expansion - creating more jobs through production expansions.

Excellent safety record - one of the best safety records in Australasia with one lost-time incident since 2016.

Career progression - through uplifting of PNG workforce skills into senior management and operator positions.

Sustainability - contributing to unlocking the resource potential of PNG for the future through exploration.

Multiple long-term social programs - education, infrastructure, business joint ventures, and women empowerment.

Community

We are committed to the communities in which we work, going above and beyond local regulatory requirements. Our sustainable objective is to ensure that our impacted communities can thrive without dependence on the mine.

Economic contributions - a major contributor to PNG's tax base only ~2 years after start of commercial production.
+105% increase - in year-over-year investment in our PNG communities.

\$6,600,000 expenditures – from K92 to PNG community joint ventures with nationally-owned businesses.

Engagement - a 30-person community affairs and sustainable development team to help enable communities to thrive self-sufficiently.

Education focus - sponsoring 56 tertiary education students, local primary and secondary school enrollment fees and full-scholarship awards.

Female employment – driven by multiple literacy, bookkeeping and business development initiatives for women.

Food cultivation - training and experimental farms to broaden community knowledge of a wider variety of crops.

Our Covid-19 Health Response

Assistance

US\$440,000 K92 COVID-19 Assistance Fund - created in April 2020 to support local government. Assistance includes:

- Personal protective equipment (PPE)
- Medical supplies
- Testing kits and equipment
- Essential goods and services
- Logistics
- Any Other Needs

Vaccines and Testing

Vaccines – K92 has procured AstraZeneca vaccinations for use on site

On-site testing - testing utilizing rapid GENESIG Q16 PCR Testing capabilities. All staff is tested before clearing quarantine to report to work.

Medical Staff - doctors and nurses employed full-time and on-site to administer vaccines, testing and as first response to any medical concerns.

Risk Mitigation

Quarantine - all staff must quarantine and clear testing before reporting to work on site.

Social distancing and masks - implemented on site and encouraged outside of site and the communities.

Hygiene - enhanced through frequent disinfecting and augmentation of hand washing systems.

Governance

K92's governance focuses on the leadership and composition of the organization, compensation, internal controls, reporting, auditing and shareholder rights. The Company's governance policies include:

- Code of Business Conduct and Ethics
- Disclosure, Confidentiality and Insider Trading Policy
- Whistleblower Policy
- Anti-Bribery and Anti-Corruption Policy
- Diversity Policy

These policies are routinely updated and improved and can be found on the Company's website at www.k92mining.com.

Shareholder Engagement

Maintaining a constructive and meaningful dialogue with shareholders and investors is important to K92, especially on topics like governance, sustainable mining, and compensation practices. Shareholders are encouraged to provide feedback to the Company. All discussions are subject to the obligation not to make selective disclosure of a material fact or material change.

Shareholders can attend the Company's annual meetings and pose questions to management.

Shareholders and investors can also learn more about K92 through the following:

- webcasts of our quarterly earnings conference calls to review financial and operating results
- public disclosure documents such as financial statements, proxy circulars, annual information form, news releases, and the Company's website
- executive presentations at institutional and industry conferences

We also receive feedback through proactive shareholder engagement by:

- regular analyst and institutional shareholder meetings to hear feedback
- International investor road shows throughout the year
- one-on-one or group meetings between management and retail shareholders and brokers
- a dedicated address for email inquiries

Strategic Planning

The Board has oversight of the Company's strategy and strategic planning process and closely monitors, collaborates with and oversees management's performance in executing on our strategy and meeting the objectives of our strategic plan.

The Board meets annually for a strategic planning session with management in which it reviews, discusses and approves the Company's strategic plan and progress made towards achieving the plan. As part of this strategic planning session, management provides an assessment on the competitive environment, growth opportunities, regulatory environment and capital allocation in order to identify opportunities and risks to our business strategy.

The Board regularly engages in discussions and reviews the Company's strategies and potential alternatives, addressing the evolving needs and circumstances of the Company and the environments in which we operate, with the presence of, and without, senior management, and with the benefit of advice from outside financial advisors and consultants, as appropriate.

The Board also periodically holds in-camera meetings without the presence of the CEO or other management in order to assess and discuss the Company's strategic plan and priorities, and alternatives, with a view to ensuring the appropriateness and execution of the Company's strategic plan for maximizing shareholder value.

Risk Oversight

The Board is responsible for overseeing the Company's processes and key policies for the identification, assessment and management of the Company's principal risks, and annually (or more frequently as required) reviews the Company's risks with management. The Board regularly monitors the systems in place to manage those risks with a view to mitigating the potential impact of risks on the Company. Our Board delegates responsibility for certain elements of risk oversight to the various committees so that they are addressed by appropriate expertise, attention and diligence. Each of the committees regularly reviews and assesses the current status of risks in their specific areas of expertise.

Audit Committee - oversees financial reporting and compliance, internal controls and related financial matters risks.

Compensation Committee - oversees executive and director compensation and security-based compensation risks.

Health and Safety Committee - oversees community, security, environmental, and health and safety risks.

Nominating and Corporate Governance Committee - oversees governance program, compliance, ethical and Board practices risks.

For a comprehensive list of the risk factors affecting our business, please refer to the “*Risk Factors*” section of our most recent AIF and Management’s Discussion and Analysis.

Copies of the Board’s mandate, committee charters and any policies may be obtained upon request to the Company’s Corporate Secretary or through the Company’s website at www.k92mining.com.

STATEMENT OF EXECUTIVE COMPENSATION

Overview

This Statement of Executive Compensation provides information on the executive compensation practices and results of K92 Mining Inc. (“**K92**” or the “**Company**”). It includes all direct and indirect compensation provided to certain executive officers and directors for, or in connection with, services they have provided to the Company or a subsidiary of the Company.

Determining executive compensation is a key responsibility of the Board. The Board and the Compensation and Benefits Committee (the “**Compensation Committee**”) of the Board are committed to ensuring K92’s compensation practices are designed to pay for performance, align the interests of management with shareholders, and allow us to attract and retain the talent that is essential to delivering long-term value for K92’s shareholders.

All dollar amounts in this Statement of Executive Compensation are stated in US Dollars unless otherwise noted. The Company’s Shares are listed for trading on the TSX under the trading symbol “KNT”.

COMPENSATION DISCUSSION AND ANALYSIS

This compensation discussion and analysis describes our executive compensation philosophy, policies and practices, the objectives of our executive compensation program, what the compensation program is designed to reward, the program’s elements and how the Company decides the amount of each element, and the impact of Company performance on compensation results. It also describes how and why the Compensation Committee of the Board arrived at specific 2020 executive compensation decisions and the factors the Compensation Committee considered in making those decisions.

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each Named Executive Officer (as defined below) and director for the financial year ended December 31, 2020, and the general decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand K92’s executive compensation decisions.

Definitions

For the purposes of this Statement of Executive Compensation, below are definitions used in the compensation disclosure:

“**Change of Control**” means

- (a) if any individual, partnership, company, Company, society, or other legal entity (a “**Person**”), alone or together with any other Persons with whom it is acting jointly or in concert, becomes the beneficial owner of, or acquires the power to exercise control or direction over, directly or indirectly, such securities (or securities convertible into, or exchangeable for, securities) entitled to 50% or more of the votes exercisable by holders of the then outstanding securities generally entitled to vote for the election of directors (“**Voting Stock**”) of the Company or if any Persons that previously were not acting jointly or in concert commence acting jointly or in concert and together beneficially own, or have the power to exercise control or direction over, securities entitled to more than 50% of the votes, exercisable by Holders of Voting Stock of the Company, and such Persons did not at the date hereof own or otherwise exercise control over 50% or more of the votes exercisable by holders of voting stock, nor have rights of conversion which, if exercised, would permit such Persons to own or control such a percentage of votes;
- (b) the Company is merged, amalgamated or consolidated into or with another Person and, as a result of such business combination, securities entitled to more than 50% of the votes, exercisable by holders of the Voting Stock of the Company or of such Person into which the Voting Stock of the Company is converted in or

immediately after such transaction are held by a Person alone or together with any other persons with whom it is acting jointly or in concert and such Person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Stock of the Company immediately prior to such transaction;

- (c) the capital of the Company is reorganized and, as a result of such reorganization, securities entitled to more than 50% of the votes exercisable by the holders of the Voting Stock of the Company upon or immediately after such reorganization are held by a Person alone or together with any other Persons with whom it is acting jointly or in concert and such Person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Stock of the Company immediately prior to such reorganization; or
- (d) the Company sells or otherwise transfers all or substantially all of its assets to another Person and immediately following such sale or transfer securities entitled to more than 50% of the votes exercisable by the holders of the Voting Stock of the acquiring Person are held by a Person that alone or together with any other Person or Persons with whom it is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by holders of the Voting Stock of the Company immediately prior to such transaction.

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

“executive officer” means, for the Company, an individual who is a president; a chief executive officer or chief financial officer; a vice-president in charge of a principal business unit, division or function including sales, finance or production; or an individual who performs a policy-making function of the Company.

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

- (a) each individual who served as chief executive officer (“**CEO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) each individual who served as chief financial officer (“**CFO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (c) the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year ended December 31, 2020, whose total compensation was, more than \$150,000 for that financial year ended December 31, 2020; and
- (d) each individual who would be an NEO under (iii) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

“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.

“Shares” means the common shares of the Company.

“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, performance share units, phantom shares, phantom share units, common share equivalent units, and stock.

Compensation Philosophy

K92 has been through a remarkable transition from a development company to a gold producer in just three years. Over this period of rapid development, the Board has overseen the creation of a management team capable of executing against the ambitious plan for the Kainantu Gold Mine. During this period, the Compensation Committee has worked to ensure that the Company's compensation program aligns with the Company's stage of development and is sufficiently competitive to ensure that K92 is able to recruit, retain and motivate high performance executives and directors and to align the interests of the Company with those of its shareholders.

We believe that a compensation structure that contains a mix of fixed and variable compensation, with short- and long-term components, will create the desired motivation and focus in our executives. As part of that structure, the Compensation Committee and Board have a median pay philosophy aligning the targeted total direct compensation of the NEOs at approximately the 50th percentile of the Company's compensation Peer Group (as defined below).

The objectives of the Company's executive compensation policies are to:

- attract, retain and motivate high-calibre executives that are critical to the success of the Company;
- provide fair, competitive and cost-effective compensation programs to its executives;
- align the interests of Management with those of the holders of the shareholders while not encouraging excessive or inappropriate risk taking in order to maximize shareholder return; and
- provide rewards for outstanding corporate and individual performance.

This is accomplished by considering:

- internal and external comparisons;
- Management's long-term interests and the long-term interests of shareholders;
- K92's financial and operating performance, and business strategy;
- the scope and complexity of the executive role;
- each executive's individual performance and contribution towards meeting corporate objectives; and
- recommendations made by independent compensation consultants retained by the Company.

Attract, Retain and Inspire Key Talent

Executive compensation meets the goal of attracting, retaining and motivating key talent in a highly competitive mineral exploration and extraction environment through the following elements:

- a competitive cash compensation program, consisting of base salary and bonus opportunity that is in the median range of remuneration of similar roles in other companies;
- promotion of talent and leadership development that contributes to long-term sustainability, profitability and growth of the Company;
- time and performance vested equity awards; and
- opportunity to participate in the Company's growth through share-based compensation.

Alignment of Interests of Management with Interests of the Company's Shareholders

Executive compensation meets the goal of aligning the interest of Management with the interest of the Company's shareholders through the grant of share-based compensation including Options, restricted share units (RSUs) and performance share units (PSUs):

- if the price of the Shares increases, both executives and Shareholders will benefit;
- inclusion of performance-vested units ensures alignment with Shareholder interests; and
- by providing a vesting period on share-based grants, the Company ensures Management has an interest in increasing the price of the Shares over time, rather than focusing on short-term increases.

Pay for Performance

Our executive compensation program is performance-based and payouts are directly linked to both the Company's and the individual's achievements. A significant proportion of executive target pay is "at risk", in the form of performance based short- and long-term incentives. Our equity incentives reward achievement of long-term results, which align with K92's goals and the interests of our shareholders.

Named Executive Officers for 2020

The following executive compensation disclosure describes the Company's compensation policies, practices and results for the executive officers who were, during or as at the end of the financial year ended December 31, 2020, Named Executive Officers.

During the financial year ended December 31, 2020, the Company had five NEOs:

John D. Lewins	Chief Executive Officer and Director
Justin Blanchet	Chief Financial Officer
Warren Uyen	Senior Vice President, Operations (appointed May 27, 2019)
Christopher Muller	Vice President, Exploration
David Medilek	Vice President, Business Development and Investor Relations (appointed June 6, 2019)

Compensation Practices

What We Do	What We Don't Do
✓ More Long-Term than Short-Term Awards	✗ No hedging or monetizing of equity awards
✓ Pay for Performance	✗ No excessive perquisites
✓ Align pay to shareholder returns	✗ No excessive severance payments
✓ Caps on short- and long-term incentive award payouts	✗ No multi-year guarantees in employment agreements
✓ Benchmarking	✗ No loans to directors or executives
✓ Clawback and anti-hedging policies	✗ No repricing or backdating of Options
✓ Seek independent compensation advice	✗ No single trigger Change of Control payments
✓ 100% independent Compensation Committee	

COMPENSATION GOVERNANCE

Compensation and Benefits Committee Oversight

The purpose of the Company's compensation program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the interests of shareholders of the Company and to provide for transparent and defensible compensation. The Board, through the independent Compensation Committee, is committed to the transparent presentation of its compensation program.

The Board has the overall responsibility for the Company's compensation program. The Board has delegated certain research and oversight responsibilities to the Compensation Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Compensation Committee recommendations. Further detail on the Compensation Committee is set out in the Compensation Committee Charter that can be accessed on the Company's website at www.k92mining.com.

Management also plays an important role in executive compensation and human resources policy decisions by making recommendations to the Compensation Committee. Our Board solicits input from our CEO and the Compensation Committee regarding the performance of the Company's other executive officers.

The responsibilities of the Compensation Committee include assisting the Board with:

- overseeing the implementation of the Company's executive compensation policies and philosophy, ensuring that it is fair and competitive and consistent with the best interests of the Company and its shareholders;
- reviewing the adequacy and form of compensation and benefits for executives to for alignment with the objectives of the Company;
- administration of the Company's incentive compensation and equity-based compensation plans;
- evaluation of the adequacy and form of compensation and/or benefits paid or awarded to directors of the Company;
- consideration of the evaluations and recommendations of the CEO;
- assessing corporate and individual performance against established performance goals and criteria; and
- reviewing and assessing compensation related best-practices.

The Compensation Committee makes recommendations to the Board based on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention requirements.

Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers and directors.

The Compensation Committee reviews the Company's compensation practices and executive performance at least annually. The Compensation Committee may seek independent compensation advice where appropriate from external consultants to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation.

The Compensation Committee has the authority to retain and receive advice from compensation consultants to carry out its duties. See "Independent Compensation Advisors".

The Company's policy is that the Compensation Committee must comprise at least three directors, all of whom must be independent under applicable laws, policies and stock exchange rules. In addition, in keeping with governance best practices, the Compensation Committee should consist of directors who are knowledgeable about issues related to compensation, governance and risk management.

The Compensation Committee is composed of the following directors: Mark Eaton (Chair), R. Stuart (Tookie) Angus and Saurabh Handa, each of whom is considered "independent" within the meaning of section 1.4 of National Instrument 52-110 – Audit Committees. Each member of the Compensation Committee has direct experience that is relevant to their responsibilities in executive compensation. Collectively, the Compensation Committee members have extensive experience through experience as senior executives of publicly traded companies as well as members of boards and human resources/compensation committees of other public companies in the resource sector.

The following are the skills and experience of each member of the Compensation Committee that enable the Compensation Committee to make decisions on the suitability of the Company's compensation policies and practices:

Mark Eaton, Chair – Mr. Eaton is an experienced investment professional with over 25 years of experience in equity capital markets specializing in the resource sector. He is currently the Chair and is the former CEO of Belo Sun Mining Corp. Mr. Eaton was a Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, from January 2007 until March 2008. He previously held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton has served in the capacity of CEO, President and director of several TSX and TSX Venture Exchange listed companies, and in these roles has been involved in executive compensation proposals and decisions. Mr. Eaton is a former member of the Compensation and Benefits Committee of UEX Company.

R. Stuart Angus – Mr. Angus is a retired lawyer who has served on the boards and compensation committees of numerous publicly traded companies in the resource sector. He sits on the Compensation Committee of Sun Summit Minerals Corp. and Kenadyr Metals Corp. and was previously Chair of the Compensation Committees of Bema Gold Corp., SouthGobi Resources Ltd. and First Quantum Minerals Ltd.

Saurabh Handa – Mr. Handa is a mining professional with diverse senior experience that includes finance, mergers and acquisitions and multi-jurisdictional public company disclosures. He is currently CFO of Metalla Royalty & Streaming Ltd. (TSX, NYSE). He serves on the Compensation Committee of Carbon Streaming Corporation and is a former director of Banks Island Gold Ltd. He is the former CFO of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., Chief Financial Officer of Meryllion Resources Corp., Chief Financial Officer of Yellowhead Mining Inc., and former Controller for SouthGobi Resources Ltd.

All the members of the Compensation Committee have been directly involved in the design, review and implementation of compensation programs. The Board is confident that the collective experience of the Compensation Committee members ensures that it has the knowledge and experience to execute its mandate effectively and to make executive compensation decisions in the best interest of the Company.

Peer Benchmarking Group

The Company aims to remunerate executives fairly and at a level that is competitive with the median of the marketplace. In pursuit of this goal, the Compensation Committee reviews the compensation programs for both executives and directors annually to ensure that the Company's compensation philosophy is applied and that its objectives continue to be met. As part of this process, the Company reviews the compensation practices of its peer group (the "Peer Group") as it relates to salary as well as short-term and long-term incentives for executives. In addition, the annual retainer and committee fees paid to directors are benchmarked against the Company's peers to ensure that Company's approach to director compensation is competitive and reasonable.

During 2020, many of the companies included in the Company's 2019 Peer Group were acquired or merged. In addition, the Company's size and production changed relative to its peers. Given the significant changes to the Company's peers, and to reflect the growth and maturation of the Company, a new Peer Group has been selected.

The 2020 Peer Group, consisting of 15 intermediate size gold producers, is listed below:

Coeur Mining, Inc.	IAMGOLD Company	Silvercorp Metals Inc.
Dundee Precious Metals Inc.	Lundin Gold Inc.	Teranga Gold Company ⁽¹⁾
Eldorado Gold Company	New Gold Inc.	Torex Gold Resources Inc.
Equinox Gold Corp.	OceanaGold Company	Wesdome Gold Mines Ltd.
Hochschild Mining plc	Pretium Resources Inc.	Victoria Gold Corp.

(1) Acquired by Endeavour Mining Company in February 2021.

To identify appropriate peer companies, we used the following criteria:

- publicly-traded, primarily North American companies, trading on the TSX or a major US stock exchange;
- mining in the materials sector with emphasis on the gold or precious metals;
- comparable intermediate size range to K92 in market capitalization, production, assets and revenues; and
- companies with a similar mining operations profile.

Market Positioning

Our market positioning strategy for executives is to set the total compensation (base salary + short-term incentive + long-term incentive) to reflect the median of the Peer Group, where appropriate.

Anti-Hedging Policy

The Company is of the view that its securities should be purchased by its directors and officers for investment purposes only. Transactions that could be perceived as speculative or influenced by positive or negative perceptions of the Company's prospects, including the use of prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, puts, calls, spread bets, and contracts for difference and hedging transactions are not considered to be in the Company's best interests and must be avoided. Directors and officers of the Company are prohibited from engaging in personal hedging activities of any kind involving the Company's securities or related financial instruments (other than the sale of Company securities shortly after they were acquired through the exercise of securities granted under a share-based compensation arrangement).

Clawback Policy

The Board has adopted a clawback policy that allows it to require reimbursement of excess incentive compensation paid or granted to any officer, director, or employee, if:

1. the Company is required to restate its financial statements to correct a material error;
2. the officer, director, or employee engaged in intentional misconduct which directly or partially caused the need for the restatement or correction; and
3. the compensation paid to the officer, director, or employee would have been lower had it been based on the properly reported financial results (the difference being the "excess incentive compensation").

If these three events occur, the Board and the Compensation Committee will determine how to apply the policy to the situation. If the Board and Compensation Committee determine that the policy should be triggered, the Company will seek to claw back the excess incentive cash and/or equity-based compensation paid or granted during or for the years subject to the restatement.

Risk Management

The Board has considered the implications of the risks associated with the Company's compensation policies and practices and believes that the current structure of the Company's executive compensation arrangements is focused on long-term value and is designed to correlate to the long-term performance of the Company. Although the Company does not have formal policies specifically targeting risk taking in a compensation context, the practice of the Compensation Committee and the Board is to consider all factors related in an executive's performance, including any risk mitigation efforts, in determining compensation. The Company's executive compensation program is structured to provide an appropriate balance of risk and reward consistent with the Company's risk profile and to ensure that compensation practices do not encourage excessive risk-taking by executives.

The Board provides regular oversight of the Company's risk management practices and delegates to the Compensation Committee the responsibility to provide risk oversight of the Company's compensation policies and practices, and to identify and mitigate compensation policies and practices that could encourage inappropriate or excessive risk taking by the NEOs. The following factors that discourage the Company's executives from taking unnecessary or excessive risk:

- the Company's approach to performance evaluation and compensation provides greater rewards for achieving both short-term and long-term objectives;
- short-term incentive payments are derived from performance against pre-approved annual objectives for both the Company and the individuals and the Board has discretion with respect to incentive awards and payouts if incentives are understated or overstated due to extraordinary circumstances;
- a hedging prohibition that prohibits executive officers from engaging in hedging activities in respect of the Company's securities or related financial instruments;
- a clawback policy that specifies the recoupment of incentive compensation applicable to executive officers upon material financial restatements and misconduct; and
- the Compensation Committee retains a compensation consultant that is independent of management and does not provide advice to management.

The Compensation Committee believes that the Company's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk and has not identified any risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on K92.

Independent Compensation Advisors

The Compensation Committee has authority to select, retain and terminate compensation advisors, consultants and experts at its discretion, to assist it in fulfilling its duties and responsibilities. In September 2020, the Compensation Committee engaged independent compensation advisor, Korn Ferry to assist the Compensation Committee in respect of its review and assessment of the Company's approach to executive and independent director compensation and recommend any appropriate changes to various pay elements and/or strategies to ensure alignment with market practices.

Following its detailed analysis of the compensation programs for the Company's directors and executives, Korn Ferry provided recommendations regarding changes to the compensation program. Korn Ferry's services included:

- market pay review, and development of equity plan alternatives for the Board;
- general advice and counsel on executive pay approach and structure, including performance metrics;
- market pay review, and development of short-term incentive and long-term incentive alternatives for the executive team.
- a gap analysis with considerations of Company objectives and external factors;
- evaluation of target pay levels;
- the executive roles relative to the Company's operations, development and goals;
- analysis of external compensation benchmarking data for executive and directors using Korn Ferry's proprietary survey of 44 Canadian mining organizations and K92's selected Peer Group shown under "Peer Benchmarking Group"; and
- a report consisting of pay level analysis and key findings for all K92 executive roles with respect to the pay elements of annual salary, total cash combining salary and annual bonus, and long-term incentive value of equity components of compensation.

