



Guanajuato
Silver CO
LTD

**Annual General Meeting of Shareholders
to be held Friday, June 28, 2024**

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

May 14, 2024



Guanajuato Silver CO LTD

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 28, 2024

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Guanajuato Silver Company Ltd. (the “**Company**”) will be held at 999 Canada Place, Suite 578, Vancouver, B.C., on Friday, June 28, 2024, at 10:00 a.m. (Pacific time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended December 31, 2023 and the report of the auditor on those statements.
2. To set the number of directors for the ensuing year at seven.
3. To elect directors for the ensuing year.
4. To appoint the auditor for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To consider and, if thought advisable, pass an ordinary resolution ratifying and approving the Company’s existing “rolling” stock option plan as more particularly described in the Company’s management information circular dated May 14, 2024 (the “**Information Circular**”) accompanying this Notice of Meeting.
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

This Notice of Meeting is accompanied by the Information Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders. Shareholders are requested to read the Information Circular and, if unable to attend the Meeting in person, complete, date, sign and return the proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

This year, as described in the notice and access notification mailed to shareholders of the Company, the Company will deliver the applicable Meeting Materials to shareholders by posting the Meeting Materials on <https://gsilver.com/investors/agm>. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs. The Meeting Materials will be available on <https://gsilver.com/investors/agm> as of May 29, 2024, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR+ at www.sedarplus.ca as of May 29, 2024.

All shareholders will receive a notice and access notification, together with a proxy or voting instruction form, as applicable, which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies using the control number as it appears on the proxy or voting instruction form accompanying your notice and access notification. You may request materials by calling toll free, within North America – 1-888-996-4034 or direct, from outside North America – 1-604-670-8460 and providing your control number as indicated on your proxy or voting instruction form. Meeting Materials will be sent to you at no cost within three business days of your request, if such request is made before the Meeting. To ensure that you receive the Meeting Materials in advance of the voting deadline and Meeting date, all requests must be received no later than June 14, 2024. If you do request paper copies of the Meeting Materials, please note that another

proxy/voting instruction form will not be sent and you should retain your current one for voting purposes. To obtain paper copies of the Meeting Materials after the Meeting date, please contact 1-604-670-8460.

The Board of Directors of the Company has fixed the close of business on May 14, 2024 as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has also fixed 10:00 a.m. (Pacific time) on Wednesday, June 26, 2024, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company's registrar and transfer agent, Odyssey Trust Company.

DATED at Vancouver, British Columbia, as of the 14th day of May, 2024.

GUANAJUATO SILVER COMPANY LTD.

By: (signed) "*James Anderson*"

James Anderson
Chairman and Chief Executive Officer



Guanajuato Silver CO LTD

INFORMATION CIRCULAR

FORWARD-LOOKING INFORMATION

Information contained in this Information Circular that is not current or historical factual information may constitute forward-looking information within the meaning of applicable Canadian securities laws. All information other than historical information included in this Information Circular that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future, including without limitation, information regarding any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements is or involves forward-looking information. Although forward looking information contained in this Information Circular is based on what management considers to be reasonable assumptions based on information currently available to it, there can be no assurances that actual events, performance or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipates", "assumes", "believes", "budget", "could", "estimates", "expects", "forecasts", "guidance", "indicates", "intends", "likely", "may", "objective", "outlook", "plans", "potential", "predicts", "scheduled", "should", "target", "trends", "will", or "would" or the negative or other variations of these words or other comparable words or phrases. All such forward-looking information is subject to important risks, uncertainties and assumptions. This information is forward-looking because it is based on current expectations, estimates and assumptions. It is important to know that: (i) unless otherwise indicated, forward-looking information in this Information Circular describes expectations as at the date hereof; (ii) actual results and events could differ materially from those expressed or implied in the forward-looking information in this Information Circular, if known or unknown risks affect the business of the Company, or if its estimates or assumptions turn out to be inaccurate; as a result, the Company cannot guarantee that the results or events expressed or implied in any forward-looking information will materialize, and accordingly, you are cautioned not to place undue reliance on this forward-looking information; and (iii) the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information even if new information becomes available, as a result of future events or for any other reason, except in accordance with applicable securities laws. The Company has made a number of assumptions in making forward-looking information in this Information Circular. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which filings are available on SEDAR+ at www.sedarplus.ca.

GENERAL INFORMATION

The information contained in this Information Circular, unless otherwise indicated, is as of May 14, 2024.

This Information Circular is being mailed by management of the Company to everyone who was a shareholder of record of the Company on May 14, 2024 (the "**Record Date**"), which is the date that has been fixed by the Board of Directors of the Company (the "**Board**") as the record date to determine the shareholders who are entitled to receive notice of and to vote at the Meeting.

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management for use at the annual general meeting of the shareholders of the Company (the "**Meeting**") that is to be held on Friday, June 28, 2024 at 10:00 a.m. (Pacific time) at 999 Canada Place, Suite 578, Vancouver, B.C. V6C 3E1. The solicitation of proxies will be primarily by mail. Certain employees, officers or directors of the Company may also solicit proxies by telephone, email or in person. The cost of solicitation will be borne by the Company.

The Meeting Materials (as defined below) are being sent to both registered and non-registered owners of the Company's common shares as of the Record Date (each a "Share") in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") and arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to deliver proxy solicitation materials to the beneficial owners of the Shares. The Company may pay the reasonable costs incurred by such persons in connection with such delivery. This year, as described in the notice and access notification (the "Notice and Access Notice") mailed to Shareholders, the Company will deliver the Meeting Materials to Shareholders by posting the Meeting Materials on <https://gsilver.com/investors/agm>. The Meeting Materials will be available on this website as of May 29, 2024, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR+ at www.sedarplus.ca as of May 29, 2024. See "Notice and Access" below.