The results of the Korn Ferry analysis showed that the total compensation (cash, short-term incentives, and long-term incentives) of each of the Company's NEOs was below the range of the Peer Group. As a result, the NEOs salaries were increased to be in the median of those in the Company's Peer Group.

In addition, in September 2021, the Company adopted, subject to shareholder approval at the Meeting, the use of RSUs and PSUs for its officers, directors, employees and consultants (see “*Elements of Compensation*”) pursuant to a new share compensation plan (the “**Share Compensation Plan**”).

The fees charged by Korn Ferry for its services in 2020 are set out below. The Company did not engage any compensation advisors in 2019.

Table 1 – Advisors’ Fees

Financial Year	Executive Compensation-Related Fees \$	Director Compensation-Related Fees \$	All Other Fees ⁽¹⁾ \$	Total ⁽²⁾ \$
2019	-	-	-	-
2020	29,848	47,757	9,313	86,917
Total	29,848	47,757	9,313	86,917

Notes:

- (1) This represents Korn Ferry’s standard administration fee.
 (2) Fees were paid in CAN\$ and converted to US\$ for disclosure in this table using the Bank of Canada 2020 average exchange rate of 0.7462.

EXECUTIVE COMPENSATION

Elements of Compensation

The Company’s compensation program has three primary elements: base salary, short-term annual cash bonus incentive and long-term equity incentives in the form of RSUs, PSUs and Options. The combination of elements is designed to encourage executives to achieve strong results which drive long-term sustainable growth and long-term shareholder value. The Company regularly reviews all elements of executive compensation to ensure that all of these components of compensation fit into the Company’s overall compensation objectives to attract and retain talented executives, reward individual and corporate performance, and align executive compensation with shareholder interests.

The Compensation Committee has not established a strict policy regarding the mix of base salary, cash and equity incentives to be paid or awarded to executives. However, long-term equity incentives are intended to be the largest form of compensation to NEOs in order to link performance goals to long-term objectives. Incentive plan awards are not guaranteed; they are “at risk” and performance based. This allows the Company to be flexible in tailoring the compensation mix for each executive to the circumstances in effect at the time. The Compensation Committee believes that a greater percentage of compensation for the Company’s executives should come from the variable, performance-based elements, and the mix of compensation should be structured to balance the need to drive results based on the executive’s position as well as to support the long-term growth of the Company overall.

The compensation program also includes termination and Change of Control benefits and minimal perquisites.

Compensation Component	Objectives	Period	Form
Base Salary	To provide fixed compensation that reflects the market value of the role, skills and experience of the executive. To attract, retain and motivate a competent, strong and effective executive management group.	Annual	Cash

Cash Bonus Incentive	To pay for performance and provide alignment with the Company's annual and long-term business strategy. This is "at risk" compensation.	Annual	Cash
Long-term Equity Incentive	Options - To provide alignment with shareholder interests and the Company's long-term business strategy. This is "at risk" compensation.	Term of 5 Years Vesting over 3-year period	Equity
	RSUs - Designed to motivate executives, directors and employees to create and grow sustainable shareholder return over successive three-year cycles.	Vested equally over three years	Equity from treasury, cash, equity in market, or combination of foregoing
	PSUs - Designed to motivate and reward employees to excel against specific performance targets over a performance cycle.	Vested at end of performance cycle (typically two years after year of award)	Equity from treasury, cash, equity in market, or combination of foregoing

Base Salary

Base salary is a fixed element of compensation for each executive officer for performing the specific responsibilities of his or her position and is typically determined with general reference to, among other things, base salary compensation of the Company's peers. Base salary is intended to fit into the Company's overall compensation objectives by serving to attract and retain high-calibre, experienced executive officers by providing compensation at competitive rates.

For executive officers, the Compensation Committee considers the following factors in setting base salaries:

- the level of responsibility related to each executive officer's position;
- the stage of development of the Company;
- the base salaries generally paid to equivalent executive officers by industry peers;
- the objective of retaining the executive officers and aligning their interests with the Company's goals;
- the experience of the executive officer; and
- the executive officer's overall performance.

Base salary is linked to other elements of compensation as it may influence the level of annual incentives and Change of Control benefits.

NEO base salaries were historically below the benchmarks for peers. To better position the NEOs closer to market competitiveness for their positions among our Peer Group, among other reasons, increases were made to base salaries in 2021 (effective November 1, 2020).

Changes to the base salaries of 2020 are shown below:

NEO	Base Salary 2020 \$	Base Salary 2021 \$	% Change
John Lewins, CEO and Director	516,670	600,000	16%
Justin Blanchet, CFO	199,584	268,682	35%
Warren Uyen, Senior VP Operations	283,187	331,536	17%
Christopher Muller, VP Exploration	183,036	196,021	7%
David Medilek, VP Business Development	223,860	268,632	20%

Short-term Annual Bonus Incentives

An annual bonus incentive is a short-term variable element of compensation that rewards the executive officers for corporate and individual performance and is typically determined with reference to pre-set corporate and/or individual performance objectives. Annual incentives can be awarded either in cash or, share-based awards. Annual incentives are awarded up to the targeted amounts or percentages on the basis of the achievement of pre-set corporate and/or personal objectives for the year. These may include both quantitative and qualitative objectives for both the Company and the individual executive officer. All bonuses are considered and recommended by the Compensation Committee to the Board. Annual incentives are linked to other elements of compensation as they may influence the level of Change of Control benefits.

Overall Company performance is measured by a combination of: (i) corporate achievement based on technical and strategic achievements relative to the goals set out at the beginning of the year; and (ii) market performance. Short-term incentive awards are granted based on the Company's performance against corporate and individual objectives, both of which are tied to our core strategy. Short-term incentives are calculated as a percentage of base salary and approved by the Board as recommended by the Compensation Committee. The bonus ranges were structured around a target bonus opportunity for each NEO in 2020, as follows:

NEO	Target Award (as a % of base salary)	Actual Award Payable \$	Actual Award (as a % of base salary)
John Lewins, CEO and Director	50%	201,500	39%
Justin Blanchet, CFO	30%	48,551	23%
Warren Uyen, Senior VP Operations	50%	145,623	50%
Christopher Muller, VP Exploration	30%	87,305	29%
David Medilek, VP Business Development	50%	52,880	39%

Each year the Company completes a rigorous budget process. The annual budget is determined in conjunction with mine development plans and the Company's corporate strategic targets. The annual budget and therefore the specific performance benchmarks for management are determined to be in line with the Company outlook and are set to achieve long-term value. The cash bonus links the award amount to management's performance relative to these benchmarks. Each individual cash bonus award is based on corporate performance and personal objectives against the benchmarks.

The NEOs are entitled to a bonus equal to 30%-50% of the NEO's base salary, depending on the NEO's role, based on certain key performance indicators ("**KPIs**") of the Company. The Compensation Committee reviews the performance of the Company and the NEO and determines if the applicable business performance objectives, established by the Board or the Compensation Committee, have been met. The KPIs include the Company's performance in the areas of safety, statutory compliance, production, operating costs, capital and share price. The KPIs are reviewed annually by the Compensation Committee and adjusted as deemed appropriate. The Board approves payment of the bonuses on the recommendation of the Compensation Committee. The 2020 KPI structure, based on 2019 performance, for each NEO is set out below.

John Lewins, CEO and Director
Percentage of Base Salary – 50%

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry average
Throughput	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Milled Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

Justin Blanchet, CFO
Percentage of Base Salary – 30%

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry average
Compliance		20%	Nil	20%	40%	60%	80%	100%	Statutory Submissions
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

Warren Uyen, Senior Vice President, Operations
Percentage of Base Salary – 50%

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Throughput	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Milled Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

David Medilek, VP Business Development & IR
Percentage of Base Salary – 50%

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry average
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Corporate	Share Price	60%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

Chris Muller, VP Exploration
Percentage of Base Salary – 30%

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry average
Work Program	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Milled Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Program Costs	\$	20%	100%	80%	60%	40%	20%	Nil	Work Program Costs Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

Long-Term Equity Incentives

Equity compensation grants to executives play an important role in helping K92 meet the objectives of its compensation program. Long-term incentives are an equity-based variable component of compensation, consisting of Options, PSUs and RSUs. Long-term incentives are designed to align the interests of executives with those of shareholders by tying compensation to share price performance and to assist in the retention of talented executives through long-term vesting schedules.

The Board, following consultation with its independent compensation consultant Korn Ferry, and upon recommendation of Compensation Committee, approved the new Share Compensation Plan in 2021 in response to compensation governance trends. The Share Compensation Plan is subject to shareholder approval at the Meeting and is intended to replace the current Stock Option Plan, that is a rolling stock option plan, last approved and ratified by shareholders on July 8, 2020. Consistent with many of the companies in its Peer Group, it introduced RSUs and PSUs into long-term incentive awards. The Share Compensation Plan provides participants with the opportunity, through Options, RSUs and PSUs to acquire an ownership interest in the Company to give individuals an interest in preserving and maximizing shareholder value in the longer term, enabling the Company to attract and retain individuals with experience and expertise. The mix of Options, RSUs and PSUs under the Share Compensation Plan provides the Company with flexibility.

Until 2021, NEOs were granted Options as the only form of long-term incentive, pursuant to the Stock Option Plan (as defined above) the renewal of which was most recently approved by shareholders in 2020.

An Option permits the holder of the Option to purchase an underlying Share before a future specified date (the "**expiry date**") at a specified price (the "**exercise price**") subject to vesting criteria. The realizable value to the Option holder, excluding tax considerations, is the amount, if any, by which the Share price exceeds the exercise price on the date the Option is exercised. If the Option expires "out of the money" (i.e., the exercise price is greater than the share price at the expiry date), the Option holder receives no benefit, and no Share is issued. If the Option is "in the money" at the time of exercise (i.e., the exercise price is less than the Share price), the Option holder will realize a benefit.

If the new Share Compensation Plan is approved by shareholders, RSUs and PSUs will also be included in the Company's compensation program. The Company believes the mix of these incentive formats provides the best vehicle to attract and retain employees. Through these incentive alternatives, NEOs are given an opportunity to participate in our future success and their interests are aligned with the interests of our shareholders. The Share Compensation Plan provides guidelines to the Board regarding the grant of Options, RSUs and PSUs.

RSUs are units that will vest in equal tranches over a three-year period with one-third vesting on each of the first, second and third anniversaries of the grant date on the satisfaction of certain restrictions, notably a requirement that an individual remains eligible for awards during that period of time. RSUs align executive compensation with share price and serve as a retention tool, while also addressing shareholder concerns regarding share dilution, as the RSUs may be settled in cash, equity from treasury, equity purchased in the market, or any combination of these.

Each RSU has a value equal to the market price of one Share on settlement of the RSU ("**Market Price**") being the volume weighted average trading price of the Shares on any exchange in Canada where the Shares are primarily listed (including the TSX) for the last five trading days prior to such day ("**5-day VWAP**"). The number of RSUs awarded, the grant date, the applicable vesting criteria, whether and to what extent dividend equivalents will be credited to the RSU Account (as defined below) of an SCP Participant (as defined below) and such other terms and conditions are to be determined by the Board.

PSUs are units that vest in accordance with the satisfaction of specific criteria during a performance cycle tied to the SCP Participant's personal performance, the financial performance of the Company or of its subsidiaries or achievement of corporate goals and strategic initiatives. PSUs are intended to complement the RSUs, which act as a retention vehicle, with a performance-based award that aligns with both the Company's business strategy and long-term shareholder value creation. PSUs are a performance-based long-term incentive vehicle, and the payout is not guaranteed.

PSUs are simply RSUs with a performance-based vesting feature determined by the Company. Each PSU has a value equal to the Market Price (i.e. 5-day VWAP) of one Share on settlement of the PSU, and the number of PSUs to be awarded to the SCP Participant, the grant date, the performance cycle applicable to each PSU, the performance criteria that shall be used to determine the vesting of the PSUs, whether and to what extent dividend equivalents will be credited to a SCP Participant's PSU account and such other terms and conditions are to be determined by the Board.

Options are rights to acquire Shares on payment of cash consideration (the exercise price) before the expiry date, subject to vesting criteria determined at the time of the award. Unlike Options, RSUs and PSUs do not require the payment of any monetary consideration to the Company. Instead, RSUs and PSUs represent the right to receive Shares, or a payment representing Shares, after meeting vesting criteria determined at the time of the award.

The Company has not yet granted RSUs or PSUs but the Compensation Committee intends to evaluate whether to do so in 2021, subject to approval of the Share Compensation Plan by the shareholders at the Meeting.

A summary of the key terms of K92's new Share Compensation Plan is set out under the heading "Share Compensation Plan".

Stock Options

Options link the interests of our NEOs to those of our shareholders and encourage our executives to execute strategic business goals and objectives designed to improve share price performance. Any value received from Options is dependent on an increase in the share price. Options are intended to advance the interests of the Company by encouraging the NEOs to acquire Shares to increase their proprietary interest in the Company and encourage them to remain associated with the Company.

Options under the Company's Stock Option Plan have historically vested in three tranches over a one-year period. Under the Share Compensation Plan, Options will vest in three tranches over three years, with one-third of the number of such Options vesting on each of the first, second and third anniversaries of the grant date, subject to the SCP Participant remaining an Eligible Person on the vesting date. All Options have a maximum term of five years. The long-term vesting and expiry schedule promotes continued efforts to return shareholder value, and it also acts as a retention tool.

The Compensation Committee currently administers the Stock Option Plan and, if approved by the shareholders, will administer the Share Compensation Plan. The Board, on the recommendation of the Compensation Committee, has the authority to grant Options. Options are normally awarded upon the commencement of an executive officer's employment with the Company, with the size of the award determined by the level of the executive officer's responsibility within the Company. The Board, on the recommendation of the Compensation Committee, has authority to make additional grants from time to time. When making decisions on the amount and frequency of the awards, the Compensation Committee considers: the individual's level of ongoing responsibility within the Company, the executive's performance, measurement against peers, the number of outstanding Options already granted to that individual, the value of the Options and the number of Options available for grant under the Share Compensation Plan.

In addition to determining the number of Options to be granted pursuant to the methodology outlined above, the Board, on the recommendation of the Compensation Committee, also makes the following determinations:

- parties who are entitled to participate in the Stock Option Plan;
- the exercise price, which can be no less than the market price (as defined in the TSX Company Manual);
- the date on which each Option is granted;
- the vesting period, if any, for each Option;
- the other material terms and conditions of each Option grant; and
- any re-pricing or amendment to a Option grant.

The Board currently makes these determinations subject to and in accordance with the provisions of the Stock Option Plan and, if approved by the shareholders, will make such determinations subject to and in accordance with the provisions of the Share Compensation Plan. The Board reviews and approves grants of Options recommended by the Compensation Committee from time to time during a financial year, as the Board considers appropriate.

During the fiscal year ended December 31, 2020, the following Option grants were awarded to the NEOs:

Table 2 – NEO 2020 Equity Awards

Name of NEO	Number Options Granted (#)	Option Exercise Price (CAN\$)	Option Expiration Date	Fair Value of Options (US\$) ⁽¹⁾
John Lewins	300,000	3.85	Jan 31, 2025	443,243
	500,000	6.73	Oct 7, 2025	1,223,768
Justin Blanchet	60,000	3.85	Jan 31, 2025	88,649
	150,000	6.73	Oct 7, 2025	367,130
David Medilek	60,000	3.85	Jan 31, 2025	88,649
	250,000	6.73	Oct 7, 2025	611,884
Chris Muller	48,000	3.85	Jan 31, 2025	70,919
	100,000	6.73	Oct 7, 2025	244,754
Warren Uyen	60,000	3.85	Jan 31, 2025	88,649
	250,000	6.73	Oct 7, 2025	611,884

Note:

- (1) The Company uses the Black-Scholes option pricing model for determining the fair value of Options issued at the grant date. The Black-Scholes model was selected as it is a widely used financial method for determining the fair value of options. There is no certainty that the Options will be exercised and that the fair value as shown will be received by the NEO. The expected volatility is estimated based on the historic average share price volatility. The inputs used in the measurement of the fair value of the Options granted for the most recently completed financial years were: risk-free interest rate of 0.70%, expected life of Options of 4 years, annualized volatility of 66.13%, forfeiture rate of 2.01% and 0.0% dividend rate. Canadian Dollars are converted into US Dollars based on the average exchange rate reported by the Bank of Canada for 2020 of 0.7462.

Restricted Share Units (RSUs) and Performance Share Units (PSUs)

RSUs and PSUs are intended to be granted under the Share Compensation Plan and may be time-based (RSU) or performance-based (PSU). The Board considers that RSUs and PSUs are an appropriate way to attract and retain NEOs, as their value is tied to the performance of the Company relative to the wider industry over the applicable performance measurement periods. The Company believes its equity incentive plan provides executives an opportunity to build ownership in the business and align their interests with those of shareholders with consistent long-term performance. A description of the long-term incentive plan, including full details of the performance measures used, is set out under the heading “Share Compensation Plan” in this Information Circular.

The Compensation Committee will recommend RSU and PSU awards to the Board after considering input from management. In addition to the considerations discussed above under “Long-Term Equity Incentives”, the Compensation Committee will take into account the number of Options, RSUs and PSUs held by an NEO and the total number of equity compensation units outstanding in making recommendations for RSU or PSU grants to the Board.

RSUs will vest over three years from the grant date, with 1/3 vesting 12 months from the date of grant, 1/3 vesting 24 months from the date of grant and 1/3 vesting 36 months from the date of grant. PSUs will vest, subject to the satisfaction of the performance criteria, at the end of the performance cycle (typically two years after the calendar year in which the PSUs were awarded). The number of PSUs that vest will depend on the Company’s performance against the performance criteria described in the grant notice. There is no pre-determined hold period that requires a holder to hold any Shares after an RSU or PSU has vested.

The allocation of Options, RSUs and PSUs has not yet been determined. Once the composition has been decided, the Compensation Committee will review the composition from time to time and may make changes as may be required.

RSUs or PSUs have not yet been granted to NEOs.

Pension, Benefits and Perquisites

The Company does not currently have a defined pension plan or post-employment compensation and benefits in place for any of its employees. From time to time, the Compensation Committee reviews the Company's benefit programs, to ensure continued alignment with market practices. The Company offers only limited perquisites to the NEOs, and only where the Compensation Committee, upon review of competitive practice from time to time, believes such perquisites are market competitive and promote the retention of the NEOs or promote the efficient performance of the NEOs' duties. The Company does not believe that perquisites and benefits should represent a significant portion of the compensation package for NEOs.

For the NEOs who are residents of Australia for the purposes of taxation, the Company makes superannuation guarantee payments on behalf of the NEOs. In Australia, employers are required to make a payment known as a "superannuation guarantee" to a complying fund on behalf of permanent resident employees. The minimum contribution is currently mandated at 9.5% of an employee's base salary but is capped at AUS \$25,000 annually. The complying funds are selected by the employees and are not administered by the Company. The superannuation guarantee payments made on behalf of the Company's NEOs in 2020 range from AUS \$24,336 to AUS \$25,000 per year.

Changes to the Security-Based Compensation Arrangements

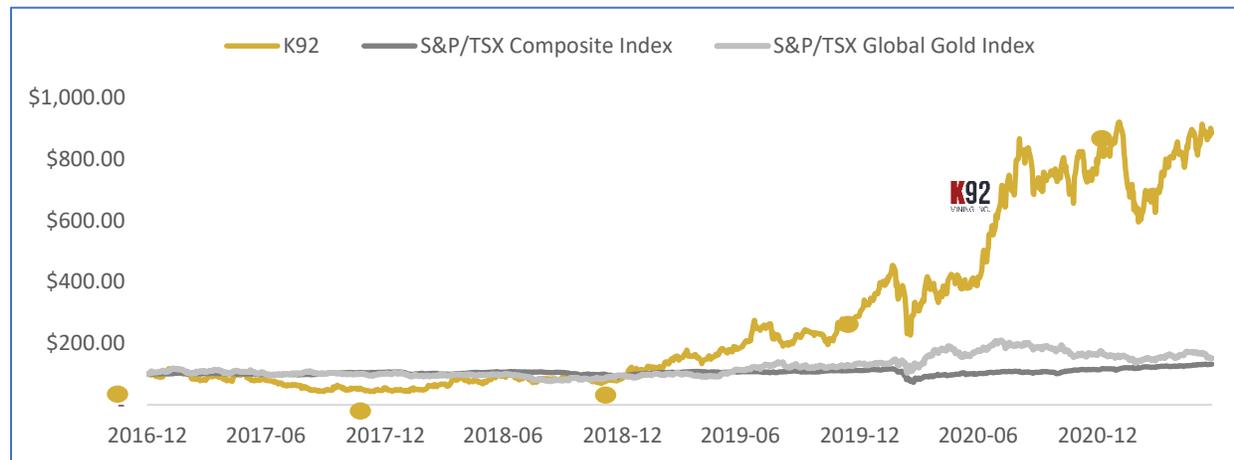
During 2021, the Board, on the recommendation of the Compensation Committee and its independent consultants, Korn Ferry, approved a change in the Company's compensation program. As a result, a new Share Compensation Plan has been approved by the Board to replace the Stock Option Plan that was previously approved by shareholders. The Share Compensation Plan is a "rolling plan" and remains subject to shareholder approval at the Meeting. Pursuant to the Share Compensation Plan, the following material changes were made to the Company's approach to security-based compensation arrangements:

- in addition to Options, the Company will be authorized to award RSUs and PSUs to eligible officers, employees, consultants and directors in a combination to be determined by the Board;
- non-employee directors will no longer be eligible for awards of Options unless the options are granted in lieu of directors' fees and are valued at no more than \$100,000 in a 12-month period;
- the maximum total annual grant value of equity awards to non-employee directors will be \$150,000 per director, as of the grant date, of which a maximum \$100,000 may be in the form of Options;
- the aggregate number of Shares that may be issuable pursuant to Options, RSUs and PSUs (together with any other Shares issuable pursuant to other security-based compensation arrangements of the Company) may not, subject to the below, exceed 9% of the number of outstanding Shares, calculated at the time of grant;
- subject to the below, the aggregate number of Shares that may be issuable pursuant to RSUs and PSUs may not exceed 2% of the number of outstanding Shares at the time of grant;
- RSUs and PSUs may be awarded in excess of the limitations set forth in the preceding two bullet points, provided such RSUs and PSUs can only be settled through purchases of Shares on the open market;
- the aggregate number of Shares that may be issuable pursuant to Options may not exceed 7% of the number of outstanding Shares at the time of grant;
- Options will vest and become exercisable as to 1/3 of the number of Shares on each of the first, second and third anniversary dates of the grant; and
- all Options, RSUs and PSUs will be subject to cancellation, rescission or forfeiture in accordance with the Company's Clawback Policy.

Performance Graph

The following graph compares the cumulative total return for \$100 invested in Shares on the TSX on December 31, 2016, with the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Global Gold Index for the five most recently completed financial years. In 2019 and 2020, the Company's share price has grown considerably and outperformed the Indexes over the period until the date of this Statement of Executive Compensation.

Our share price is significantly influenced by the price of gold. The price of gold is largely determined by global demand and supply, which is driven by geopolitical and economic events. During the period 2017 through to 2020, the price of gold increased from \$1,162.00 per ounce at December 31, 2016 to \$1,891.10 on December 31, 2020.



	2016	2017	2018	2019	2020
K92 Mining Inc.	\$100.00	\$55.67	\$86.60	\$296.91	\$784.54
S&P/TSX Composite Index	\$100.00	\$106.03	\$93.69	\$111.62	\$114.04
S&P/TSX Global Gold Index	\$100.00	\$100.62	\$96.16	\$134.52	\$162.38

During 2016 and 2017, K92's share price performed close to the S&P/TSX Composite Index and the S&P/TSX Global Gold Index. Since the beginning of 2019, the Company developed significantly, and the Company's share price has well outperformed both indexes on the strength of successful operational results, significant growth in cash flow, a strong balance sheet and an underlying positive gold price environment. NEO compensation levels are generally in line with the Company's performance, with shareholder returns, and with peers, and are sufficient for the Board to conclude that the compensation strategy is working effectively for shareholders and for the NEOs.

Summary Compensation Table

The following table sets forth the compensation paid or payable, directly or indirectly, by or on behalf of the Company during the three most recently completed financial years ended December 31, 2020, 2019 and 2018 to its NEOs (and those individuals who would have been NEOs but for the fact that such individuals were not executive officers of the Company as at the end of that year):

Table 3 – Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Option-based Awards ⁽⁵⁾ (\$)	Non-equity Incentive Plan Compensation (\$)		Pension Value (\$)	All other Compensation ⁽⁶⁾ (\$)	Total Compensation (\$)
				Annual Incentive Plans	Long-term Incentive Plans			
John Lewins <i>CEO</i>	2020	516,670	1,667,011	188,368	-	N/A	Nil	2,372,048
	2019	430,800	480,615	175,718	-	N/A	Nil	1,087,133
	2018	371,800	354,931	84,480	-	N/A	Nil	811,211
Justin Blanchet ⁽¹⁾ <i>CFO</i>	2020	199,584	455,779	51,792	-	N/A	Nil	707,155
	2019	163,080	172,087	42,597	-	N/A	Nil	377,764
	2018	106,800	70,986	14,256	-	N/A	Nil	192,042
Warren Uyen ⁽²⁾ <i>Senior VP Operations</i>	2020	283,187	700,533	141,022	-	N/A	21,226	1,145,968
	2019	278,200	218,170	47,434	-	N/A	20,865	564,669
	2018	N/A	N/A	N/A	-	N/A	N/A	N/A
David Medilek ^{(1) (3)} <i>VP Business Development and IR</i>	2020	223,860	700,533	89,544	-	N/A	Nil	1,013,937
	2019	102,993	148,838	22,608	-	N/A	Nil	274,440
	2018	N/A	N/A	N/A	-	N/A	Nil	N/A
Chris Muller ⁽⁴⁾ <i>VP Exploration</i>	2020	183,036	315,672	58,402	-	N/A	16,809	573,918
	2019	182,777	34,666	27,826	-	N/A	15,857	261,126
	2018	165,523	54,011	Nil	-	N/A	17,708	237,242

Notes:

- (1) Mr. Blanchet's and Mr. Medilek's salaries are paid in Canadian Dollars and converted into US Dollars on this table based on the average exchange rate reported by the Bank of Canada, for 2020 of 0.7462, for 2019 of 0.7536 and for 2018 of 0.7716.
- (2) Mr. Uyen was appointed Senior Vice President Operations on May 27, 2019. Mr. Uyen's salary is paid in Australian Dollars and is converted into US Dollars on this table based on the average exchange rate reported by the Bank of Canada, for 2020 of 0.6907 and for 2019 of 0.6955.
- (3) Mr. Medilek was appointed Vice President Business Development and Investor Relations on June 6, 2019.
- (4) Mr. Muller's salary is paid in Australian Dollars and is converted into US Dollars on this table based on the average exchange rate reported by the Bank of Canada, for 2020 of 0.6907, for 2019 of 0.6955 and for 2018 of 0.7456.
- (5) The Company uses the Black-Scholes option pricing model for determining the fair value of Options issued at the grant date. The Black-Scholes model was selected as it is a widely used financial method for determining the fair value of Options. There is no certainty that the Options will be exercised and that the fair value as shown will be received by the NEO. The expected volatility is estimated based on the historic average share price volatility. The inputs used in the measurement of the fair value of the Options granted for the three most recently completed financial years were as follows:

FOR THE YEAR ENDED	December 31, 2020	December 31, 2019	December 31, 2018
Risk-free interest rate	0.70%	1.51%	2.15%
Expected life of Options	4.0 years	4.0 years	4.5 years
Annualized volatility	66.13%	62.96%	74.73%
Dividend rate	0.00%	0.00%	0.00%
Forfeiture rate	2.01%	1.29%	5.00%

- (6) Represents Australian superannuation guarantee payments. Australian Dollars are converted into US Dollars based on the average exchange rate reported by the Bank of Canada, for 2020 of 0.6907, for 2019 of 0.6955 and for 2018 of 0.7456.

Employment, Consulting and Management Agreements

Set out below are the contracts, agreements, plans or arrangements that provide for payments to the Named Executive Officers at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a Change of Control or a change in the NEO's responsibilities, into which the Company has entered.

John Lewins (CEO and Director)

As Chief Executive Officer, Mr. Lewins is responsible for leadership and overall management of the Company, including developing and executing current and long-term objectives, delivering strong results, fostering a high-performance culture consistent with K92's values, and acting as a key corporate representative in dealing with stakeholder groups.

The Company entered into a consulting agreement effective March 1, 2018 (the "**CEO Consulting Agreement**") with Mr. Lewins, pursuant to which Mr. Lewins is entitled to receive a base salary, bonus and equity compensation. The CEO Consulting Agreement is subject to an annual review by the Compensation Committee, which may recommend to the Board to increase the base salary or revise other compensation. Effective March 1, 2018, the base salary consisted of monthly fees of US \$32,000 (the "**CEO Fee**"). The CEO Fee was increased by the Board to US \$35,840 effective January 1, 2019, and, effective January 1, 2020, the CEO Fee was increased to US \$41,667. Effective November 1, 2020, on the recommendation of the Compensation Committee and with consultation of the independent compensation advisors, the Board approved an increase of the base salary of John Lewins to US \$50,000 per month in recognition of his contribution to the record performance of the Company and to bring his base salary in line with the Company's peers.

Pursuant to the CEO Consulting Agreement, Mr. Lewins is entitled to a bi-annual bonus equal to up to 50% of the CEO Fees paid, based on certain KPIs of the Company if the Board, based on the recommendation of the Compensation Committee determines that the applicable business performance objectives established by the Board or the Compensation Committee, have been met. The KPIs include the Company's performance in the areas of safety, throughput, capital, production, operating costs, capital and share price. The Compensation Committee determined that 77% of the 2019 bi-annual KPIs were satisfied, and therefore, an aggregate annual bonus of 39% of the CEO Fee payable to Mr. Lewins was approved by the Board for payment in 2020. For the 2020 fiscal year, the Compensation Committee determined that 78% of the 2020 bi-annual KPIs were satisfied, and therefore, an aggregate annual bonus of 39% of the CEO Fee payable to Mr. Lewins was approved by the Board. See a full description of the short-term bonus under the heading "Short-term Annual Bonus Incentives".

John Lewins KPIs – 2020

Indicator		Weight	Performance Against Budget						Comments
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Throughput	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Mill Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Lewins would be entitled to receive a lump sum payment of (a) the equivalent of 12 times the CEO Fee; (b) an amount equal to the bi-annual bonus payment that would have been payable for achieving KPIs, had he worked to the end of the applicable six-month period prior to termination; and (c) other sums owed for arrears of Base Salary and expenses properly incurred.

In the event of a termination after a Change of Control, where the CEO Consulting Agreement is terminated other than for cause in the twelve-month period following the Change of Control, Mr. Lewins would be entitled to receive a lump sum payment equal to twenty-four times the CEO Fee, plus other sums owed for arrears of compensation. In addition, all unexercised Options held by Mr. Lewins at the time of such termination, would immediately vest and become exercisable upon the termination of the CEO Consulting Agreement.

Justin Blanchet (CFO)

As CFO, Mr. Blanchet is responsible for financial reporting, taxation, financial compliance, overseeing internal controls, treasury, financial risk management. Mr. Blanchet is a key representative with our banks and financiers.

The Company entered into a consulting agreement effective March 1, 2018 (the “**CFO Consulting Agreement**”) with Mr. Blanchet, pursuant to which Mr. Blanchet is entitled to receive a base salary, bonus and equity compensation. The CFO Consulting Agreement is subject to an annual review by the Compensation Committee (on the recommendation of the CEO), which may recommend to the Board an increase of the base salary or revise other compensation. Effective March 1, 2018, Mr. Blanchet’s base salary comprised a monthly fee of US \$9,000 (the “**CFO Fee**”). Effective April 1, 2019, the CFO fee was increased to US \$15,120 in recognition of the increased amount of time devoted by Mr. Blanchet to the Company well as consideration of increased responsibility, among other factors. Effective January 1, 2020, the CFO fee was increased to US \$16,632, and effective November 1, 2020, on the recommendation of the Compensation Committee and with consultation of the independent compensation advisors, the Board approved an increase of the CFO Fee to CAN \$30,000 per month.

Pursuant to the CFO Consulting Agreement, Mr. Blanchet is entitled to a bi-annual bonus equal to up to 30% of the CFO Fees paid, based on certain KPIs of the Company if the Board, on the recommendation of the Compensation Committee, determines that the applicable business performance objectives established by the Board or the Compensation Committee, have been met. The KPIs include the Company’s performance in the areas of safety, statutory compliance, production, operating costs, capital and share price. The Compensation Committee determined that 87% of the 2019 bi-annual KPIs were satisfied, and therefore, an aggregate annual bonus of 26% of the CFO Fee payable to Mr. Blanchet was approved by the Board. For the 2020 fiscal year, the Compensation Committee determined that 78% of the bi-annual KPIs were satisfied, and therefore, an aggregate annual bonus of 23% of the CFO Fee payable to Mr. Blanchet was approved by the Board for payment in 2021. See a full description of the short-term bonus under the heading “Short-term Annual Bonus Incentives”.

Justin Blanchet - KPIs

Indicator		Weight	Performance Against Budget						Comments
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Compliance		20%	Nil	20%	40%	60%	80%	100%	Statutory Submissions
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Blanchet is entitled to receive a lump sum payment (a) equivalent to 12 months of the CFO Fee; and (b) other sums owed for arrears of the CFO Fee and expenses properly incurred.

In the event of a termination after a Change of Control, where the CFO Consulting Agreement is terminated other than for cause in the twelve-month period following the Change of Control, Mr. Blanchet would be entitled to receive a lump sum payment equivalent to twenty-four times the CFO Fee, plus other sums owed for arrears of compensation; and (b) an amount equal to 100% of the bi-annual bonus which would be payable if all conditions of the KPIs were fully met during the twenty-four months, at the time of termination. In addition, all unexercised Options held by Mr. Blanchet at the time of such termination, would immediately vest and become fully exercisable upon the termination of the CFO Consulting Agreement.

Warren Uyen (Senior Vice President, Operations)

As Senior Vice President, Operations Mr. Uyen is responsible for mining operations at the Kainantu Gold Mine, coordinating Government and external affairs activities, community relations and project development.

The Company entered into an employment agreement effective October 1, 2018 (the “*VP Operations Agreement*”) with Mr. Uyen, pursuant to which Mr. Uyen is entitled to receive a base salary, superannuation guarantee payments and equity compensation. The VP Operations Agreement is subject to an annual review by the Compensation Committee (on the recommendation of the CEO), which may recommend to the Board an increase of the base salary or revise other compensation. Effective May 27, 2019, Mr. Uyen was appointed Senior Vice President Operations and his annual base salary was AUS \$370,000 (the “*VP Operations Fee*”). Effective January 1, 2020, the VP Operations fee was increased to AUS \$410,000 in recognition of increased responsibilities, among other factors. Effective November 1, 2020, on the recommendation of the Compensation Committee and with consultation of the independent compensation advisors, the Board approved an increase of the VP Operations Fee to AUS \$480,000 per year. Mr. Uyen is entitled to AUS \$24,000 in superannuation guarantee payments.

Pursuant to the VP Operations Agreement, Mr. Uyen is entitled to a bi-annual bonus equal to up to 50% of the VP Operations Fees paid, based on certain KPIs of the Company if the Board, on the recommendation of the Compensation Committee, determines that the applicable business performance objectives established by the Board or the Compensation Committee, have been met. The KPIs include the Company’s performance in the areas of safety, throughput, production, operating costs, capital and share price. The Compensation Committee determined that 77% of the 2019 bi-annual KPIs were satisfied, and therefore, an aggregate annual bonus of 39% of the VP Operations Fee payable to Mr. Uyen was approved by the Board. For the 2020 fiscal year, the Compensation Committee determined that 100% of the 2019 bi-annual KPIs were satisfied, and therefore an aggregate annual bonus for a total of 50% of the VP Operations Fee payable to Mr. Uyen was approved by the Board. Although not all KPIs were met due to the effect of the COVID-19 pandemic, in making its bonus decision, the Board recognized the plant expansion was successfully commissioned despite suppliers or contractors unable to be at the mine site, development of the twin inclines continued to progress despite a lack of personnel, Mr. Uyen devoted significant long periods of time overseeing operations on site during long quarantine periods and the share price outperformed the GDX exchange traded fund by a factor of over four, making K92 the top performing stock on the GDX. See a full description of the short-term bonus under the heading “Short-term Annual Bonus Incentives”.

Warren Uyen – KPIs

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Throughput	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Milled Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Uyen is entitled to receive a lump sum payment (a) equivalent to 3 months of the VP Operations Fee; and (b) other sums owed for arrears of the CFO Fee and expenses properly incurred. In the event of a termination after a Change of Control, where the VP Operations Agreement is terminated other than for cause in the nine-month period following the Change of Control, Mr. Uyen would be entitled to receive a lump sum payment equivalent to twelve months of the VP Operations Fee, plus other sums owed for arrears of compensation. In addition, all unexercised Options held by Mr. Uyen at the time of such termination, would immediately vest and become fully exercisable upon the termination of the VP Operations Agreement.

David Medilek (Vice President, Business Development and Investor Relations)

As Vice President, Business Development and Investor Relations, Mr. Medilek is responsible for the Company's business development activities, identifying, evaluating, and advancing growth opportunities and working with the other executives in developing the Company's corporate strategy.

The Company entered into an employment agreement effective June 6, 2019 (the "**VP BD Agreement**") with Mr. Medilek, pursuant to which Mr. Medilek is entitled to receive a base monthly salary of CAN \$20,000 (the "**VPBD Fee**"), a bonus and equity compensation. The VP BD Agreement is subject to an annual review by the Compensation Committee (on the recommendation of the CEO), which may recommend to the Board an increase of the base salary or revise other compensation. Effective January 1, 2020, the VPBD fee was increased to CAN \$24,000, and effective November 1, 2020, on the recommendation of the Compensation Committee and with consultation of the independent compensation advisors, the Board approved an increase of the VPBD Fee to CAN \$30,000 per month.

Pursuant to the VP BD Agreement, Mr. Medilek is entitled to a bi-annual bonus equal to up to 50% of the VPBD Fees paid, based on certain KPIs of the Company if the Board, on the recommendation of the Compensation Committee, determines that the applicable business performance objectives established by the Board or the Compensation Committee, have been met. The KPIs include the Company's performance in the areas of safety, statutory compliance, production, operating costs, capital and share price. The Compensation Committee determined that 110% of the 2019 annual KPIs were satisfied, and therefore, an aggregate of 55% of the VPBD Fee payable to Mr. Medilek was approved by the Board. For the 2020 fiscal year, the Compensation Committee determined that 78% of the 2020 bi-annual KPIs were satisfied, and therefore, an aggregate of 39% of the VPBD Fee payable to Mr. Medilek was approved by the Board. See a full description of the short-term bonus under the heading "Short-term Annual Bonus Incentives".

David Medilek - KPIs

Indicator		Weight	Performance Against Budget						Comments
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	All-in Sustaining Costs
Corporate	Share Price	60%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Medilek is entitled to receive a lump sum payment (a) equivalent to 3 months of the VPBD Fee; (b) an amount equal to the bi-annual bonus payment that would have been payable for achieving KPIs, had he worked to the end of the applicable six-month period prior to termination; and (c) other sums owed for arrears of the VPBD Fee and expenses properly incurred.

In the event of a termination after a Change of Control (as defined above), where the VP BD Agreement is terminated other than for cause in the twelve-month period following the Change of Control, Mr. Medilek would be entitled to receive a lump sum payment equivalent to twenty-four times the VPBD Fee, plus other sums owed for arrears of compensation. In addition, all unexercised Options held by Mr. Medilek at the time of such termination, would immediately vest and become fully exercisable upon the termination of the VP BD Agreement.

Christopher Muller (Vice President, Exploration)

As Vice President, Exploration, Mr. Muller is responsible for coordination of the activities of the Company in the areas of Exploration and for promoting the interests and operations of the Company in Papua New Guinea.

The Company entered into an employment agreement effective July 1, 2019 (the “*VP Exploration Agreement*”) with Mr. Muller, pursuant to which Mr. Muller is entitled to receive a base salary of AUS \$240,000 (the “*VP Exploration Fee*”) superannuation guarantee contributions of AUS \$22,800 and equity compensation. The VP Exploration Agreement is subject to an annual review by the Compensation Committee (on the recommendation of the CEO), which may recommend to the Board an increase of the base salary or revise other compensation. Effective January 1, 2020, the VP Exploration fee was increased to AUS \$264,000 and the superannuation contributions were increased to AUS \$25,000. Effective January 1, 2021, on the recommendation of the Compensation Committee and with consultation of the independent compensation advisors, the Board approved an increase of the VP Exploration Fee to AUS \$283,800 per year.

Pursuant to the VP Exploration Agreement, Mr. Muller is entitled to a bi-annual bonus equal to up to 30% of the VP Exploration Fees paid, based on certain KPIs of the Company if the Board, on the recommendation of the Compensation Committee, determines that the applicable business performance objectives established by the Board or the Compensation Committee, have been met. The KPIs include the Company’s performance in the areas of safety, throughput, production, operating costs, capital and share price. The Compensation Committee determined that 78% of the 2019 bi-annual KPIs were satisfied, and therefore, an aggregate bonus of 23% of the VP Exploration Fee payable to Mr. Muller was approved by the Board. For the 2020 fiscal year, the Compensation Committee determined that 95% of the 2020 bi-annual KPIs were satisfied, and therefore, an aggregate bonus of 29% of the VP Exploration Fee payable to Mr. Muller was approved by the Board. Although not all KPIs were met due to the effect of the COVID-19 pandemic, in making its bonus decision, the Board recognized the plant expansion was successfully commissioned despite suppliers or contractors unable to be at the mine site, development of the twin inclines continued to progress despite a lack of personnel, and the share price outperformed the GDX by a factor of over four, making K92 the top performing stock on the GDX. See a full description of the short-term bonus under the heading “Short-term Annual Bonus Incentives”.

Christopher Muller – KPIs

Indicator		Weight	Performance Against Budget						Deliverable
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Work Program	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Completion of work program per budget
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Muller is entitled to receive a lump sum payment (a) equivalent to 3 months of the VP Exploration Fee; and (b) other sums owed for arrears of the VP Exploration Fee and expenses properly incurred. In the event of a termination after a Change of Control (as defined above), where the VP Exploration Agreement is terminated other than for cause in the nine-month period following the Change of Control, Mr. Muller would be entitled to receive a lump sum payment equivalent to twelve months of the VP Exploration Fee, plus other sums owed for arrears of compensation. In addition, all unexercised Options held by Mr. Muller at the time of such termination, would immediately vest and become fully exercisable upon the termination of the VP Exploration Agreement.

Termination and Change of Control Benefits

Details on payments to each NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a Change of Control or a change in the NEO's responsibilities, pursuant to each NEO contract, agreement, plan or arrangement are described under the heading, "Employment, Consulting and Management Agreements".

For illustrative purposes if an NEO had been terminated without cause or notice on December 31, 2020, the applicable compensation period, and the amounts payable for base salary and notice are shown in the following table.

Table 4 – Amounts Payable to NEOs on Termination Without Cause

Name of NEO	Fee Entitlement	Bonus Entitlement	Total Payment
John Lewins	12 x monthly fee - \$600,000	Bonus for prior 6-month period - \$150,000	\$750,000
Justin Blanchet	12 x monthly fee - \$282,744	Nil	\$282,744
David Medilek	3 x monthly fee - \$70,686	Bonus for prior 6-month period - \$70,686	\$141,372
Christopher Muller	3 x monthly fee - \$50,985	Nil	\$50,985
Warren Uyen	3 x monthly fee - \$92,700	Nil	\$92,700

For illustrative purposes, if an NEO had been terminated as a result of a Change of Control on December 31, 2020, the applicable compensation periods and amounts of base salary and bonus, and the value of accelerated options vested as of that date are shown in the following table.

Table 5 – Amounts Payable to NEOs on Change of Control

Name of NEO	Fee Entitlement	Bonus Entitlement	Total Payment	Option-Based Awards – Value Vested ⁽¹⁾
John Lewins	24 x monthly fee - \$1,200,000	Nil	\$1,200,000	\$532,753
Justin Blanchet	24 x monthly fee - \$565,488	Bonus for prior 12-month period - \$84,823	\$650,311	\$129,704
David Medilek	24 x monthly fee - \$565,488	Nil	\$565,488	\$176,011
Christopher Muller	12 x monthly fee - \$203,940	Nil	\$203,940	\$94,502
Warren Uyen	12 x monthly fee - \$370,800	Nil	\$370,800	\$176,011

(1) Calculated by subtracting the respective Option exercise price from the closing price of K92's Shares on the TSX on December 31, 2020, of CAN\$7.61, and multiplying by the number of Options subject to accelerated vesting. In determining the value, Canadian Dollars are converted to US Dollars at 0.7854, the Bank of Canada exchange rate on December 31, 2020.

Incentive Plan Awards

Incentive Plan Awards – Value Vested or Earned During the Year

The following table includes the amount of variable compensation that vested and was paid to the NEOs during the year ended December 31, 2020, including payments the NEOs received as a result of vested Options and cash bonuses related to the 2019 and 2020 performance years.

Table 6 – Incentive Plan Awards - Value Vested or Earned During the Year

Name of NEO	Option-based Awards – Value Vested During the Year (\$)^{(1) (2) (3)}	Share-based Awards – Value Vested During the Year (\$)	Non-equity Incentive Plan Compensation – Value Earned During the Year (\$)⁽⁴⁾
John Lewins	1,166,964	N/A	188,368
Justin Blanchet	266,582	N/A	51,792
David Medilek	186,928	N/A	89,544
Chris Muller	112,665	N/A	58,402
Warren Uyen	359,777	N/A	141,022

Notes:

- (1) The aggregate dollar value is calculated as the difference between the closing price of the Shares on the TSX on the vesting date and the exercise price of the Option. In determining the value, Canadian Dollars are converted to US Dollars using the Bank of Canada average exchange rate for 2020 of 0.7462.
- (2) Option awards were subject to vesting in equal installments on each of the date of grant, 6 months from the grant date and 12 months from the date of grant.
- (3) Options that vested were granted on May 30, 2019 (exercise price of \$1.67), September 16, 2019 (exercise price of \$1.85), January 31, 2020 (exercise price of \$3.85) and October 7, 2020 (exercise price of \$6.73). All exercise prices were equal to the closing price of the Shares on the TSX on the date of grant.
- (4) Amounts shown represent annual short-term cash incentives awarded in 2020 for one 2020 bi-annual payment and one 2019 bi-annual payment.

Outstanding Share-based Awards and Option-Based Awards

The following table sets out all share-based awards and option-based awards granted to the NEOs and outstanding as at December 31, 2020.

Table 7 – Outstanding NEO Share-Based Awards and Option-Based Awards

Name of NEO	Option-based Awards					Share-based Awards
	Number of Securities Underlying Unexercised Options ^{(1) (2)} (#)	Option Exercise Price (CAN\$)	Option Grant Date	Option Expiry Date	Value of Unexercised In-the-Money Options (US\$) ⁽¹⁾	Number of Shares or Units of Shares
John D. Lewins <i>CEO and Director</i>	500,000	1.00	Dec 5, 2016	Dec 5, 2021	2,595,822	N/A
	400,000	0.65	Oct 23, 2017	Oct 23, 2022	2,186,616	
	225,000	1.67	May 30, 2019	May 30, 2024	1,049,717	
	500,000	1.92	Sept 16, 2019	Sept 16, 2024	2,234,527	
	300,000	3.85	Jan 31, 2020	Jan 31, 2025	885,957	
	500,000	6.73	Oct 7, 2020	Oct 7, 2025	345,586	
Justin Blanchet <i>CFO</i>	250,000	0.65	Oct 23, 2017	Oct 23, 2022	1,366,635	N/A
	100,000	0.85	April 30, 2018	April 30, 2023	530,946	
	100,000	0.74	Nov 19, 2018	Nov 19, 2023	539,585	
	225,000	1.67	May 30, 2019	May 30, 2024	1,049,717	
	55,000	1.92	Sept 16, 2019	Sept 16, 2024	245,798	
	60,000	3.85	Jan 31, 2020	Jan 31, 2025	177,191	
	150,000	6.73	Oct 7, 2020	Oct 7, 2025	103,676	
David Medilek <i>VP Business Development & IR</i>	250,000	1.67	May 30, 2019	May 30, 2024	1,166,352	N/A
	60,000	3.85	Jan 31, 2020	Jan 31, 2025	177,191	
	250,000	6.73	Oct 7, 2020	Oct 7, 2025	172,793	
Christopher Muller <i>VP Exploration</i>	50,000	1.92	Sept 16, 2019	Sept 16, 2024	223,453	N/A
	48,000	3.85	Jan 31, 2020	Jan 31, 2025	141,753	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,117	
Warren Uyen <i>Senior VP Operations</i>	250,000	1.67	May 30, 2019	May 30, 2024	1,166,352	N/A
	100,000	1.92	Sept 16, 2019	Sept 16, 2024	446,905	
	60,000	3.85	Jan 31, 2020	Jan 31, 2025	177,191	
	250,000	6.73	Oct 7, 2020	Oct 7, 2025	172,793	

Notes:

- (1) Option awards vest in equal installments on each of the date of grant, 6 months from the grant date and 12 months from the grant date.
- (2) The exercise price of Options is equal to the closing price the Shares on the TSX on the date of grant.
- (3) Calculated by subtracting the respective Option exercise price from the closing price of K92's Shares on the TSX on December 31, 2020, of CAN\$7.61, and multiplying by the number of Options outstanding. In determining the value, Canadian Dollars are converted to US Dollars at 0.7854, the Bank of Canada exchange rate on December 31, 2020. The actual gain, if any, on exercise of the options, will depend on the price of K92's Shares on the date of exercise.

Options Exercises

Details regarding Options exercises by the NEOs during the financial year ended December 31, 2020 are shown in the following table.

Table 8 – Options Exercised by NEOs in 2020

Name of NEO	Number of Underlying Shares Exercised (#)	Exercise Price per Share (CAN\$)	Date of Exercise	Closing Price per Share on Date of Exercise (CAN\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (CAN\$)	Total Value on Exercise Date (CAN\$)
John D. Lewins <i>CEO and Director</i>	800,000	0.45	Aug 24, 2020	6.75	6.30	5,040,000
	600,000	0.65	Sept 18, 2020	7.89	7.24	4,344,000
	500,000	0.85	Sept 18, 2020	7.89	7.04	3,520,000
	500,000	0.74	Sept 18, 2020	7.89	7.15	3,575,000
Justin Blanchet <i>CFO</i>	130,000	0.45	Aug 20, 2020	6.94	6.49	843,700
	120,000	1.00	Aug 28, 2020	7.72	6.72	806,400
David Medilek <i>VP Business Development and IR</i>	Nil	N/A	N/A	N/A	N/A	N/A
Christopher Muller <i>VP Exploration</i>	100,000	1.00	Apr 27, 2020	3.49	2.49	249,000
	100,000	0.65	Apr 27, 2020	3.49	2.84	284,000
	50,000	0.85	Sept 8, 2020	7.90	7.05	352,500
	50,000	0.74	Sept 8, 2020	7.90	7.16	358,000
Warren Uyen <i>Senior VP Operations</i>	250,000	0.74	Sept 16, 2020	8.10	7.36	1,840,000

Share Compensation Plan

Summary

In 2021, the Board, on the recommendation of the Compensation Committee approved the Share Compensation Plan to replace the Stock Option Plan to better align the interests of the directors and management with the long-term interests of the shareholders and to be consistent with its peers. The principal terms of the current Stock Option plan are described under the heading “*Stock Option Plan*”.

The Share Compensation Plan is a 9% rolling plan pursuant to which the number of Shares that may be issuable pursuant to Options, RSUs and PSUs granted under the Share Compensation Plan, together with Shares issuable under any other share-based compensation arrangements of the Company and its subsidiaries, is a maximum of 9% of the issued and outstanding Shares at the time of the grant, of which the number of Shares issuable pursuant to RSUs or PSUs, on an aggregated basis, may not exceed 2% of the outstanding Shares at the time of grant and the number of Shares issuable pursuant to Options, on an aggregated basis, may not exceed 7% of the outstanding Shares at the time of grant. The Company may grant RSUs and PSUs that exceed this limitation provided such RSUs and PSUs can only be settled through purchases in the open market.

The Share Compensation Plan provides participants (each, an “**SCP Participant**”) with the opportunity, through Options, RSUs and PSUs, to acquire an ownership interest in the Company. The value of RSUs and PSUs will rise and fall based on the trading price of the Shares.

The purpose of the Share Compensation Plan is to attract, retain and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through issuances of Options, RSUs and PSUs. This equity interest will align their interests with shareholders and to enhance the Company’s ability to attract, retain and motivate key personnel and directors.

Exchange Approval

The TSX requires that compensation plans such as the Company's Share Compensation Plan must receive approval by the shareholders every three years. Thereafter, notice of Options granted, cancelled and exercised under the plan must be given to the TSX.

Any amendments to the Share Compensation Plan must be approved by any stock exchange on which the Shares are listed and, if necessary, approval by the Disinterested Shareholders of the Company obtained prior to becoming effective.

"Approval by the Disinterested Shareholders" means approval by a majority of votes cast by all shareholders at the Meeting, excluding votes attached to Shares owned by Insiders of the Company to whom Options, RSUs or PSUs may be granted pursuant to the Share Compensation Plan, and their associates.

Options Outstanding

As of September 20, 2021, there were 14,602,890 Options outstanding under the Stock Option Plan, representing approximately 6.57% of the outstanding Shares, leaving 966,964 Options that could be issued under the Share Compensation Plan, representing approximately 0.43% of the outstanding Shares.

MATERIAL TERMS

Following are the material terms and conditions of the Share Compensation Plan. The full text of the Share Compensation Plan is available on the Company's website at www.k92mining.com or by request to the Company.

Maximum Shares Issuable

Maximum - Except as noted below, the maximum aggregate number of Shares that may be issuable is 9% of the number of issued and outstanding Shares, together with those Shares issuable pursuant to any other share-based compensation arrangements of the Company, calculated at the time of grant.

Options - The maximum number of Shares issuable pursuant to Shares underlying Options is an aggregate 7% of the issued and outstanding Shares, together with those Shares issuable pursuant to Options issued pursuant to any other share-based compensation arrangements of the Company, calculated at the time of grant.

RSUs and PSUs - Except as noted below, the maximum number of Shares issuable pursuant to Shares underlying RSUs and PSUs is an aggregate 2% of the issued and outstanding Shares, calculated at the time of grant. As of the date of this Information Circular, the aggregate number of Shares that may be issued pursuant to grants of RSUs and PSUs is 4,448,529.

Exceptions - RSUs and PSUs may be awarded in excess of the limitations set forth in the preceding two bullet points, provided such RSUs and PSUs can only be settled through purchases of Shares on the open market

Eligibility

The following people are eligible to participate in the Share Compensation Plan: any director, officer, or employee of the Company or any of its subsidiaries and any consultant who is eligible to receive awards under the Share Compensation Plan, and solely for purposes of the grant of:

RSUs and PSUs - RSUs and PSUs may be granted to any of the directors, officers, employees or permitted consultants (SCP Participants) of the Company or those of our subsidiaries.

Options - Options may be granted to any of the employee directors (on a limited basis), officers, employees or permitted consultants of the Company or those of our subsidiaries.

Administration

The Share Compensation Plan is administered by the Board, or, if the Board so elects, the Compensation Committee (the “SCP Administrator”). The SCP Administrators determine the eligibility of persons to participate in the Share Compensation Plan, when Options, RSUs and PSUs will be awarded or granted, the number of Options, RSUs and PSUs to be awarded or granted, the vesting criteria for each award of RSUs and grant of Options, the exercise price of Options, and all other terms and conditions of each award and grant, all in accordance with the provisions of the Share Compensation Plan and applicable securities laws and stock exchange requirements.

Limits

- Other than set forth below, when combined with the Company’s other security-based compensation arrangements, the aggregate number of Shares issuable may not exceed 9% of the number of issued Shares, calculated on the date of grant or issuance.
- When combined with the Company’s other share-based compensation arrangements, unless approved by a majority of the disinterested shareholders of the Company:
 - the aggregate number of Shares issuable to Insiders and their associates within any one year period, and issuable to Insiders at any time, may not exceed 9% of the outstanding Shares, calculated at the time of grant;
 - the number of Shares issuable pursuant to RSUs or PSUs, on an aggregated basis, may not exceed 2% of the outstanding Shares at the time of grant;
 - the number of Shares issuable pursuant to Options, on an aggregated basis, may not exceed 7% of the outstanding Shares at the time of grant; and
 - the aggregate number of Shares issuable pursuant to any Option, RSU or PSU Awards under the Plan to any one non-employee director within a one-year period may not exceed an Award value of \$150,000 per such non-employee director, of which no more than \$100,000 may comprise Options, based on a generally accepted valuation method acceptable to the Board.
- RSUs and PSUs may be awarded in excess of the limitations set forth in the preceding bullet points, provided such RSUs and PSUs can only be settled through purchases on the open market.

Option Exercise

Vested Options may be exercised at any time during the applicable option term. The Options are exercisable by the SCP Participant giving the Company notice and payment of the exercise price for the number of Shares to be acquired.

Option Exercise Price

The exercise price at which the Shares may be purchased pursuant to an Option is set by the Board or SCP Administrators at the time of the grant but may not be less than the “Market Price” at the time of the option grant. The Market Price is the volume weighted average trading price of the Shares on the TSX for the last five trading days prior to such day or, on a day during any period when the Shares are not listed for trading on an exchange, the “Market Price” shall be the fair market value per Share on such day as determined by the Board, in their sole discretion with reference to such factors or such information as the Board in their discretion deem appropriate.

Assignability

Options granted and RSUs and PSUs awarded under the Share Compensation Plan or any rights of an SCP Participant cannot be transferred, assigned, charged, pledged or hypothecated, except to an SCP Participant’s beneficiaries or other legal representative in the event of death or permanent disability of the SCP Participant.

Market Price of RSUs and PSUs

The value applicable to settlement of RSUs and PSUs is the Market Price, which is the volume weighted average trading price of the Shares on the TSX for the last five trading days prior to such day or, on a day during any period when the Shares are not listed for trading on an exchange, the “Market Price” shall be the fair market value per Share on such day as determined by the Board, in their sole discretion with reference to such factors or such information as the Board in their discretion deem appropriate.

Maximum Term of Options

The term of any Options granted are fixed by the Board at the time such Options are granted, provided that Options are not permitted to exceed a term of five years. However, should the term of an Option expire on a date that falls within a blackout period or within nine business days following the expiration of a blackout period, the expiration date shall be extended without any further act or formality to the date that is the tenth business day after the end of the blackout period.

Grants and Payments

RSUs –

- A separate account for RSUs is maintained for each participant (a “**RSU Account**”). Each RSU Account will be credited with RSUs awarded to the SCP Participant from time to time. On the RSU vesting date and the corresponding issuance of cash and/or Shares to the SCP Participant, or on the forfeiture and cancellation of the RSUs, the applicable RSUs credited to the participant’s RSU Account will be cancelled.
- The vested RSUs may be settled by the SCP Participant’s delivery of a redemption notice to the Company. On settlement, for each RSU, the Company will, at the discretion of the Board (i) pay to the SCP Participant a cash payment equal to the Market Price of one Share as of the vesting date, (ii) issue to the SCP Participant one Share, (iii) purchase on the open market one Share for delivery to the SCP Participant; or (iv) any combination of the foregoing.

PSUs –

- The SCP Administrators determine the performance cycle applicable to each PSU, being the period of time between the grant date and the date on which the performance criteria must be satisfied before the PSU is fully vested and may be settled by the SCP Participant which, unless otherwise determined by the Board, will be two years after the calendar year in which the grant occurs.
- A separate account is be maintained for PSUs for each SCP Participant (a “**PSU Account**”). Each PSU Account will be credited with PSUs awarded to the SCP Participant from time to time and any dividend equivalent PSUs credited in respect of such PSUs. On the vesting date of the PSUs and the corresponding issuance of cash and/or Shares to the SCP Participant, or on the forfeiture or cancellation of the PSUs, the applicable PSUs credited to the SCP Participant’s PSU Account will be cancelled.
- The vested PSUs may be settled by the SCP Participant’s delivery of a redemption notice to the Company. On settlement, for each PSU, the Company will, at the discretion of the Board (i) pay to the SCP Participant a cash payment equal to the Market Price of one Share as of the vesting date, (ii) issue to the SCP Participant one Share, (iii) purchase on the open market one Share for delivery to the SCP Participant; or (iv) any combination of the foregoing.

Vesting

Options - Unless otherwise determined by the Board or unless otherwise specified in the SCP Participant's Option Agreement, all Options granted will be granted on the basis they will vest as to one-third of the number granted on the first anniversary of the grant date, one-third on the second anniversary and one-third on the third anniversary. The Board establishes the vesting and other terms and conditions for an Option at the time the Option is granted. In the event of a Change of Control, the Board may, in its discretion, accelerate the vesting of all unvested Options to ensure the fair treatment of the Option holders.

RSUs - All RSUs granted will be granted on the basis they will vest as to one-third of the number granted on the first anniversary of the grant date, one-third on the second anniversary and one-third on the third anniversary. The Board establishes the vesting and other terms and conditions for an RSU at the time of grant. In the event of a Change of Control, the Board may, in its discretion, accelerate the vesting of all unvested RSUs to ensure the fair treatment of the holder.

PSUs – All PSUs will vest at the end of the applicable performance cycle (which will generally be two years after the calendar year in which the award of the PSU occurred, subject to the performance criteria for such PSU having been satisfied. The Board establishes the vesting and other terms and conditions for a PSU at the time of grant. In the event of a Change of Control, the Board may, in its discretion, accelerate the vesting of all unvested PSUs to ensure the fair treatment of the holder.

Clawback

Awards of share-based compensation to executive officers under the Share Compensation Plan are subject to the Company's compensation Clawback Policy.

Termination

Options

- In the event an SCP Participant ceases to be an Eligible Person for any reason other than death, permanent disability, or termination for cause, any unexercised Option will generally terminate within 90 days after the SCP Participant ceasing to act as a director, officer, employee or consultant of the Company)to the extent that such Options have vested or the vesting schedule is revised at the discretion of the Board).
- In the event of an SCP Participant's death or permanent disability:
 - If the cause of death or permanent disability is due to the employment of the SCP Participant by the Company or subsidiary, all Options will vest immediately and may be exercised by the SCP Participant or their legal representative within the lesser of a period determined by the Board, that shall not be less than 90 days nor more than twelve months from the termination date, or the expiry date of the Options;
 - if the cause of death or permanent disability is not due to the employment of the SCP Participant by the Company or a subsidiary, vested Options may be exercised by the Participant or their legal representatives within the lesser of 90 days from the termination date or the expiry date of the Options (but only to the extent that such Option has vested or the vesting schedule is revised at the discretion of the Board);
- If an SCP Participant ceases to be an Eligible Person due to termination for cause, all vested and unvested Options will be forfeited and cancelled on the date of termination of the SCP Participant.

RSUs

- If an SCP Participant ceases to be an Eligible Person for any reason other than death, permanent disability, or termination for cause, all outstanding and vested RSUs will be settled in accordance with the Share Compensation Plan (the “**Settlement**”) as of the termination date, after which time the RSUs, including unvested RSUs will terminate on the SCP Participant’s termination date.
- If a participant ceases to be an Eligible Person due to death or permanent disability, all vested RSUs will be settled as of the termination date, outstanding RSUs that were not vested on or before the termination date will vest and be settled on the termination date.
- As Settlement for each vested Share being settled, the Company will, at the discretion of the Board: (i) pay the SCP Participant a cash payment equal to the Market Price per Share as of the vesting date, (ii) issue the SCP Participant the number of vested Shares, (iii) purchase on the open market Shares for delivery to the SCP Participant; or (iv) any combination of the foregoing.
- If an SCP Participant ceases to be an Eligible Person due to termination for cause, all vested and unvested RSUs will not be redeemed or vest but instead shall be forfeited and cancelled on date of termination of the SCP Participant.

PSUs

- If an SCP Participant ceases to be an Eligible Person for any reason other than death, permanent disability, or termination for cause, all outstanding and vested PSUs will be settled in accordance with the Share Compensation Plan as of the termination date, after which time the PSUs, including unvested PSUs will terminate on the SCP Participant’s termination date.
- If a participant ceases to be an Eligible Person due to death or permanent disability, all vested PSUs will be settled as of the termination date and outstanding unvested PSUs will vest and be settled as of the termination date, prorated to reflect the actual period between the commencement of the performance cycle and the termination date, based on the performance criteria for the applicable performance period(s) up to the termination date, and all remaining PSUs will terminate on the termination date.
- As Settlement for each vested Share being settled, the Company will, at the discretion of the Board: (i) pay the SCP Participant a cash payment equal to the Market Price per Share as of the vesting date, (ii) issue the SCP Participant the number of vested Shares, (iii) purchase on the open market Shares for delivery to the SCP Participant; or (iv) any combination of the foregoing.
- If an SCP Participant ceases to be an Eligible Person due to termination for cause, all vested and unvested PSUs will not be redeemed or vest but instead shall be forfeited and cancelled on the date of termination of the SCP Participant.

Reorganization and Change of Control Adjustments

- In the event of any stock dividend, split, recapitalization, amalgamation, merger, consolidation, combination or exchange of shares or any other corporate transaction or event involving the Company or the Shares, an equitable adjustment shall be made including adjusting the number of Awards outstanding under the Plan, the type and number of securities or other property to be received upon exercise or redemption, and the exercise price of Options outstanding under the Plan.
- If a Change of Control of the Company occurs and Eligible Persons whose employment or service thereafter ceases for any reason other than resignation without Good Reason or termination for cause, all Shares subject to RSUs and PSUs shall vest and Shares subject to any option shall vest and may thereupon become exercisable in whole or in part by the option holder at such time and in such manner as determined by the SCP Administrators such that SCP Participants will be able to surrender such RSUs, PSUs and options to the Company for consideration in the form of cash and/or securities, to be determined by the SCP Administrators.

- In the event of a take-over bid or other transaction leading to a Change of Control, the SCP Administrator has the power, subject to TSX acceptance, to accelerate the vesting of Awards and to permit SCP Participants to conditionally exercise their Awards, conditional on the take-up by such offeror of the Shares or other securities tendered to such take-over bid according to the terms of the take-over bid or the effectiveness of such other transaction leading to a Change of Control.

Amendments

- The Board may, without receiving the consent of SCP Participants or shareholder approval, amend the Share Compensation Plan or any Award at any time, provided that the amendment will:
 - not adversely alter or impair any Award previously granted or awarded except as permitted by the adjustment provisions of the Share Compensation Plan;
 - be subject to any regulatory approvals including, where required, the approval of the TSX;
 - be amendments of a “housekeeping nature”, including amendment to the Plan or an award that is necessary to comply with applicable laws, tax or accounting provisions or regulatory authority or stock exchange;
 - correct typographical errors;
 - be amendments that are necessary or desirable for Awards to qualify for favourable treatment under any applicable tax law;
 - change the vesting provisions of any Awards (including any alteration, extension or acceleration);
 - change the termination provisions of any awards that does not entail an extension beyond the original expiration date;
 - introduce a cashless exercise feature payable in cash or securities;
 - clarify existing provisions of the Share Compensation Plan if they do not have the effect of altering the scope, nature or intent of the provisions; and
 - change the application of the provisions of the Share Compensation Plan regarding adjustments and change of control.
- Shareholder approval will be required where an amendment to the Plan would:
 - change from a fixed maximum percentage of issued and outstanding Shares to a fixed maximum number of Shares;
 - increase the maximum number of Shares subject to the Share Compensation Plan;
 - permit Awards to be transferable or assignable other than for normal estate settlement purposes;
 - reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person);
 - extend the term of any Option beyond the original term (except if such period is being extended by virtue of the Blackout Periods provisions of the Share Compensation Plan); and
 - amend the amendment provisions of the Share Compensation Plan.

2020 Stock Option Plan – Legacy

In 2021, the Company’s Board, following the recommendation of the Compensation Committee, approved the “Share Compensation Plan” to replace the Stock Option Plan to better align the interests of the directors and management with the long-term interests of the shareholders. The Share Compensation Plan requires

shareholder approval at the Meeting. A full description of the Share Compensation Plan is set out under the heading “Share Compensation Plan”.

The Company’s current “rolling” Stock Option Plan whereby the Company is authorized the Company to grant Options equal to up to 10% of the number of issued and outstanding Shares, from time to time. K92 shareholders last ratified and approved the Stock Option Plan at the Company’s annual general and special meeting held on July 8, 2020.

The purpose of the Stock Option Plan is to attract retain and motivate the directors, officers, and key employees, by providing them with an opportunity to purchase Shares and benefit from any appreciation in the value of the Shares. This will provide incentive for these individuals to contribute to the success and prosperity of the Company, thus enhancing the value of the Shares for the benefit of all the shareholders.

Pursuant to the Stock Option Plan, the Board, based on recommendations of the Compensation Committee, approves Options grants to employees, directors and consultants in consideration of the provision of their services to the Company or a subsidiary of the Company. The number of Shares subject to each option is determined by the Board within the guidelines set out in the Stock Option Plan and in accordance with the rules and policies of the regulators and stock exchanges. The Options give the optionees the right to purchase Shares at a price fixed pursuant to such guidelines. The Options are exercisable by the optionee giving the Company notice and payment of the exercise price for the number of Shares to be acquired.

The material terms of the Stock Option Plan are as follows:

1. The maximum aggregate number of Shares which may be issuable pursuant to Options granted under the Stock Option Plan is 10% of the issued and outstanding Shares at the time of grant.
2. The term of any Options granted are fixed by the Board at the time such Options are granted and have a maximum term of ten years.
3. The aggregate number of options granted to any one optionee in any 12-month period may not exceed 5% of the number of issued Shares, calculated on the date of Option grant, without obtaining disinterested shareholder approval.
4. The aggregate number of Shares reserved for issuance pursuant to Options granted to Insiders (as a group) at any time may not exceed 10% of the number of issued Shares, calculated on the date of Option grant, without obtaining disinterested shareholder approval.
5. The exercise price of any Options granted are determined by the Board, but cannot be less than the Market Price (as such term is defined by the TSX Company Manual).
6. No amendments to Options held by Insiders that would have the effect of decreasing the exercise price of Options or extending the term of the Options are allowed at any time, or removing or exceeding the Insider Participation Limit (as this term is defined in the Stock Option Plan), without obtaining disinterested shareholder approval.
7. The amendment provisions contained in the Stock Option Plan may not be further amended without obtaining disinterested shareholder approval.
8. The Board may specify a vesting schedule in its discretion.
9. All Options are non-assignable and non-transferable except to a Successor or Guardian (as these terms are defined in the Stock Option Plan) in the event of the death or disability, respectively, of the optionee.
10. Options will be equitably adjusted in the event of any material change in the outstanding Shares by reason of any stock dividend, split, recapitalization, amalgamation, merger, consolidation, combination or exchange of shares or other similar corporate change, at the sole discretion of the Board.

11. Any Options granted pursuant to the Stock Option Plan will terminate generally within 90 days of the optionee ceasing to act as a director, officer, employee or consultant of the Company, to the extent that such Options have vested, unless such cessation is on account of death. In the case of an optionee's death, the Options shall continue to vest and be exercisable for a period of 3 to 12 months, to be determined by the Board. Options held by optionees who are terminated for just cause terminate immediately.
12. The Stock Option Plan contains a black-out provision whereby the Company's directors, officers, employees, insiders or persons in a special relationship must refrain from trading in the Company's securities until the restriction has been lifted by the Board, upon the occurrence of which the term of an Option shall be automatically extended if the expiry date falls within a blackout period
13. The Stock Option Plan provides that it must receive approval by shareholders every three years and is subject to approval by the TSX.

Burn Rate of Stock Option Plan

The table below shows the burn rate expressed as a percentage for 2020, 2019 and 2018, computed as the number of Options granted in the year divided by the weighted average number of Shares outstanding for each year:

	2020	2019	2018
Number of Stock Options Granted	6,604,000	4,805,000	4,660,000
Burn Rate	3.06%	2.38%	2.64%

Equity Compensation Plan Information

The following table shows the equity securities authorized for issuance from treasury under the Company's Stock Option Plan as at December 31, 2020. As at the financial year ended December 31, 2020, the Company had no other plan providing for the grant of stock appreciation rights, DSUs or RSUs or any other incentive plan or portion of a plan under which awards are granted.

Equity Compensation Plan

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)
Equity compensation plans approved by securityholders (Stock Option Plan) ⁽¹⁾	15,985,890	\$2.91	5,863,320 ⁽²⁾
Equity compensation plans not approved by securityholders (Share Compensation Plan) ⁽²⁾	Nil	N/A	Nil
Total	15,985,890	\$2.91	5,863,320

Notes:

- (1) The securities to be issued or available for future issuance, as applicable, upon the exercise of outstanding Options, are Shares. Based on the Company's Stock Option Plan approved by the shareholders on July 8, 2020. See "Stock Option Plan" above.
- (2) Represents the number of Options remaining available for future issuance and that have been reserved with the TSX. As at December 31, 2020, the number of Options remaining available for issuance under the Stock Option Plan, which is a rolling 10% plan, is 5,935,620.

Subsequent to the year ended December 31, 2020, the Company adopted, subject to TSX acceptance and shareholder approval, the Share Compensation Plan as part of its share-based compensation plans. As of the date of this Information Circular, there are no Options, RSUs or PSUs outstanding under the Share Compensation Plan. Shareholders will be asked at the Meeting to pass an ordinary resolution approving the Share Compensation Plan. See “Business of the Meeting – Share Compensation Plan”.

DIRECTOR COMPENSATION AND EQUITY OWNERSHIP

Director Compensation Philosophy and Approach

The Company recognizes the contributions that its directors make to the Company and seeks to compensate them fairly for their time and efforts required, both at the board level and the committee level.

The compensation structure for non-employee directors is intended to attract and retain highly qualified individuals with the capability to meet the challenging oversight responsibilities of a mining company and to closely align the directors’ interests with the interests of Company’s shareholders. The Company’s approach to board compensation is to be in line with the median of our peers’ director compensation and to reflect best practices.

The Compensation Committee is responsible for reviewing directors’ compensation at least annually, and makes recommendations to the Board regarding any revisions, taking into account market practice, workload and accountability. The Compensation Committee engages independent compensation consultants when warranted when carrying out its reviews.

Director Compensation Elements

The elements of non-employee directors’ compensation are (1) annual fixed cash retainers; (2) attendance fees for meetings of the Special Committee when required; (3) long-term equity awards in the form of RSUs and Options; (4) reimbursement of reasonable travel expenses; and (5) reimbursement of professional development courses. The annual retainers for the Board Chair and Board members are pro-rated where a director joins mid-term.

Compensation for non-executive directors is not performance-based and they do not participate in the bonus incentive programs.

In 2020, the Company’s directors’ compensation comprised an annual fixed cash retainer and an equity retainer in the form of Options. Effective in 2021, non-executive directors are no longer eligible to receive Options except as payment in lieu of fees and subject to an annual maximum value of \$100,000.

Directors do not receive severance provisions, health care coverage, charitable donations, vehicles, club memberships, pensions, or other such perquisites.

Revisions to director compensation, as recommended by the Compensation Committee and approved by the Board were made effective January 1, 2021. The compensation adjustment reflects increased responsibilities and alignment with the Company’s peers. The Compensation Committee believes that the compensation structure for the Board members is reasonable, competitive and assists in attracting and retaining superior candidates to the Board.

John Lewins is also an executive officer of the Company and, as such, does not receive any additional compensation for his role as a director. He is excluded from all the tables in the Compensation of Directors section as all his compensation is disclosed under the heading “Summary Compensation Table”.

Each compensation element is described in further detail below.

Equity Compensation

Equity grants in line with the levels permitted under the Company's equity compensation plans are made to non-executive board members to attract and retain top talent and to motivate high quality performance by directors aligned with shareholder interests. In 2020, the Company granted Options pursuant to the Stock Option Plan to provide non-executive directors with incentive. See "Director Compensation Summary" below for details.

Since the introduction of the Share Compensation Plan in 2021 (see "Incentive Plan Awards" for details on the plan), non-employee directors may be granted equity-based compensation in the form of RSU grants and Options. Options will only be granted to non-employee directors in lieu of Board fees, on an equal value-for-value exchange. Each non-employee director may receive equity compensation at an aggregate maximum value of \$150,000 in a 12-month period (calculated at the date of grant), of which a value of no more than \$100,000 may be in the form of Options, calculated using the Black-Scholes model.

Travel and Other Expenses

Our directors are reimbursed for reasonable travel and other out-of-pocket expenses incurred in connection with attending board meetings, stakeholder meetings and site visits, where applicable, and otherwise carrying out their duties as directors of the Company.

Annual Cash Compensation

Annual cash retainers for non-executive directors were paid in US Dollars in 2020 and were or will be paid in Canadian Dollars in 2021. The retainers are paid on a monthly basis.

The following table details the retainer and meeting fee structure for non-executive directors for the financial years ending December 31, 2020 and 2021.

Table 9 – Director Fees

Board Position	2020 DIRECTOR FEES		2021 DIRECTOR FEES	
	Annual Retainer US\$	Retainer Per Meeting US\$	Annual Retainer CAN\$	Retainer Per Meeting CAN\$
Non-Executive Director (excluding Board Chair)	-	-	75,000	-
Non-Executive Director (excluding Board Chair and Audit Committee Chair)	30,000	-	-	-
Board Chair	60,000	-	140,000	-
Audit Committee Chair	42,000	-	15,000	-
Audit Committee Member (excluding Chair)	-	-	7,500	-
Compensation Committee Chair	-	-	12,500	-
Compensation Committee Member (excluding Chair)	-	-	5,000	-
Nominating and Corporate Governance Committee Chair	-	-	12,500	-
Nominating and Corporate Governance Committee Member (excluding Chair)	-	-	5,000	-
Special Committee Member	-	-	-	1,000

Director Summary Compensation

The following table sets out what each non-executive director earned in cash and equity during the financial year ended December 31, 2020:

Table 10 – Director Compensation Summary

Director Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All other Compensation (\$)	Total Compensation (\$)
R. Stuart Angus ⁽²⁾	60,000	-	540,249	-	-	-	600,249
Mark Eaton ⁽³⁾	30,000	-	392,501	-	-	-	422,501
Anne Giardini ^{(4) (5)}	13,871	-	1,726,334	-	-	-	1,740,205
Saurabh Handa ⁽⁶⁾	42,000	-	429,438	-	-	-	471,438
Cyndi Laval ⁽³⁾	30,000	-	392,501	-	-	-	422,501
Ian Stalker ⁽³⁾	30,000	-	392,501	-	-	-	422,501
Graham Wheelock ⁽³⁾	30,000	-	392,501	-	-	-	422,501

Notes:

- (1) The Company uses the Black-Scholes option pricing model for determining the fair value of Options issued at the grant date. The Black-Scholes model was selected as it is a widely used financial method for determining the fair value of Options. The expected volatility is estimated based on the historic average share price volatility. The assumptions used in the measurement of the fair value of the Options granted in 2020 were: volatility of 66.13%, expected average life of 4.0 years, average risk-free interest rate of 0.70%, forfeiture rate of 2.01% and a dividend rate of 0%. Canadian Dollars were converted to US Dollars using the Bank of Canada 2020 average rate of 0.7462. There is no certainty that the Options will be exercised and that the fair value as shown will be received by the director.
- (2) "Fees earned" represent annual fees for service as Board Chair.
- (3) "Fees earned" represent annual fees for service as a director.
- (4) Anne Giardini was appointed to the Board on July 15, 2020, and received an onboarding award of 550,000 Options. At the time of her appointment, the Company was under a trading blackout that restricted the grant of Options that would have normally been awarded to Ms. Giardini. Once the blackout period ended a month later, and the Company was able to grant Options, the share price had increased significantly. The Compensation Committee recommended the grant of a larger number of Options to Ms. Giardini, to account for the difference in the value of the Options had they been granted on her appointment date, as shown under "Option Based Awards".
- (5) "Fees earned" represent prorated annual fees for service as a director.
- (6) "Fees earned" represent annual fees for service as the Audit Committee Chair.

Director Incentive Plan Awards

Restricted Share Units (RSUs)

Since the introduction of the Share Compensation Plan in 2021, non-employee directors may be granted equity-based compensation in the form of RSU grants or Options. Each non-employee director may receive RSUs at an aggregate maximum value of \$150,000 annually (calculated at the date of grant) when combined with the value of any other equity compensation granted during the same 12-month period. RSUs have not yet been granted to directors.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out all share-based awards and option-based awards outstanding for each of the non-executive directors as at December 31, 2020.

Table 11 – Director Share-Based Awards and Option-Based Awards Outstanding at Year-End

Name of Director	Option-based Awards					Share-based Awards
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CAN\$)	Option Grant Date	Option Expiration Date	Value of Unexercised In-the-Money Options (US\$) ⁽¹⁾	Number of Shares or Units of Shares
R. Stuart Angus	825,000	0.45	May 20, 2016	May 20, 2021	4,639,358	N/A
	260,000	1.00	Dec 5, 2016	Dec 5, 2021	1,349,788	
	150,000	0.65	Oct 23, 2017	Oct 23, 2022	819,958	
	400,000	0.85	Apr 30, 2018	Apr 30, 2023	2,123,722	
	225,000	1.67	May 30, 2019	May 30, 2024	1,049,687	
	200,000	3.85	Jan 31, 2020	Jan 31, 2025	590,621	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Mark Eaton	225,000	1.67	May 30, 2019	May 30, 2024	1,049,687	N/A
	100,000	3.85	Jan 31, 2020	Jan 31, 2025	295,310	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Anne Giardini	550,000	7.25	Aug 17, 2020	Aug 17, 2025	155,509	N/A
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Saurabh Handa	100,000	1.00	Dec 5, 2016	Dec 5, 2021	519,149	N/A
	125,000	3.85	Jan 31, 2020	Jan 31, 2025	369,138	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Cyndi Laval	225,000	2.17	Nov 22, 2019	Nov 22, 2024	961,330	N/A
	100,000	3.85	Jan 31, 2020	Jan 31, 2025	295,310	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Ian Stalker	1,150,000	0.45	May 20, 2016	May 20, 2021	6,466,984	N/A
	450,000	1.00	Dec 5, 2016	Dec 5, 2021	2,336,172	
	150,000	0.65	Oct 23, 2017	Oct 23, 2022	819,958	
	100,000	0.85	Apr 30, 2018	Apr 30, 2023	530,930	
	225,000	1.67	May 30, 2019	May 30, 2024	1,049,687	
	100,000	3.85	Jan 31, 2020	Jan 31, 2025	295,310	
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	
Graham Wheelock	34,000	3.85	Jan 31, 2020	Jan 31, 2025	100,406	N/A
	100,000	6.73	Oct 7, 2020	Oct 7, 2025	69,115	

(1) Calculated by subtracting the respective Option exercise price from the closing price of K92's Shares on the TSX on December 31, 2020, of CAN\$7.61, and multiplying by the number of Options outstanding. In determining the value, Canadian Dollars are converted to US Dollars at 0.7854, the Bank of Canada exchange rate on December 31, 2020. The actual gain, if any, received on exercise of Options will depend on the price of K92's Shares on the date of exercise.

Value Vested or Earned by Directors

The following table sets out the aggregate dollar value that would have been realized by each non-executive director if the Options that vested during the fiscal year ended December 31, 2020, had been exercised on their respective vesting dates. The Company does not have a non-equity incentive compensation plan for directors.

Table 12 – Director Incentive Awards - Value Vested or Earned During 2020

Name of Director	Option-based Awards – Value Vested During the Year ⁽¹⁾ (\$)	Share-based Awards – Value Vested During the Year (\$)	Non-equity Incentive Plan Compensation – Value Earned During the Year (\$)
R. Stuart Angus	248,048	N/A	N/A
Mark Eaton	193,381	N/A	N/A
Anne Giardini	-	N/A	N/A
Saurabh Handa	207,048	N/A	N/A
Cyndi Laval	421,383	N/A	N/A
Ian Stalker	193,381	N/A	N/A
Graham Wheelock	193,381	N/A	N/A

(1) The aggregate dollar value is calculated as the difference between the closing price of the Shares on the TSX on the vesting date and the exercise price of the Option. In determining the value, Canadian Dollars are converted to US Dollars using the Bank of Canada average exchange rate for 2020 of 0.7462. There is no certainty that the Options will be exercised and that the fair value as shown will be received by the director.

Options Exercised by Directors

Options exercises by the non-executive directors during the financial year ended December 31, 2020, are shown in the following table.

Table 13 – Options Exercised by Directors in 2020

Name of Director	Number of Underlying Shares Exercised	Exercise Price per Share CAN\$	Date of Exercise	Closing Price per Share on Date of Exercise CAN\$	Difference Between Exercise Price and Closing Price on Date of Exercise CAN\$	Total Value on Exercise Date CAN\$
R. Stuart Angus	Nil	N/A	N/A	N/A	N/A	N/A
Mark Eaton	100,000 150,000 100,000	1.00 0.65 0.85	Aug 18, 2020 Aug 18, 2020 Aug 18, 2020	6.93 6.93 6.93	5.93 6.28 6.08	593,000 942,000 608,000
Anne Giardini	Nil	N/A	N/A	N/A	N/A	N/A
Saurabh Handa	150,000 100,000 225,000	0.65 0.85 1.67	Feb 4, 2020 Feb 4, 2020 Aug 24, 2020	3.80 3.80 6.75	3.15 2.95 5.08	472,500 295,000 1,143,000
Cyndi Laval	Nil	N/A	N/A	N/A	N/A	N/A
Ian Stalker	Nil	N/A	N/A	N/A	N/A	N/A
Graham Wheelock	76,500 66,000	1.67 3.85	Aug 21, 2020 Aug 21, 2020	6.76 6.76	5.09 2.91	389,385 192,060

Director Education

Our directors are reimbursed for pursuing continuing education opportunities to maintain and enhance their abilities as directors and ensure that their knowledge of the business of the Company remains current. The directors may be reimbursed up to \$1,000 annually for these professional development opportunities and the board in its discretion may revise this amount.

Director Compensation Annual Review

In September 2020, the Compensation Committee engaged Korn Ferry, independent compensation advisors, to conduct a review of the Company's board compensation practices.

In its review, Korn Ferry compared K92's board compensation to the Company's Peer Group described under the heading, "Peer Benchmarking Group". The review covered the compensation elements of cash retainer, equity retainer and meeting fees paid to directors. The individual roles of director, board Chair, Audit Committee member and Chair, Nominating and Corporate Governance Committee member and Chair, Compensation Committee member and Chair, and Health and Safety Committee member and Chair.

OTHER INFORMATION

Additional Information

You can find financial information relating to K92 in our Consolidated Financial Statements, Management's Discussion and Analysis, and Annual Information Form for the year ended December 31, 2020.

These documents and additional information relating to K92 are available on our website at www.k92mining.com or the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com).

You can also request copies of the above documents free of charge by contacting our Corporate Secretary.

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Director Approval

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 20th day of September, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"John D. Lewins"

John D. Lewins

Chief Executive Officer and Director

SCHEDULE "A"

BOARD MANDATE

K92 MINING INC.

Mandate of the Board of Directors

1. Purpose and Role

The Board of Directors (the “**Board**”) is responsible for the overall stewardship of K92 Mining Inc. (the “**Company**”) and for the supervision of the management of the business and affairs of the Company. The Board carries out this responsibility by establishing key policies and standards, approving the Company's strategic plans, and supervising management of the Company, who are responsible for the day-to-day conduct of the business of the Company.

Directors are required to exercise their judgment in a manner consistent with their fiduciary duties. In particular, directors are required to act honestly and in good faith, with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In this context, the Board’s objectives are to enhance and preserve long-term stakeholder value, and to ensure the Company meets its obligations on an ongoing basis.

In overseeing the conduct of the business, the Board, through the Chief Executive Officer (“**CEO**”), sets the standards of conduct for the Company.

2. Composition

The Board will ensure that it has a majority of, and a minimum of three, “independent directors” within the meaning of applicable securities laws, instruments, rules and policies, and applicable stock exchange requirements (the “**Independent Directors**”).

The Board shall consist of individuals who possess skills and competencies in areas that are relevant to the business and affairs of the Company.

The directors will be elected each year by the shareholders of the Company at the annual general meeting of shareholders. The Nominating and Corporate Governance Committee will recommend to the Board nominees for election as directors, and the Board will propose nominees to the shareholders for election as directors for the ensuing year.

Subject to the provisions of the *Business Corporations Act* (British Columbia) and the Company’s articles, the Board may delegate certain responsibilities of the Board to committees of the Board (the “**Committees**”) on such terms as the Board may consider appropriate.

3. Chair of the Board

The chair of the Board (the “**Chair**”) shall be an Independent Director. The Board shall appoint the Chair annually at the organizational meeting of the Board immediately following the annual

meeting of shareholders, upon the recommendation of the Nominating and Corporate Governance and Committee.

The Chair of the Board shall have the duties and responsibilities set forth in the Chair Position Description.

If the Chair is not available or becomes no longer independent within the meaning of Applicable Laws and a lead director (“**Lead Director**”) is required or is considered desirable by the Board, the Board shall appoint a Lead Director from among the Independent Directors on the recommendation of the Nominating and Corporate Governance Committee.

4. Board Committees

The Board may appoint such Committees from time to time as it considers appropriate. Each Committee shall have a mandate that is approved by the Board, setting out the responsibilities of, and the extent of the powers delegated to, such Committee by the Board.

5. Meetings and Process

The Board shall meet at least four times annually, or more frequently as circumstances require. Meetings of the Board may be held in person and/or by telephone or video conference. Directors shall be provided with a minimum of 48 hours’ notice of meetings. The notice period may be waived by each individual Director.

Directors are expected to attend at least three quarters of all meetings of the Board held in each financial year of the Company and to adequately review meeting materials in advance of each meeting.

The Board Chair, if present, will act as the chair of meetings of the Board. The Chair and the CEO, together with the Corporate Secretary, shall establish the agenda for each Board meeting and, where possible, ensure that materials are circulated sufficiently in advance to provide adequate time for review prior to the meeting. The Board may ask members of management or others to attend meetings or to provide information as necessary. In order to properly carry out its responsibilities, the Board may retain outside consultants to attend meetings.

At each meeting of the Board, there shall be an in-camera session of only the Independent Directors without management present.

6. Responsibilities

The principal duties and responsibilities of the Board include:

A. Oversight of Management

- a) Discharging its responsibility for supervising the management of the business and affairs of the Company by delegating the day-to-day management of the Company to senior executives.

- b) Ensuring senior management keeps the Board informed on significant developments affecting the Company and its operations
- c) Adopting a succession planning process and participating in the selection, appointment and development of the CEO and other senior officers.
- d) Developing and approving position descriptions for the Chair and the CEO and measuring the performance of the Chair and CEO and reviewing these at least annually.
- e) Developing and approving the position description for the Lead Director and measuring the performance of the Chair and CEO and reviewing these as applicable.
- f) Through the Nominating and Corporate Governance Committee, adopting a process for the evaluation of the CEO and other senior officers.
- g) Through the Compensation and Benefits Committee, determine the appropriate compensation of the CEO and other senior officers and adopting a compensation model, policies and equity incentive plans to meet the compensation objectives.
- h) Promoting a culture consistent with the Company's Code of Business Conduct and Ethics, including taking appropriate steps to ensure the CEO and other senior officers create and sustain a culture of integrity, ethical leadership, inclusion, health and safety, and sustainability within the Company.
- i) Periodically reviewing and approving any significant changes to the Company's Code of Business Conduct and Ethics.

B. Financial and Risk Matters

- a) Overseeing the adoption, reliability and integrity of accounting principles and practices followed by management and of the financial statements and other publicly reported financial information, and of the Company's disclosure principles and practices.
- b) Overseeing the integrity of the Company's internal controls and management information systems and ensuring appropriate internal and external audit and control systems.
- c) Reviewing and approving an annual operating budget for the Company and monitoring the Company's performance.
- d) Approving annual and, either directly or through the Audit Committee, quarterly financial statements and their distribution.
- e) Together with the Audit Committee, annually reviewing the directors' and officers' third-party liability insurance, and other insurance, of the Company.

- f) Recommending the appointment of an external auditor to shareholders and liaise with the external auditor as needed. Reviewing and approving the external auditor's compensation.
- g) Safeguarding the assets and business of the Company by reviewing and approving risk assessment and risk management principles and practices, including the identification of the principal risks of the Company and the implementation of appropriate risk management systems with a view to mitigating the potential impact of unmitigated risks on the overall value and viability of the Company.

C. Strategic Planning Process

- a) Adopting an adequate and effective strategic planning process pursuant to which management develops and proposes, and the Board reviews and approves the procedures for achieving the long-term and short-term corporate strategies and objectives, taking into account, among other things, the opportunities and risks of the business. The strategic planning process and corporate objectives for the Company will be reviewed and approved by the Board at least annually.
- b) Reviewing and approving all major acquisitions, dispositions and investments and all significant financings and other significant matters outside the ordinary course.
- c) Approving annual capital and operating budgets that support the Company's ability to meet its strategic objectives.
- d) Monitoring the Company's progress towards achieving its strategic objectives in light of changing circumstances.
- e) Determining the extent of authority to be delegated to management and the limitations to be placed on the exercise of that authority in respect of the nature and size of transactions.

D. Communications and Reporting

- a) Reviewing and approving the Company's Disclosure, Confidentiality and Insider Trading Policy, ensuring it is in compliance with applicable law and the regulations and guidelines of applicable securities regulatory authorities and the stock exchanges on which the Company's securities trade.
- b) Overseeing the Company's continuous disclosure program to ensure material information is communicated to stakeholders in a fair, accurate, transparent and timely fashion and in accordance with the Company's Disclosure, Confidentiality and Insider Trading Policy.
- c) Approving the content of the Company's material communications to shareholders and the investing public, including the interim and annual financial reports, the management proxy meeting materials, the annual information form, any prospectuses that may be issued, and significant other announcements.

- d) Adopting a process to enable shareholders to effectively communicate with senior management and the Board and to provide for effective channels by which the Company may interact with analysts and the public.
- e) When considered necessary, consulting with management outside Board meetings in order to provide specific advice and counsel on subjects where directors have special knowledge and experience.

E. Corporate Governance, Corporate Social Responsibility, Health and Safety

- a) Overseeing the Company's approach to corporate governance, including corporate governance practices and principles, and reviewing and approving the expectations of directors and the basic duties and responsibilities of directors.
- b) Monitoring the size and composition required of the Board and approving nominations for candidates for election to the Board, with a view to ensuring that the Board is comprised of directors with the necessary skills, experience and diversity to facilitate effective decision-making.
- c) Reviewing and approving the implementation of appropriate community and environmental stewardship and health and safety management systems and practices, taking into consideration applicable laws, Company policies and accepted practices in the mining industry.
- d) Taking appropriate steps to remain advised and informed about the Board's duties and responsibilities and about the business and operations of the Company.
- e) Ensuring that the Board receives from the CEO and senior management information and views to ensure the Board is able to effectively perform its duties.
- f) Appointing the Chair.
- g) Developing and approving position descriptions for the Chair of the Board, the Lead Director and the Chair of each committee, and measuring their performance.
- h) Considering and approving recommendations brought forward by the Committees in each of the regular Committee reports to the Board relating to their areas of delegated responsibility.
- i) Reviewing annually the Board Mandate and the Committee charters, and their respective performance, to ensure that the Board and the Committees are operating effectively.
- j) Overseeing, through the Nominating and Corporate Governance Committee, the assessment of the effectiveness of the Board, its Committees and individual directors on an annual basis.
- k) Evaluating the relevant relationships of each independent director to confirm that any such relationship does not preclude a determination that the director is independent within the meaning of Applicable Laws.

F. Education and Assessment

- a) Ensuring that a process is in place so that all new directors receive a comprehensive orientation and fully understand the role of the Board and its Committees, the nature and operation of the Company's business and strategies, the expectations for directors and the contribution that individual directors are required to make.
- b) Encouraging directors to pursue ongoing educational opportunities, such as in-house and external seminars and conferences, as appropriate to assist them in better performing their duties.
- c) Annually individually assessing the effectiveness and contribution of each director, and the effectiveness of the Board as a whole, and its Committees.

7. Third Party Advisors

The Board, and any Committees may at any time retain, at the reasonable expense of the Company, financial, legal or other such advisors as it considers to be necessary or advisable in order to properly perform its duties and responsibilities. Any director may, subject to the approval of the Chair, retain an outside advisor at the reasonable expense of the Company.

8. Review

The Nominating and Corporate Governance Committee will annually review this Board Mandate and submit any recommended changes to the Board for approval.

Last updated, reviewed and approved by the Board on _____.

SCHEDULE "B"

SHARE COMPENSATION PLAN

K92 MINING INC.

SHARE COMPENSATION PLAN

1. PURPOSE OF PLAN

- 1.1 **Purpose:** The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, and its shareholders by: (i) ensuring that the interests of Eligible Persons are aligned with the success of the Corporation and its Subsidiaries; (ii) encouraging stock ownership by Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate Eligible Persons. The Plan is also intended to assist the Corporation to attract and retain Eligible Persons. This Plan is effective on September 20, 2021 (the “**Effective Date**”) and supersedes and replaces the Stock Option Plan of the Corporation dated July 8, 2020 (the “**Prior Plan**”).

2. DEFINITIONS AND INTERPRETATION

- 2.1 **Definitions:** For purposes of the Plan, unless the context requires otherwise, the following words and terms shall have the following meanings:

- (a) “**Affiliate**” has the meaning ascribed thereto in the TSX Company Manual;
- (b) “**Acquiror**” has the meaning ascribed to such term in section 11.1(a);
- (c) “**Associate**” has the meaning attributed to that term in the *Securities Act* (British Columbia);
- (d) “**Award**” means any Options, RSUs or PSUs granted or awarded under this Plan;
- (e) “**Award Agreement**” means (i) in respect of an Option, an Option Agreement; and (ii) in respect of a RSU, a RSU Agreement; and (iii) in respect of a PSU, a PSU Agreement. Each Award Agreement shall be subject to the applicable terms and conditions of this Plan and any other terms and conditions (not inconsistent with this Plan) determined by the Board;
- (f) “**Blackout Period**” means an interval of time during which (i) the Corporation has determined that one or more Eligible Persons may not trade any securities of the Corporation because they may be in possession of undisclosed material information pertaining to the Corporation, or (ii) Eligible Persons are otherwise prohibited by law from trading any securities of the Corporation, other than pursuant to a cease trade order issued by a securities regulatory authority;
- (g) “**Board**” means the board of directors of the Corporation as constituted from time to time;
- (h) “**Business Day**” means each day other than a Saturday, Sunday or statutory holiday in Vancouver, British Columbia, Canada;
- (i) “**Cause**” means any act, omission or course of conduct that:
 - (i) in the case of Eligible Person who is an employee of the Corporation or any Subsidiary, is recognized under applicable law as cause for dismissal under applicable law, including, without limitation, embezzlement, theft, fraud, wilful failure to follow any lawful directive of the Corporation or Subsidiary, as applicable, and wilful misconduct detrimental to the interests of the Corporation or Subsidiary, as applicable; and
 - (ii) in the case of any other Eligible Person, is recognized as a material breach of contract under applicable law.

- (j) **“Change of Control”** means:
- (i) the removal, by extraordinary resolution of the shareholders of the Corporation, of more than 50% of the then incumbent members of the Board, or the election of a majority of the directors comprising the Board who were not nominated by the Corporation’s incumbent Board at the time immediately preceding such election;
 - (ii) the acquisition by any person or persons acting jointly or in concert (as determined by the Securities Act (British Columbia)), whether directly or indirectly, of beneficial ownership of voting securities of the Corporation that, together with all other voting securities of the Corporation held by such persons, constitute in the aggregate, more than 50% of all of the then outstanding voting securities of the Corporation;
 - (iii) the completion of a consolidation, merger, arrangement or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation or any parent entity; or
 - (iv) the completion of a sale or disposition of all or substantially all of the Corporation’s and its Subsidiaries’ undertakings and assets to another person and the voting shareholders of the Corporation immediately prior to that sale or disposition hold less than 50% of the voting rights attaching to the outstanding voting securities of that other person immediately following that sale or disposition;
- (k) **“Clawback Policy”** means the clawback policy of the Corporation as determined by the Board, and as it may be amended, replaced, or restated from time to time;
- (l) **“Committee”** means the Compensation and Benefits Committee of the Board, or such other committee or persons (including the Board) as may be designated from time to time to administer the Plan;
- (m) **“Common Share”** means a common share of the Corporation;
- (n) **“Consultant”** means any person, other than an officer or employee of the Corporation or an Affiliate of the Corporation, that (i) is engaged to provide services to the Corporation or an Affiliate of the Corporation, other than services provided in relation to a distribution, (ii) provides the services under a written contract with the Corporation or an Affiliate of the Corporation, and (iii) in the reasonable opinion of the Corporation, spends or will spend at least twelve months of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation, and includes (iv) for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner, and (v) for a consultant that is not an individual, an employee, officer or director of the consultant, provided that the individual employee, officer or director spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation; (vi) any Consultant, in all cases, who is eligible to receive Awards under this Plan;
- (o) **“Corporation”** means K92 Mining Inc., a corporation existing under the *Business Corporations Act* (British Columbia) and the successors thereof;
- (p) **“dividend equivalents”** means the right, if any granted under section 8, to receive future payments in cash on Common Shares, based on dividends declared on Common Shares;

- (q) **“Eligible Person”** means any director, officer, or employee of the Corporation or any of its Subsidiaries and any Consultant who is eligible to receive Awards under this Plan;
- (r) **“Good Reason”** means “Good Reason” or “Good Cause” or any analogous term as defined in the employment agreement, if any, between the relevant Eligible Person and the Corporation or a Subsidiary that employs the Eligible Person; if there is no such definition or agreement, “Good Reason” will arise within 12 months following a Change of Control where the Eligible Person was induced by the actions of the Corporation or Subsidiary that employs that Eligible Person, to resign or terminate the Eligible Person’s employment, other than on a purely voluntary basis, as a result of the occurrence of one or more of the following events without the Eligible Person’s written consent, provided that such resignation shall only be designated as for “Good Reason” if the Eligible Person has provided 10 days’ written notice of intention to resign for Good Reason with specifics of such occurrence to the Corporation or Subsidiary, as applicable, immediately upon occurrence of such an event and the Corporation or Subsidiary, as applicable, has not corrected such occurrence within such 10-day period:
- (i) a materially adverse change in the Eligible Person’s position, duties, or responsibilities other than as a result of the Eligible Person’s physical or mental incapacity which impairs the Eligible Person’s ability to materially perform the Eligible Person’s duties or responsibilities as confirmed by a physician;
 - (ii) a materially adverse change in the Eligible Person’s reporting relationship that is inconsistent with the Eligible Person’s title or position;
 - (iii) a reduction of the base salary of the Eligible Person;
 - (iv) a reduction of the aggregate level of benefits made available to the Eligible Person; or
 - (v) the relocation of the Eligible Person’s primary workplace to a location that is more than 50 kilometres from the Eligible Person’s existing primary workplace;
- (s) **“Grant Date”** means the date on which an Award is made to an Eligible Person in accordance with the provisions hereof;
- (t) **“insider”** has the meaning attributed to that term in the TSX Company Manual;
- (u) **“Market Price”** of a Common Share on a day means the volume weighted average trading price of the Common Shares on any exchange in Canada where the Common Shares are primarily listed (including the TSX) for the last five trading days prior to such day, or on a day during any period when the Common Shares are not listed for trading on an exchange the “Market Price” shall be the fair market value per Common Share on such day as determined by the Board, in their sole discretion with reference to such factors or such information as the Board in their discretion deem appropriate;
- (v) **“Option”** means an option granted to an Eligible Person under the Plan to purchase Common Shares;
- (w) **“Option Agreement”** means a written agreement, substantially in the form of Schedule C, or such other form as the Board may approve from time to time, between a Participant and the Corporation relating to an Option grant;
- (x) **“Option Vesting Date”** has the meaning ascribed to that term in section 9.3;
- (y) **“Outstanding Common Shares”** at the time of any issuance of Common Shares or the grant of an Award means the number of Common Shares that are outstanding immediately

prior to the share issuance or grant of Awards in question, on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the TSX;

- (z) **“Participant”** means an Eligible Person who has been granted an Award under this Plan;
- (aa) **“Performance Criteria”** means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance, the financial performance of the Corporation and/or of its Subsidiaries and/or achievement of corporate goals and strategic initiatives, and that may be used to determine the vesting of the Awards, when applicable;
- (bb) **“Plan”** means this share compensation plan, including any schedules or appendices hereto, all as amended, replaced or restated from time to time;
- (cc) **“Prior Options”** has the meaning ascribed to such term in section 14.12;
- (dd) **“Prior Plan”** has the meaning ascribed to such term in section 1.1;
- (ee) **“PSU”** means an unfunded and unsecured performance share unit granted in accordance with this Plan which entitles the Participant to receive, upon the satisfaction of the Performance Criteria, a cash payment equal to the Market Price of one Common Share on settlement of the PSU or its equivalent in Common Shares, or a combination of both, at the discretion of the Corporation;
- (ff) **“PSU Account”** has the meaning ascribed to that term in section 6.3;
- (gg) **“PSU Agreement”** means a written agreement, substantially in the form of Schedule B, or such other form as the Board may approve from time to time, between a Participant and the Corporation relating to a PSU award;
- (hh) **“PSU Vesting Date”** has the meaning ascribed to such term in section 6.4;
- (ii) **“Redemption Notice”** means a notice in the form attached as Exhibit A to either a RSU Agreement or PSU Agreement, as applicable;
- (jj) **“Remittance Amount”** has the meaning ascribed to that term in section **Error! Reference source not found.**;
- (kk) **“RSU”** means an unfunded and unsecured restricted share unit granted in accordance with this Plan which entitles the Participant to receive, subject to restrictions (including, without limitation, a requirement that the Participant remain an Eligible Person for a specified period of time), a cash payment equal to the Market Price of one Common Share on settlement of the RSU or its equivalent in Common Shares, or a combination of both, at the discretion of the Corporation;
- (ll) **“RSU Account”** has the meaning ascribed to that term in section 5.3;
- (mm) **“RSU Agreement”** means a written agreement, substantially in the form of Schedule A, or such other form as the Board may approve from time to time, between a Participant and the Corporation relating to a RSU award;
- (nn) **“RSU Vesting Date”** has the meaning ascribed to that term in section 5.4;
- (oo) **“security based compensation arrangement”** shall have the meaning ascribed to that term in the TSX Rules;

- (pp) **“Subsidiary”** has the meaning ascribed thereto in the *Securities Act* (British Columbia) and **“Subsidiaries”** shall have a corresponding meaning;
- (qq) **“Termination Date”** means the date a Participant ceases to be an Eligible Person for any reason whatsoever and such date shall be deemed to be:
- (i) if a Participant dies, the date of death;
 - (ii) except in the case of resignation with Good Reason, if a Participant gives the Corporation or any Subsidiary that employs or engages that Participant notice of termination of employment or service for any reason whatsoever, the date that notice of termination of employment or service was first given by that Participant;
 - (iii) if the Corporation or any Subsidiary that employs or engages a Participant gives that Participant notice of termination of employment or service for any reason whatsoever, the date that written notice of termination of employment or service was first given to that Participant; and
 - (iv) in all other cases, the date designated by the Corporation or the Subsidiary that employs or engages a Participant, in written notice to that Participant, as the day on which that Participant’s employment or service ceases for any reason whatsoever (whether or not that cessation of employment or service is lawful),

and “Termination Date” specifically does not mean the date on which any period of notice, which the Corporation or that Subsidiary, as applicable, may be required to provide to or ought to have provided to (or that may be claimed by) that Participant, expires.

For the avoidance of doubt, in all cases, the Termination Date shall be determined without regard to any applicable notice of termination, severance or termination pay, compensation or indemnity in lieu of notice, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice, period of salary continuation or of deemed employment or of deemed service, or any claim whatsoever by the Participant to any of the foregoing (whether express or implied, and whether arising under contract or statute or otherwise at law in any manner, or imposed by a court, tribunal or arbitrator).

- (rr) **“TSX”** means the Toronto Stock Exchange;
- (ss) **“TSX Rules”** means the applicable rules of the TSX;
- (tt) **“Vested PSUs”** means PSUs that have vested in accordance with section 6.4;
- (uu) **“Vested RSUs”** means RSUs that have vested in accordance with section 5.4;
- (vv) **“Vested Share Units”** means Vested PSUs and Vested RSUs as applicable, and **“Vested Share Unit”** means any one of them; and
- (ww) **“Vesting Date”** means:
- (i) for a PSU, the PSU Vesting Date;
 - (ii) for a RSU, the RSU Vesting Date; and
 - (iii) for an Option, the Option Vesting Date.

2.2 **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

- 2.3 **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 2.4 **References to this Plan:** The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.
- 2.5 **Currency:** All references in this Plan or in any agreement entered into under this Plan to “dollars”, “\$” or lawful currency shall be references to Canadian dollars, unless the context otherwise requires.

3. ADMINISTRATION OF THE PLAN

- 3.1 **Administration of the Plan:** This Plan will be administered and interpreted by the Board or, if the Board so elects, the Committee and in such circumstances, all references to the term “Board” will be deemed to be references to the Committee, except as may otherwise be determined by the Board. The day-to-day administration of the Plan may be delegated to such officers and employees of the Corporation as the Board determines. The Board has sole and complete authority, in its discretion, to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) determine the eligibility of persons to participate in the Plan, when Awards to Eligible Persons shall be awarded or granted, the number of Awards to be awarded or granted, the vesting criteria or vesting period for each Award, and when it is appropriate to accelerate the method by which an Award may be vested, settled, exercised, canceled, forfeited, or suspended;
- (c) interpret and construe the provisions of the Plan and any agreement or instrument under the Plan;
- (d) to determine whether, to what extent and under what circumstances Awards may be exercised or redeemed in cash, Common Shares or as otherwise contemplated in this Plan; and
- (e) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions regarding the Plan or any Award or any documents evidencing any Award granted pursuant to the Plan shall be within the sole discretion of the Board, may be made at any time, and shall be final, conclusive, and binding upon all persons or entities, including, without limitation, the Corporation, any Subsidiary, any Participant, any holder or beneficiary of any Award, and any shareholder of the Corporation. No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan, any Award Agreement or other document or any Awards granted pursuant to the Plan.

- 3.2 **Clawback Provision:** Notwithstanding any other provision of this Plan, any Award issued, granted, or awarded to any Participant, and any Common Shares issued thereunder, and any amount received by any Participant with respect to any such Award or Common Shares, shall be subject to cancellation, rescission, forfeiture, recovery, or other action in accordance with the terms of the Corporation’s Clawback Policy. The Corporation will have a right to cancel, rescind, or otherwise recover from such Participant for the benefit of the Corporation, and such Participant will be required to forfeit or repay to the Corporation the amount determined by the Board in accordance with the Clawback Policy.

3.3 **Maximum Number of Common Shares Subject to the Plan:**

- (a) Maximum Shares: Subject to section 3.3(c), the total maximum number of Common Shares reserved and available for issuance pursuant to Awards granted under this Plan (together with those Common Shares issuable pursuant to all other security based compensation arrangements of the Corporation) shall not exceed 9% of the Outstanding Common Shares);
- (b) Maximum Allotments: Subject to section 3.3(c), this Plan, together with Common Shares issuable pursuant to all other security based compensation arrangements of the Corporation, unless approved by a majority of the disinterested shareholders of the Corporation, shall be subject to the following restrictions:
 - (i) the aggregate number of Common Shares issuable pursuant to Awards granted to insiders and their Associates within any one-year period, and issuable to insiders, at any time, may not exceed 9% of the Outstanding Common Shares at the time of grant;
 - (ii) the aggregate number of Common Shares issuable pursuant to RSUs or PSUs, on an aggregated basis, shall not exceed 2% of the Outstanding Common Shares at the time of grant;
 - (iii) the aggregate number of Common Shares issuable pursuant to Options, on an aggregated basis, shall not exceed 7% of the Outstanding Common Shares at the time of grant;
 - (iv) the aggregate number of Common Shares issuable pursuant to Awards granted to any one non-employee director within a one-year period may not exceed an Award value of \$150,000 per such non-employee director, of which no more than \$100,000 may comprise Options, based on a generally accepted valuation method acceptable to the Board.
- (c) Full Value Awards Settled by Purchases in Secondary Market: RSUs and PSUs may be awarded in excess of the limitations set forth in section 3.1(b), provided such Awards can only be settled in accordance with section 7.1(a)(iii).

3.4 **Expired Awards**: If an Award is terminated, cancelled, expired unexercised or fails to vest, the number of Common Shares underlying such Award shall be available upon subsequent Award grants.

4. **ELIGIBILITY AND PARTICIPATION IN PLAN**

4.1 **The Plan and Participation**: The Plan is hereby established for Eligible Persons. Awards may be awarded or granted to any Eligible Person in accordance with the provisions hereof. Any Eligible Person shall be eligible to be designated a Participant. In determining which Eligible Person shall receive an Award and the terms of any Award, the Board may take into account the nature of the services rendered by the respective Eligible Person, their present and potential contributions to the success of the Corporation or such other factors as the Board, in its discretion, shall deem relevant.

5. **RESTRICTED SHARE UNITS**

5.1 **Award of RSU**: RSUs may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution. The Grant Date of a RSU for the purposes of the Plan will be the date of which the RSU is awarded by the Board.

5.2 **Terms and Conditions:** Any RSU granted under this Plan shall be evidenced by a RSU Agreement, which will specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of RSUs to be awarded to the Participant;
- (b) the Grant Date;
- (c) subject to section 5.3 hereof, the applicable vesting criteria;
- (d) whether and to what extent dividend equivalents will be credited to a Participant's RSU Account; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine.

It shall be a condition to the granting of such Award that the Eligible Person receiving such Award execute the applicable Award Agreement.

5.3 **RSU Accounts:** A separate account for RSUs shall be maintained for each Participant (a "**RSU Account**"). Each RSU Account will be credited with RSUs awarded to the Participant from time to time and any dividend equivalent RSUs credited in respect of such RSUs. On the Vesting Date of the RSUs and the corresponding issuance of cash and/or Common Shares to the Participant, or on the forfeiture and cancellation of the RSUs, the applicable RSUs credited to the Participant's RSU Account will be cancelled.

5.4 **Vesting:** Subject to section 11, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in a RSU Agreement, RSUs granted to a Participant shall vest as to one-third of the number of such RSUs, on each of the first, second and third anniversaries of the Grant Date (the "**RSU Vesting Date**") subject to the Participant remaining an Eligible Person on the Vesting Date and will be settled in accordance with section 7.

6. GRANT OF PSUs

6.1 **Award of PSU:** PSUs maybe granted to Eligible Persons at such time or times as shall be determined by the Board by resolution. The Grant Date of a PSU for purposes of the Plan will be the date on which the PSU is awarded by the Board.

6.2 **Terms and Conditions:** Any PSU granted under this Plan shall be evidenced by a PSU Agreement which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of PSUs to be awarded to the Participant;
- (b) the Grant Date;
- (c) the performance cycle applicable to each PSU, which shall be the period of time between the Grant Date and the date on which the Performance Criteria specified in section 6.2(d) must be satisfied before the PSU is fully vested and may be settled by the Participant, before being subject to forfeiture or termination which, unless otherwise determined by the Board, shall be two years after the calendar year in which the Grant Date occurs;
- (d) the Performance Criteria that shall be used to determine the vesting of the PSUs;
- (e) whether and to what extent dividend equivalents will be credited to a Participant's PSU Account; and

- (f) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine.

It shall be a condition to the granting of such Award that the Eligible Person receiving such Award execute the applicable Award Agreement.

6.3 **PSU Accounts:** A separate account for PSUs shall be maintained for each Participant (a “**PSU Account**”). Each PSU Account will be credited with PSUs awarded to the Participant from time to time and any dividend equivalent PSUs credited in respect of such PSUs. On the Vesting Date of the PSUs and the corresponding issuance of cash and/or Common Shares to the Participant, or on the forfeiture or cancellation of the PSUs, the applicable PSUs credited to the Participant’s PSU Account will be cancelled.

6.4 **Vesting:** Subject to section 11, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s employment or consulting agreement or PSU Agreement, PSUs granted to a Participant shall vest as at the date that is the end of the performance cycle, subject to any Performance Criteria having been satisfied (the “**PSU Vesting Date**”), subject to Participant remaining an Eligible Person on the Vesting Date, and will be settled in accordance with section 7.

7. SETTLEMENT OF VESTED SHARE UNITS

7.1 Settlement:

- (a) The Vested Share Units may be settled by delivery by the Participant to the Corporation of a Redemption Notice acknowledged by the Corporation. On settlement for each one Vested Share Unit being settled, the Corporation shall, in the sole discretion of the Board (i) pay to the Participant a cash payment equal to the Market Price of one Common Share as of the Vesting Date, (ii) issue to the Participant one Common Share, (iii) purchase on the open market one Common Share for delivery to the Participant; or (iv) any combination of the foregoing.
- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs.

7.2 **Certificates:** No certificates for Common Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Common Shares, if any, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Vested Share Unit. The delivery of certificates representing the Common Shares to be issued in settlement of Vested Share Units will be contingent upon the fulfilment of any requirements contained in the Award Agreement or applicable provisions of laws.

8. DIVIDEND EQUIVALENTS

8.1 **Credit of Dividend Equivalents:** The Board may determine whether and to what extent dividend equivalents will be credited to a Participant’s PSU Account and RSU Account with respect to Awards of PSUs or RSUs. Dividend equivalents to be credited to a Participant’s PSU Account or RSU Account shall be credited as follows:

- (a) any cash dividends or distributions credited to the Participant’s PSU Account or RSU Account shall be deemed to have been invested in additional PSUs or RSUs, as applicable, on the payment date established for the related dividend or distribution in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the payment date by (ii) the Market Price of one Common Share on such payment date, and such additional PSU or RSU, as applicable, shall be subject to

the same terms and conditions as are applicable in respect of the PSU or RSU, as applicable, with respect to which such dividends or distributions were payable; and

- (b) if any such dividends or distributions are paid in Common Shares or other securities, such Common Shares and other securities shall be subject to the same vesting, performance and other restrictions as apply to the PSUs or RSUs, as applicable, with respect to which they were paid.

8.2 **Expired Awards:** No dividend equivalent will be credited to or paid on Awards of PSUs or RSUs that have expired or that have been forfeited or terminated.

8.3 **Vesting:** Dividend equivalents received by a Participant shall vest with the Award in respect of which they were credited to the Participant.

9. GRANT OF OPTIONS

9.1 **Grant of Options:** Options may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution provided, however, that from the Effective Date non-employee directors shall only be permitted to receive Options in lieu of Board fees on an equal value for value exchange. The Grant Date of an Option for purposes of the Plan will be the date on which the Option is awarded by the Board.

9.2 **Terms and Conditions:** Options shall be evidenced by an Option Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Common Shares to which the Options to be awarded to the Participant pertain;
- (b) the Grant Date;
- (c) the exercise price of the Options, which shall not be less than the Market Price on the Grant Date;
- (d) the expiry date of the Options, which shall not be later than five years from the Grant Date;
- (e) the vesting schedule of the Options; and
- (f) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine.

It shall be a condition to the granting of such Award that the Eligible Person receiving such Award execute the applicable Award Agreement.

9.3 **Vesting:** Subject to section 11, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Option Agreement, each Option granted to a Participant shall vest and become exercisable as to one-third of the Common Shares subject to such Options on the first, second and third anniversaries of the Grant Date of such Options (the "**Option Vesting Date**"), subject to the Participant remaining an Eligible Person on the Vesting Date.

9.4 **Exercise of Option:** Options that have vested in accordance with the provisions of this Plan and the applicable Option Agreement may be exercised at any time, or from time to time, during their term as to any number of whole Common Shares that are then available for purchase thereunder. Options may be exercised by delivery of a written notice of exercise to the Board, substantially in the form attached as Exhibit A to the Option Agreement, with respect to the Options, or by any other form or method of exercise acceptable to the Board, together with payment in full for the exercise price of the Options then being exercised.

9.5 **Payment and Issuance:**

- (a) Upon actual receipt by the Corporation or its agent of the materials required by section 9.4 and receipt by the Corporation of a cheque, bank draft or wire transfers or other form of acceptable payment for the aggregate exercise price, which may include compliance with any protocol for cashless exercise of Options as is approved by the Board from time to time, the number of Common Shares in respect of which the Options are exercised will be issued as fully paid and non-assessable shares and the Participant exercising the Options shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares which are subject to Options until that person or entity becomes the holder of record of those Common Shares. No Common Shares will be issued by the Corporation prior to the receipt of payment by the Corporation for the aggregate exercise price for the Options being exercised.
- (b) Without limiting the foregoing, and unless otherwise determined by the Board or not compliant with any applicable laws, (i) cashless exercise of Options shall only be available to a Participant who was granted and is exercising such Options at a time when the Common Shares are listed and posted for trading on a stock exchange or market in Canada, the Participant intends to immediately sell the Common Shares issuable upon exercise of such Options in Canada and the proceeds of sale will be sufficient to satisfy the exercise price of the Options, and (ii) if an eligible Participant elects to exercise the Options through cashless exercise and complies with any relevant protocols approved by the Board, a sufficient number of the Common Shares issued upon exercise of the Options will be sold in Canada by a designated broker on behalf of the Participant to satisfy the exercise price of the Options, the exercise price of the Options will be delivered to the Corporation and the Participant will receive only the remaining unsold Common Shares from the exercise of the Options and the net proceeds of the sale after deducting the exercise price of the Options, applicable taxes and any applicable fees and commissions, all as determined by the Board from time to time. The Corporation shall not deliver the Common Shares issuable upon a cashless exercise of Options until receipt of the exercise price therefor, whether by a designated broker selling the Common Shares issuable upon exercise of such Options through a short position or such other method determined by the Board in compliance with applicable laws.

10. **TERMINATION**

10.1 **Rights After Ceasing to be an Eligible Person:**

- (a) If a Participant ceases to be an Eligible Person for any reason other than death, permanent disability or termination for Cause:
 - (i) such Participant shall have such rights to exercise any vested Option not exercised prior to the Termination Date within the lesser of a period of 90 calendar days after the Termination Date or the expiry date of the Option, or such shorter period as may be set out in the Participant's Option Agreement (but only to the extent that such Option has vested on or before the Termination Date or the vesting schedule is otherwise revised at the sole discretion of the Board); and
 - (ii) all outstanding Vested PSUs and Vested RSUs that were vested on or before Termination Date, shall be settled in accordance with section 7 as of the Termination Date, after which time the PSUs and RSUs, including then unvested PSUs and RSUs shall in all respects terminate on the Termination Date.
- (b) If a Participant ceases to be an Eligible Person due to death or permanent disability of the Participant:

- (i) if the cause of death or cause of permanent disability is due to the employment of the Participant by the Company or a subsidiary of the Company, all Options will vest immediately and may be exercised by the Participant or the Participant's legal representative, within the lesser of a period determined by the Board, which period shall not be less than 90 calendar days nor more than twelve months from the Termination Date, or the expiry date of the Options;
 - (ii) if the cause of death or permanent disability of the Participant is not due to the employment of the Participant by the Company or a subsidiary of the Company, all vested Options may be exercised by the Participant or the Participant's legal representatives within the lesser of 90 calendar days from the Termination Date or the expiry date of the Options (but only to the extent that such Option has vested on or before the Termination Date or the vesting schedule is otherwise revised at the sole discretion of the Board);
 - (iii) all Vested PSUs shall be settled in accordance with section 7 as of the Termination Date and outstanding PSUs that were not vested on or before the Termination Date shall vest and be settled in accordance with section 7 as of the Termination Date, prorated to reflect the actual period between the commencement of the performance cycle and the Termination Date, based on the Performance Criteria for the applicable performance period(s) up to the Termination Date, and all remaining PSUs shall in all respects terminate on the Termination Date; and
 - (iv) all Vested RSUs shall be settled in accordance with section 7 as of Termination Date and outstanding RSUs that were not vested on or before the Termination Date shall vest and be settled in accordance with section 7 as of the Termination Date.
- (c) If a Participant ceases to be an Eligible Person due to termination for Cause, all Options held by the Participant, including vested Options, shall terminate on the Termination Date and all Vested and unvested RSUs and PSUs shall not be redeemed or vest but instead shall be forfeited and cancelled on the Termination Date.
- (d) For the avoidance of doubt, no period of notice of termination, severance or termination pay, compensation or indemnity in lieu of notice, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice, period of salary continuation or of deemed employment or of deemed service, or any claim whatsoever by the Participant to any of the foregoing (whether express or implied, whether arising under contract or statute or otherwise at law in any manner, or imposed by a court, tribunal or arbitrator) will be considered as extending the Participants period of employment or service for the purposes of determining the Participant's entitlements under the Plan. The Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any Awards which would have settled or vested or accrued to the Participant after the Termination Date or which have been forfeited or terminated under the Plan.

11. CHANGE OF CONTROL

11.1 Change of Control:

- (a) In the event of a Change of Control where the person that acquires Control (the "**Acquiror**"), an Affiliate thereof, or the successor of the Corporation, agrees to assume all of the obligations of the Corporation under the Plan and the Board determines that such assumption is consistent with the objectives of the Plan and does not diminish the value of the Awards, the Plan and all outstanding Awards will continue on the same terms and conditions, except that, if applicable, Awards may be adjusted to a right to acquire shares of the Acquiror or its Affiliate.

- (b) In the event of a Change of Control where the Plan is continued pursuant to section 11.1(a), the Awards of Eligible Persons whose employment or service thereafter ceases for any reason other than resignation without Good Reason or termination for Cause, shall immediately be deemed to be vested and become exercisable or redeemable in accordance with the provisions of this Plan, and the vested date for such Award shall be deemed to be the Termination Date and, in the case of Vested Share Units, the Market Price of such Award shall be the Market Price as at the Termination Date.
- (c) In the event of a Change of Control where the Acquiror or an Affiliate thereof or the successor to the Corporation does not agree to assume all of the obligations of the Corporation under the Plan, or the Board determines that such assumption is not consistent with the objectives of the Plan or diminishes the value of the Awards, all unvested Awards held by each Eligible Person shall immediately be deemed to be vested and become exercisable or redeemable in accordance with the provisions of this Plan, and the vested date for such Award shall be deemed to be the date of the Change of Control and, in the case of Vested Share Units, the Market Price of such Award shall be the Market Price as at the date of Change of Control and any Performance Criteria vesting conditions will be assessed by the Board, acting in good faith.
- (d) Notwithstanding the foregoing provisions of this section 11.1, the Board may, in its sole discretion, make such determinations as it considers appropriate in the circumstances upon a Change of Control to ensure the fair treatment of Participants in such circumstances in light of the objectives of the Plan, including, without limitation, with respect to vesting periods, performance criteria, the amounts to be paid, if any, to Participants on redemption of Vested Share Units and/or termination of this Plan (and for greater certainty, such determinations may result in different vesting, redemptions or payment terms than would result from the operations of section 11.1(a), (b) or (c).

11.2 **Discretion to Accelerate Vesting:** Despite anything else to the contrary in the Plan, in the event of a potential Change of Control, the Board will have the power, in its sole discretion, to modify the terms of the Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change of Control, the Board has the power, in its sole discretion, subject to TSX acceptance, as applicable, to accelerate the vesting of Awards and to permit Participants to conditionally exercise their Awards, such conditional exercise to be conditional upon the take-up by such offeror of the Common Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this section is not completed within the time specified (as the same may be extended), then despite this section or the definition of "Change of Control", (i) any conditional exercise of vested Awards will be deemed to be null, void and of no effect, and such conditionally exercised Awards will for all purposes be deemed not to have been exercised, and (ii) Awards which vested pursuant to this section will be returned by the Participant to the Corporation and reinstated as authorized but unissued Common Shares and the original terms applicable to such Awards will be reinstated.

11.3 **Awards Need Not be Treated Identically:** In taking any of the actions contemplated by this section 11, the Board shall not be obligated to treat all Awards held by any Participant, or all Awards in general, identically.

12. REORGANIZATION ADJUSTMENTS

12.1 Adjustments:

- (a) In the event of any declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares,

reclassification or conversion of Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation, distribution (other than normal course cash dividends) of Corporation assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the Common Shares, the Board, in the Board's sole discretion, may, subject to any relevant resolutions of the Board, and without liability to any person, make such changes or adjustments, if any, as the Board consider fair or equitable, in such manner as the Board may determine, to reflect such change or event including, without limitation, adjusting the number of Awards outstanding under this Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of Options outstanding under this Plan, provided that the value of any Awards immediately after such an adjustment, as determined by the Board, shall not exceed the value of such Award prior thereto, as determined by the Board.

- (b) If at any time the Corporation grants to its shareholders the right to subscribe for and purchase pro rata additional securities of any other corporation or entity, there shall be no adjustments made to the Common Shares or other securities subject to an Award in consequence thereof and the Awards shall remain unaffected. The adjustments provided for in this section 12 shall be cumulative. On the happening of each and every of the foregoing events, the applicable provisions of the Plan shall be deemed to be amended accordingly and the Board shall take all necessary action so as to make all necessary adjustments in the number and kind of securities subject to any outstanding Award (and the Plan) and, with respect to Options, the exercise price of such Options.
- (c) The Corporation shall give notice to each Participant in the manner determined, specified or approved by the Board of any change or adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes.
- (d) The Board may from time to time adopt rules, regulations, policies, guidelines or conditions with respect to the exercise of the power or authority to make changes or adjustments pursuant to section 11.1 or section 12.1(a). The Board, in making any determination with respect to changes or adjustments pursuant to section 11.1 or section 12.1(a) shall be entitled to impose such conditions as the Board consider or determine necessary in the circumstances, including conditions with respect to satisfaction or payment of all applicable taxes (including, but not limited to, withholding taxes).

13. PLAN AMENDMENTS

13.1 Amendment or Termination of Plan:

- (a) Subject to section 13.1(b), the Board may amend this Plan or any Award at any time without receiving the consent of Participants or approval of the shareholders of the Corporation provided that any such amendment will:
 - (i) not adversely alter or impair any Award previously awarded or granted (including without limitation any amendments that would result in any adverse tax consequences to the Participant) except as permitted by the provisions of section 12.1 hereof;
 - (ii) be subject to any regulatory approvals including, where required, the approval of the TSX; and
 - (iii) be subject to shareholder approval, where required by the requirements of the TSX, provided that for greater certainty, shareholder approval will not be required for the following amendments:

- (A) amendments of a “housekeeping nature”, including any amendment to the Plan or an Award that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or an Award to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
 - (B) amendments that are necessary or desirable for Awards to qualify for favourable treatment under any applicable tax law;
 - (C) a change to the vesting provisions of any Awards (including any alteration, extension or acceleration thereof);
 - (D) a change to the termination provisions of any Awards (for example, relating to termination of employment or service, resignation, retirement or death) that does not entail an extension beyond the original expiration date;
 - (E) the introduction of a cashless exercise feature payable in cash or securities; and
 - (F) change the application of section 12.1 hereof and section 11.1.
- (b) Notwithstanding the foregoing, shareholder approval will be required in circumstances where an amendment to the Plan would:
- (i) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
 - (ii) increase the limits in section 3.3;
 - (iii) permit Awards to be transferable or assignable other than for normal estate settlement purposes;
 - (iv) reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person);
 - (v) extend the term of any Option beyond the original term (except if such period is being extended by virtue of section 14.7 hereof); and
 - (vi) amend this section 13.

14. GENERAL

14.1 Record Keeping: The Corporation shall maintain appropriate registers in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Awards credited to each Participant’s account;
- (c) any and all adjustments made to Awards recorded in each Participant’s account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

- 14.2 **Termination:** The Board may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Awards shall be awarded as granted, but any Awards then outstanding shall continue in full force and effect in accordance with the provisions of this Plan.
- 14.3 **Transferability:** A Participant shall not be entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the Participant's Awards or any rights the Participant has under the Plan. Awards granted hereunder may only be exercised by a Participant or, in the event of death of the Participant or permanent disability of a Participant, a Participant's beneficiaries or legal representatives.
- 14.4 **Rights as a Shareholder:** Under no circumstances shall the Awards be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares (including, but not limited to, the right to dividend equivalent payments).
- 14.5 **No Effect on Employment or Service, Rights or Benefits:**
- (a) The terms of employment or service shall not be affected by participation in the Plan.
 - (b) Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue as a director, officer, employee or Consultant nor interfere or be deemed to interfere in any way with any right of the Corporation, the Board or the shareholders of the Corporation to remove any Participant from the Board or of the Corporation or any Subsidiary to terminate any Participant's employment or service at any time for any reason whatsoever.
 - (c) Under no circumstances shall any person who is or has at any time been a Participant be able to claim from the Corporation or any Subsidiary any sum or other benefit to compensate for the loss of any rights or benefits under or in connection with this Plan or by reason of participation in this Plan or the cessation of such participation for any reason whatsoever. Without limiting the generality of the foregoing, no Common Shares shall at any time be issued or other compensation paid in respect of any Awards which have been forfeited or terminated under the Plan or on account of damages relating to any Awards which have been forfeited or terminated under the Plan.
- 14.6 **No Fractional Shares:** No fractional Common Shares shall be issued upon the exercise of Options or the settlement of PSUs or RSUs in Common Shares, and, accordingly, if a Participant would become entitled to a fractional Common Share upon the exercise of an Option or settlement of a PSU or RSU in Common Shares, such Participant will only have the right to acquire the next lowest whole number of Common Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.
- 14.7 **Blackout Periods:**
- (a) Should the date of vesting (or the final Redemption Date) of a RSU or PSU fall within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the date of vesting for such RSU or PSU for all purposes under the Plan. Notwithstanding section 13.1(a) hereof, the ten Business Day period referred to in this section 14.7 may not be extended by the Board.
 - (b) Should the term of an Option expire on a date that falls within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan.

14.8 **Tax Withholding:**

- (a) The Corporation and any Subsidiary may take reasonable steps for the withholding of any taxes or other source deductions that it is required by applicable laws, or the requirements of any governmental authority of competent jurisdiction, to remit in connection with this Plan, any Award, or any issuance of Shares upon the exercise of an Award, including:
 - (i) deducting and withholding the amount required to be remitted (the “**Remittance Amount**”) from any cash remuneration or any other amount payable to a Participant, whether or not related to the Plan, the exercise of any Awards, or the issue of any Shares;
 - (ii) permitting the Participant to make a cash payment to the Corporation equal to the Remittance Amount; or
 - (iii) selling, or causing a broker engaged by the Corporation to sell, on behalf of any Participant, that number of Shares issued to the Participant pursuant to an exercise of Options, such that the amount received by the Corporation or Subsidiary from the proceeds of the sale shall be sufficient to satisfy the obligation to remit the Remittance Amount (and to fund any commissions payable to the broker and other costs and expenses of the transaction).
- (b) Any Shares of a Participant that are sold by the Corporation, or by a broker engaged by the Corporation, to fund a Remittance Amount shall be sold as soon as practicable, and, if applicable, in transactions effected on the exchange on which the Shares are then listed for trading. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on their behalf and acknowledges and agrees that, in effecting the sale of any Shares, the Corporation or the broker shall exercise its sole judgment as to the timing and manner of sale and shall not be obligated to seek or obtain a minimum price. Neither the Corporation nor the broker shall be liable for any loss arising out of any sale of Shares, including any loss relating to the manner or timing of any sale, the prices at which the Shares are sold, or otherwise. In addition, neither the Corporation nor the broker shall be liable for any loss arising from a delay in transferring any Shares to a Participant. The sale price of Shares sold on behalf of Participants shall fluctuate with the market price of the Shares and no assurance can be given that any particular price shall be received upon any sale.
- (c) Notwithstanding any other provision of this Plan, the Corporation shall not be required to issue any Shares or make payments under this Plan until arrangements satisfactory to the Corporation have been made for payment of all applicable withholding obligations.

14.9 **Market Value of Common Shares:** The Corporation makes no representation or warranty as to the future market value of any Common Shares. No Participant shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted to or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the market value of the shares of the Corporation or a corporation related thereto.

14.10 **Compliance with Applicable Law:**

- (a) If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.
- (b) The award or grant of Awards and the issuance of Common Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the TSX. If the Board determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or

desirable as a condition of or in connection with the award or grant of an Award or the issue of a Common Share upon the settlement or exercise of an Award, that Award may not vest in whole or in part and that Award may not be exercised in whole or in part, as applicable, unless that action shall have been completed in a manner satisfactory to the Board.

- 14.11 **Interest:** For greater certainty, no interest shall be payable to Participants in respect of any amounts payable under this Plan.
- 14.12 **Effect on Existing Options:** On the Effective Date, all outstanding stock options to purchase authorized but unissued Common Shares granted pursuant to the Prior Plan prior to the Effective Date (the “**Prior Options**”) shall be governed by the terms of this Plan, and the terms of the individual option agreements pursuant to such Prior Options as in effect immediately prior to the Effective Date shall be considered amended to the extent necessary to bring the option agreements in compliance with this Plan, provided that such Prior Options shall not be amended by any term of this Plan to the extent that such term would adversely alter or impair such Prior Options. Any subsequent amendments to this Plan shall apply to the Prior Options, provided such amendment does not adversely alter or impair the Prior Options.
- 14.13 **Expiry, Forfeiture and Termination of Awards:** If for any reason an Award expires without having been exercised or is forfeited or terminated, and subject to any extension thereof in accordance with the Plan, such Award shall forthwith expire and be forfeited and shall terminate and be of no further force or effect, on the earlier of the relevant expiry date or Termination Date.
- 14.14 **Governing Law:** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 14.15 **Subject to Approval:** The Plan is adopted subject to the approval of the TSX and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.

ADOPTED the [●] day of September, 2021.

SCHEDULE A

RSU AGREEMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the "**RSU Grant Date**") K92 Mining Inc. (the "**Corporation**") has granted to _____ (the "**Participant**"), _____ RSUs pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**"), a copy of which is attached hereto, and the terms and conditions of which are hereby incorporated by reference into this RSU Agreement.

All capitalized terms not defined in this RSU Agreement have the meaning set out in the Plan.

RSUs are subject to the following terms:

- (a) Pursuant to the Plan and as compensation to the Participant, the Corporation hereby grants to the Participant, as of the RSU Grant Date, the number of RSUs set forth above.
- (b) The granting and vesting of the RSUs and the payment by the Corporation of any payout in respect of any Vested RSUs are subject to the terms and conditions of the Plan, this RSU Agreement, and the Receipt of Redemption Notice by the Corporation, all of which are incorporated into and form an integral part of this RSU Agreement.
- (c) Subject to acceleration in vesting is provided in the Plan, provided the Participant remains an Eligible Person on the dates specified below, the RSUs shall become vested RSUs (the "**Vested RSUs**") in accordance with the following schedule:
 - (i) ● on the 12 month anniversary of the RSU Grant Date;
 - (ii) ● on the 24 month anniversary of the RSU Grant Date; and
 - (iii) ● on the 36 month anniversary of the RSU Grant Date.

The grant of the RSUs evidenced hereby is made subject to the terms and conditions of the Plan. The Participant agrees that the Participant may suffer tax consequences as a result of the grant of these RSUs and the vesting of the RSUs. The Participant acknowledges that the Participant is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive RSUs.

In the event of any inconsistency between the terms of this RSU Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

This RSU Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and those counterparts will together constitute one and the same instrument. Delivery of this agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

[Remainder of page deliberately left blank]

Participant Acceptance, Acknowledgement, Representation and Waiver.

_____ I understand that the Corporation is relying on my acknowledgement, representation and waiver in granting the RSU to me under this RSU Agreement.

_____ I agree to provide the Corporation and its Subsidiaries with all information (including personal information) which is necessary for the administration of the Plan and of this grant, and I hereby consent to the collection, use and disclosure of information by the Corporation and its Subsidiaries necessary for the administration of the Plan and this grant. It is my express wish that this document and all related documents be drawn up in English.

_____ Before accepting this RSU Agreement, I have had the opportunity to receive independent legal advice from my own counsel with respect to the terms of the Plan and this RSU Agreement, and I understand the risks associated with acquiring Common Shares pursuant to the Plan.

_____ Before accepting this RSU Agreement, I have received and reviewed a copy of the Plan. I understand that the RSUs granted to me are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this RSU Agreement, including with respect to termination and forfeiture, and with respect to clawback each as set out in the Plan.

_____ I represent that the provisions of the Plan and this RSU Agreement that impose limitations and forfeiture consequences in relation to the cessation for any reason whatsoever of my status as an Eligible Person (particularly, the section 2.1 definition of "Termination Date", together with section 10 of the Plan) have been adequately brought to my attention, and I have read and understood them.

_____ *Accordingly, I waive irrevocably any right I may have to assert that the terms of the Plan and this RSU Agreement should not be binding on me because they were not brought to my attention, were not read by me, or were not understood by me, even if, before signing this agreement and despite my representation to the contrary, I did not in fact fully read and understand the Plan and this RSU Agreement.*

K92 MINING INC.

Authorized Signatory

Signature of Participant

Name of Participant

EXHIBIT A

REDEMPTION NOTICE

TO: K92 Mining Inc. (the "**Corporation**")

Pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**") and the Participants RSU Agreement, the undersigned hereby elects to redeem:

[check one]

(a) _____ of the undersigned's vested RSUs; or
[insert number]

(b) ALL of the undersigned's vested RSUs,

on _____.
[insert date of redemption]

All capitalized terms not defined in this Redemption Notice have the meaning set out in the Plan. No Common Shares shall at any time be issued or other compensation paid in respect of any RSUs which have been forfeited or terminated under the Plan or on account of damages relating to any RSUs which have been forfeited or terminated under the Plan.

The undersigned understands and agrees that the granting and redemption of these RSUs are subject to the terms and conditions of the Plan which is incorporated into and forms a part of this Redemption Notice.

DATED this ____ day of _____, 20__.

Signature of Participant

Name of Participant

SCHEDULE B

PSU AGREEMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the "**PSU Grant Date**") K92 Mining Inc. (the "**Corporation**") has granted to _____ (the "**Participant**"), _____ PSUs pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**"), a copy of which is attached hereto, and the terms and conditions of which are hereby incorporated by reference into this PSU Agreement.

All capitalized terms not defined in this PSU Agreement have the meaning set out in the Plan.

PSUs are subject to the following terms:

- (a) Pursuant to the Plan and as compensation to the Participant, the Corporation hereby grants to the Participant, as of the PSU Grant Date, the number of PSUs set forth above.
- (b) The granting and vesting of the PSUs and the payment by the Corporation of any payout in respect of any Vested PSUs are subject to the terms and conditions of the Plan, this PSU Agreement, and the Receipt of Redemption Notice by the Corporation, all of which are incorporated into and form an integral part of this PSU Agreement.
- (c) Subject to acceleration in vesting is provided in the Plan, provided the Participant remains an Eligible Person on the dates specified below and provided the Performance Criteria has been satisfied, the PSUs shall become vested PSUs (the "**Vested PSUs**") at the end of the performance cycle being ●.

The grant of the PSUs evidenced hereby is made subject to the terms and conditions of the Plan. The Participant agrees that the Participant may suffer tax consequences as a result of the grant of these PSUs and the vesting of the PSUs. The Participant acknowledges that the Participant is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive PSUs.

In the event of any inconsistency between the terms of this PSU Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

This PSU Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and those counterparts will together constitute one and the same instrument. Delivery of this agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

[Remainder of page deliberately left blank]

Participant Acceptance, Acknowledgement, Representation and Waiver.

_____ I understand that the Corporation is relying on my acknowledgement, representation and waiver in granting the PSU to me under this PSU Agreement.

_____ I agree to provide the Corporation and its Subsidiaries with all information (including personal information) which is necessary for the administration of the Plan and of this grant, and I hereby consent to the collection, use and disclosure of information by the Corporation and its Subsidiaries necessary for the administration of the Plan and this grant. It is my express wish that this document and all related documents be drawn up in English.

_____ Before accepting this PSU Agreement, I have had the opportunity to receive independent legal advice from my own counsel with respect to the terms of the Plan and this PSU Agreement, and I understand the risks associated with acquiring Common Shares pursuant to the Plan.

_____ Before accepting this PSU Agreement, I have received and reviewed a copy of the Plan. I understand that the PSUs granted to me are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this PSU Agreement, including with respect to termination and forfeiture, and with respect to clawback each as set out in the Plan.

_____ I represent that the provisions of the Plan and this PSU Agreement that impose limitations and forfeiture consequences in relation to the cessation for any reason whatsoever of my status as an Eligible Person (particularly, the section 2.1 definition of "Termination Date", together with section 10 of the Plan) have been adequately brought to my attention, and I have read and understood them.

_____ *Accordingly, I waive irrevocably any right I may have to assert that the terms of the Plan and this PSU Agreement should not be binding on me because they were not brought to my attention, were not read by me, or were not understood by me, even if, before signing this agreement and despite my representation to the contrary, I did not in fact fully read and understand the Plan and this PSU Agreement.*

K92 MINING INC.

Authorized Signatory

Signature of Participant

Name of Participant

EXHIBIT A

REDEMPTION NOTICE

TO: K92 Mining Inc. (the "**Corporation**")

Pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**") and the Participants PSU Agreement, the undersigned hereby elects to redeem:

[check one]

(a) _____ of the undersigned's vested PSUs; or
[insert number]

(b) ALL of the undersigned's vested PSUs,

on _____.
[insert date of redemption]

All capitalized terms not defined in this Redemption Notice have the meaning set out in the Plan. No Common Shares shall at any time be issued or other compensation paid in respect of any PSUs which have been forfeited or terminated under the Plan or on account of damages relating to any PSUs which have been forfeited or terminated under the Plan.

The undersigned understands and agrees that the granting and redemption of these PSUs are subject to the terms and conditions of the Plan which is incorporated into and forms a part of this Redemption Notice.

DATED this ____ day of _____, 20__.

Signature of Participant

Name of Participant

SCHEDULE C

OPTION AGREEMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the "**Option Grant Date**") K92 Mining Inc. (the "**Corporation**") has granted to _____ (the "**Participant**") Options to acquire _____ Common Shares (the "**Optioned Shares**") up to 4:30 p.m. Pacific Time on the _____ day of _____, _____ (the "**Option Expiry Date**") at an exercise price of Cdn\$ _____ per Optioned Share pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**"), a copy of which is attached hereto, and the terms and conditions of which are hereby incorporated by reference into this Option Agreement.

All capitalized terms not defined in this Option Agreement have the meaning set out in the Plan.

Subject to acceleration in vesting as provided in the Plan, provided the Participant remains an Eligible Person on the dates specified below, the Options will vest to acquire Optioned Shares as follows:

[insert vesting provisions]

The Options shall be exercisable only by delivery to the Corporation of a duly completed and executed notice in the form attached to this Option Agreement (the "**Exercise Notice**"), together with payment of the Option Price for each common share covered by the Exercise Notice (including an amount equal to any applicable withholding obligations) and/or, if applicable.

Subject to the terms of the Plan, unless otherwise specified in the Exercise Notice, the Options shall be deemed to be exercised upon receipt by the Company of such written Exercise Notice accompanied by the exercise price (including an amount equal to any applicable withholding obligations).

The grant of the Options evidenced hereby and the Option Expiry Date thereof, is made subject to the terms and conditions of the Plan. The Participant agrees that the Participant may suffer tax consequences as a result of the grant of these Options, the exercise of the Options and the disposition of Optioned Shares. The Participant acknowledges that the Participant is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Options.

In the event of any inconsistency between the terms of this Option Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

This Option Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and those counterparts will together constitute one and the same instrument. Delivery of this agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

[Remainder of page deliberately left blank]

Participant Acceptance, Acknowledgement, Representation and Waiver.

_____ I understand that the Corporation is relying on my acknowledgement, representation and waiver in granting the Option to me under this Option Agreement.

_____ I agree to provide the Corporation and its Subsidiaries with all information (including personal information) which is necessary for the administration of the Plan and of this grant, and I hereby consent to the collection, use and disclosure of information by the Corporation and its Subsidiaries necessary for the administration of the Plan and this grant. It is my express wish that this document and all related documents be drawn up in English.

_____ Before accepting this Option Agreement, I have had the opportunity to receive independent legal advice from my own counsel with respect to the terms of the Plan and this Option Agreement, and I understand the risks associated with acquiring Optioned Shares pursuant to the Plan.

_____ Before accepting this Option Agreement, I have received and reviewed a copy of the Plan. I understand that the Options granted to me are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this Option Agreement, including with respect to termination and forfeiture, and with respect to clawback each as set out in the Plan.

_____ I represent that the provisions of the Plan and this Option Agreement that impose limitations and forfeiture consequences in relation to the cessation for any reason whatsoever of my status as an Eligible Person (particularly, the section 2.1 definition of "Termination Date", together with section 10 of the Plan) have been adequately brought to my attention, and I have read and understood them.

_____ *Accordingly, I waive irrevocably any right I may have to assert that the terms of the Plan and this Option Agreement should not be binding on me because they were not brought to my attention, were not read by me, or were not understood by me, even if, before signing this agreement and despite my representation to the contrary, I did not in fact fully read and understand the Plan and this Option Agreement.*

K92 MINING INC.

Authorized Signatory

Signature of Participant

Name of Participant

EXHIBIT A

OPTION EXERCISE NOTICE

TO: K92 Mining Inc. (the "**Corporation**")

FROM: _____

DATE: _____

The undersigned hereby irrevocably gives notice, pursuant to the Corporation's Share Compensation Plan dated effective September 20, 2021 (the "**Plan**"), of the exercise of the Options to acquire and hereby subscribes for:

[check one]

- (a) all of the Optioned Shares (as defined in the Option Agreement); or
- (b) _____ of the Optioned Shares,

which are the subject of the Option Agreement attached hereto.

Calculation of total exercise price:

(i)	number of Optioned Shares to be acquired on exercise	_____
		Optioned Shares
(ii)	multiplied by the Exercise Price per Optioned Share:	\$ _____
TOTAL EXERCISE PRICE, enclosed herewith (unless this is a cashless exercise):		\$ _____

I hereby, unless this is a cashless exercise pursuant to the terms of the Plan, enclose a cheque payable to "K92 Mining Inc." for the aggregate Exercise Price plus the amount of the estimated withholding obligations and agree that I will reimburse the Corporation for any amount by which the actual withholding obligations exceed the estimated withholding obligations. Please prepare the Optioned Shares certificates, if any, issuable in connection with this exercise in the following name(s):

Signature of Participant

Name of Participant

Letter and consideration/direction received on _____, 20 _____.

K92 MINING INC.

By: _____
[Name]
[Title]

SCHEDULE "C"

NEW ARTICLES

K92 MINING INC.
(the “Company”)

The Company has as its articles the following articles.

Incorporation number: BC0876654

K92 MINING INC.
(the “Company”)

ARTICLES

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1. Interpretation

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) “**appropriate person**” has the meaning assigned in the *Securities Transfer Act*;
- (2) “**board of directors**”, “**directors**” and “**board**” mean the directors or sole director of the Company for the time being;
- (3) “**Business Corporations Act**” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) “**Interpretation Act**” means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (5) “**legal personal representative**” means the personal or other legal representative of a shareholder;
- (6) “**protected purchaser**” has the meaning assigned in the *Securities Transfer Act*;
- (7) “**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;
- (8) “**seal**” means the seal of the Company, if any;
- (9) “**securities legislation**” means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes; “**Canadian securities legislation**” means the securities legislation in any province or territory of Canada and includes the *Securities Act* (British Columbia); and “**U.S. securities legislation**” means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the Securities Act of 1933 and the Securities Exchange Act of 1934; and
- (10) “**Securities Transfer Act**” means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will

prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

2. Shares and Share Certificates

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

- (1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (2) provides the Company with an indemnity bond sufficient in the Company's judgment to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights on the indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. Issue of Shares

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and
- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

4. Share Registers

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

5. Share Transfers

5.1 Registering Transfers

Subject to the *Business Corporations Act*, a transfer of a share of the Company must not be registered unless the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

- (1) in the case of a share certificate that has been issued by the Company in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (2) in the case of a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate that has been issued by the Company in respect of the share to be transferred, a written instrument of transfer that directs that the transfer of the shares be registered, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (3) in the case of a share that is an uncertificated share, a written instrument of transfer that directs that the transfer of the share be registered, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
- (4) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser.

5.2 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors or the transfer agent for the class or series of shares to be transferred.

5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.6 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. Transmission of Shares

6.1 Legal Personal Representative Recognized on Death

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal

personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if appropriate evidence of appointment or incumbency within the meaning of s. 87 of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

7. Purchase of Shares

7.1 Company Authorized to Purchase Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase When Insolvent

The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

8. Borrowing Powers

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;

- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

9. Alterations

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may, by ordinary resolution:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*;

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

9.3 Change of Name

The Company may by ordinary resolution or a resolution of the directors authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by special resolution alter these Articles.

10. Meetings of Shareholders

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Location of Meetings of Shareholders

Subject to the *Business Corporations Act*, a meeting of shareholders may be held in or outside of British Columbia as determined by a resolution of the directors.

10.5 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.6 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.8 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.9 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and

- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

11. Proceedings at Meetings of Shareholders

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds (2/3) of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights and restrictions attached to the shares of any class or series of shares, and Article 11.4, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 25% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

In addition to those person who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any;
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any; or
- (3) a vice-president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In the case of an equality of votes, the chair of a meeting of shareholders, either on a show of hands or on a poll, does not have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

11.24 Meetings by Telephone or Other Communications Medium

A Shareholder or proxy holder who is entitled to participate in a meeting of shareholders may do so in person, or by telephone or other communications medium, if all shareholders and proxy holders participating in the meeting are able to communicate with each other; provided, however, that nothing in this Article 11.24 shall obligate the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. If one or more shareholders or proxy holders participate in a meeting of shareholders in a manner contemplated by this Article 11.24:

- (1) each such shareholder or proxy holder shall be deemed to be present at the meeting; and
- (2) the meeting shall be deemed to be held at the location specified in the notice of the meeting.

12. Votes of Shareholders

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must:
 - (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
 - (b) be provided, at the meeting or any adjourned meeting, to the chair of the meeting or adjourned meeting or to a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (4) the Company is a public company, or is a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of these Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Proxy Provisions Do Not Apply to All Companies

If and for so long as the Company is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply, Articles 12.8 to 12.15 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company or any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

12.8 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.9 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

- (2) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder): _____

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder—printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is:

- (1) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

- (2) provided, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been taken.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Chair May Determine Validity of Proxy

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at such meeting and any such determination made in good faith shall be final, conclusive and binding upon such meeting.

12.16 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. Directors

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
 - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
 - (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and

- (b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a), subject to Article 14.1:

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, subject to Article 14.8, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried

office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. Election and Removal of Directors

14.1 Election at Annual General Meeting

- (1) At each annual general meeting of the Company all the directors whose term of office expire at such annual general meeting shall cease to hold office immediately before the election of directors at such annual general meeting and the shareholders entitled to vote thereat shall elect to the board of directors, directors as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation as set out below. A retiring director shall be eligible for re-election;
- (2) Each director may be elected for a term of office of one or more years of office as may be specified by ordinary resolution at the time he is elected. In the absence of any such ordinary resolution, a director's term of office shall be one year of office. No director shall be elected for a term of office exceeding five years of office. The shareholders may, by resolution of not less than 3/4 of the votes cast on the resolution vary the term of office of any director; and
- (3) A director elected or appointed to fill a vacancy shall be elected or appointed for a term expiring immediately before the election of directors at the annual general meeting of the Company when the term of the director whose position he is filling would expire.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution

contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) the date on which his or her successor is elected or appointed; and
- (4) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by a resolution of not less than 3/4 of the votes cast on such resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

14.12 Nomination of Directors

- (1) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - (a) by or at the direction of the board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a "proposal" made in accordance with Division 7 of Part 5 of the *Business Corporations Act* (British Columbia) (the "**Act**"), or a requisition of the shareholders made in accordance with section 167 of the Act; or
 - (c) by any person (a "**Nominating Shareholder**"): (i) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Article 14.12 and at the close of business on the record date for notice

of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (ii) who complies with the notice procedures set forth below in this Article 14.12.

- (2) In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph (3) below) and in proper written form (in accordance with paragraph (4) below) to the Corporate Secretary of the Company at the head office of the Company.
- (3) To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 days, and if the Company uses notice-and-access (as such term is defined in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators), not less than 40 days, prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The adjournment or postponement of a meeting of shareholders shall result in the commencement of a new time period for the giving of a Nominating Shareholder's notice in respect of such meeting, which time periods shall be as set out in (a) or (b) above, and which shall be determined based on the date of the adjourned or postponed meeting or the announcement thereof.

- (4) To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (i) the name, age, business address and residential address of the person; (ii) the present principal occupation, business or employment of the person within the preceding 5 years, as well as the name and principal business of any company in which such employment is carried on; (iii) the citizenship of such person; (iv) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (v) confirmation that the person meets the qualifications of directors set out

in the Act; and (vi) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and

- (b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).
- (5) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12; provided, however, that nothing in this Article 14.12 shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (6) For purposes of this Article 14.12:
- (a) **"Applicable Securities Laws"** means the applicable securities legislation of each province and territory of Canada in which the Company is a reporting issuer, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada; and
 - (b) **"public announcement"** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.
- (7) Notwithstanding any other provision of this Article 14.12, notice given to the Corporate Secretary of the Company pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Corporate Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the head office of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

- (8) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Article 14.12.

15. Powers and Duties of Directors

15.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

15.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

15.3 Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

16. Interests of Directors and Officers

16.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

16.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

16.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

16.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

16.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

16.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

16.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

17. Proceedings of Directors

17.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

17.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

17.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
 - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

17.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 17.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

17.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

17.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 17.1, or as provided in Article 17.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in Article 23.1 or orally or by telephone.

17.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed;
- (2) the director has waived notice of the meeting; or
- (3) the director is not, at the time, in the province of British Columbia.

17.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director, does not invalidate any proceedings at that meeting.

17.9 Waiver of Notice of Meetings

Any director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director.

17.10 Quorum

The quorum necessary for the transaction of the business of the directors is deemed to be set at a majority of directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

17.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

17.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who are entitled to vote on the resolution consent to it in writing.

A consent in writing under this Article may be by signed document, fax, email or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 17.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

18. Executive and Other Committees

18.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

18.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

18.3 Obligations of Committees

Any committee appointed under Articles 18.1 or 18.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

18.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 18.1 or 18.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

18.5 Committee Meetings

Subject to Article 18.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 18.1 or 18.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

19. Officers

19.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

19.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

19.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

19.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

20. Indemnification

20.1 Definitions

In this Article 20:

- (1) “**eligible penalty**” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) “**eligible proceeding**” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director of the Company (an “**eligible party**”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) “expenses” has the meaning set out in the *Business Corporations Act*.

20.2 Mandatory Indemnification of Directors and Former Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director or former director of the Company and his or her heirs and legal personal representatives against all eligible

penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 20.2.

20.3 Indemnification of Other Persons

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

20.4 Non-Compliance with *Business Corporations Act*

The failure of a director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

20.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, officer, employee or agent of the Company;
- (2) is or was a director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, officer, employee or agent or person who holds or held such equivalent position.

21. Dividends

21.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

21.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

21.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 21.2.

21.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

21.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

21.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 21.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

21.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

21.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

21.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

21.10 Dividend Bears No Interest

No dividend bears interest against the Company.

21.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

21.12 Payment of Dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

21.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus or any part of the retained earnings or surplus so capitalized or any part thereof.

22. Documents, Records and Reports

22.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

22.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

23. Notices

23.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;

- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient; or
- (6) as otherwise permitted by any securities legislation in any province or territory of Canada or in the federal jurisdiction of the United States or in any states of the United States that is applicable to the Company and all regulations and rules made and promulgated under that legislation and all administrative policy statements, blanket orders and rulings, notices and other administrative directions issued by securities commissions or similar authorities appointed under that legislation.

23.2 Deemed Receipt of Mailing

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 23.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (3) emailed to a person to the email address provided by that person referred to in Article 23.1 is deemed to be received by the person to whom it was emailed on the day it was emailed.

23.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was addressed as required by Article 23.1, prepaid and mailed or otherwise sent as permitted by Article 23.1 is conclusive evidence of that fact.

23.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

23.5 Notice to Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

23.6 Undelivered Notices

If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 23.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

24. Seal

24.1 Who May Attest Seal

Except as provided in Articles 24.2 and 24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

24.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 24.1, the

impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

24.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

25. Prohibitions

25.1 Definitions

In this Part 25:

- (1) “**security**” has the meaning assigned in the *Securities Act* (British Columbia);
- (2) “**transfer restricted security**” means:
 - (a) a share of the Company;
 - (b) a security of the Company convertible into shares of the Company;
 - (c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the “private issuer” exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the “private issuer” exemption.

25.2 Application

Article 25.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of these Articles or to which the Statutory Reporting Company Provisions apply.

25.3 Consent Required for Transfer of Shares or Transfer Restricted Securities

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.



ANNUAL GENERAL AND SPECIAL MEETING

OCTOBER 28, 2021

QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITOR



**North American Toll Free
1-877-452-7184**

**Outside North America
416-304-0211**

**Email
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