If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities laws from the Intermediary (as defined below) holding the Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Under the Company's articles (the "Articles"), two shareholders present in person or represented by proxy must be present at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Company will reschedule the Meeting.

PART 1 – VOTING

HOW A VOTE IS PASSED

Voting at the Meeting will be by a show of hands, each shareholder having one vote, unless a poll is requested or otherwise required, in which case each shareholder is entitled to one vote for each Share held.

In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an "ordinary resolution") unless the motion requires a special resolution in which case a majority of 66 2/3% of the votes cast will be required (a "special resolution").

WHO CAN VOTE?

Registered shareholders whose names appear on the Company's central securities register maintained by Odyssey Trust Company ("Odyssey"), the Company's registrar and transfer agent, as of the close of business on May 14, 2024, the Record Date, are entitled to attend and vote at the Meeting. Each Share is entitled to one vote.

If your Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "Non-Registered Shareholders" set out below.

HOW TO VOTE

If you are a registered shareholder and eligible to vote, you can vote your shares in person at the Meeting or by signing and returning the accompanying form of proxy (the "Proxy") by mail in the return envelope provided or vote using the Internet as indicated on the form. Please see "Registered Shareholders" below.

If your shares are not registered in your name but are held by a nominee (usually a bank, trust company, securities broker or other financial institution), please see "Non-Registered Shareholders" below.

REGISTERED SHAREHOLDERS

Voting Instructions:

- complete, date and sign the Proxy and return it to Odyssey by mail or hand delivery to Odyssey Trust Company, United Kingdom Building, #350 – 409 Granville Street, Vancouver, B.C. V6C 1T2.
- log on to Odyssey’s website at <https://login.odysseytrust.com/pxlogin>, click on “VOTE” and follow the instructions given on the website. You will need to insert your Control Number found printed with your address at the bottom right hand side of page 2 of your Proxy to vote by the Internet.

Whichever method you choose, the Proxy must be received or voting instructions completed at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting or any adjournment thereof. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

If you plan to vote in person at the Meeting do NOT complete and return the Proxy. Instead, you will need to register with Odyssey when you arrive at the Meeting and your vote will be taken and counted at the Meeting. If your Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the Meeting.

NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders are “non-registered shareholders” (“**Non-Registered Holders**”) 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 through which they purchased the Shares. Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares (including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy or voting instruction form, as applicable, (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. This year, the Company will use notice and access to deliver the Meeting Materials to Shareholders. The Meeting Materials will be available on <https://gsilver.com/investors/agm> as of May 29, 2024, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR+ at www.sedarplus.ca as of May 29, 2024. All Shareholders will receive a Notice and Access Notice which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. See “Notice and Access” below.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders and seek voting instructions unless in the case of certain proxy-related materials the Non-Registered Holder has waived the right to receive them. The majority of Intermediaries now delegate responsibility for obtaining instructions from Non-Registered Holders to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form or “VIF” to Non-Registered Holders and asks Non-Registered Holders to return the VIF to Broadridge in accordance with its instructions. Alternatively, where applicable, a Non-Registered Holder may go online to <https://login.odysseytrust.com/pxlogin> to vote or return the completed and signed VIF directly to Odyssey as provided above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. However, without specific voting instructions, Intermediaries and their agents and nominees are prohibited from voting shares for their clients. **Accordingly, each Non-Registered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting so that your nominee has enough time to submit your instructions to us.**

A Non-Registered Holder cannot use the VIF provided to vote directly at the Meeting. Should a Non-Registered Holder wish to attend and vote at the Meeting in person, the Non-Registered Holder must insert his or her name (or the name of such other person as the Non-Registered Holder wishes to attend and vote on his or her behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in accordance with the instructions provided well in advance of the Meeting. If you bring your VIF to the Meeting, your vote will NOT count.

Only registered shareholders have the right to revoke a proxy. Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out below. See “Revocation of Proxies”.

You May Choose Your Own Proxyholder

The persons named in the Proxy are directors or officers of the Company. **YOU HAVE THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT ON YOUR BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS. TO EXERCISE THIS RIGHT, YOU MUST STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS AND INSERT THE NAME OF YOUR NOMINEE IN THE SPACE PROVIDED OR COMPLETE ANOTHER PROXY.**

Your Voting Instructions

A shareholder completing the enclosed Proxy may indicate the manner in which the persons named in the Proxy are to vote with respect to any matter by marking an “X” in the appropriate space. On any poll requested, those persons will vote or withhold from voting the shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy provided such directions are certain.

If a shareholder wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. **In such instance, the Proxyholder, if nominated by management, intends to vote the Shares represented by the Proxy in favour of the motion.**

The Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. **It is the intention of the persons designated in the Proxy to vote in accordance with their best judgement on such matters or business.** At the time of printing of this Information Circular, management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting.

The Proxy must be dated and signed by the shareholder or the shareholder’s attorney authorized in writing. In the case of a corporation, the Proxy must be dated and duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

The completed Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be deposited with Odyssey in accordance with the above instructions before the time set out in the Proxy. Non-Registered Holders must deliver their completed VIF in accordance with the instructions given by the Intermediary that forwarded the VIF to them.

In order to be effective, a Proxy must be deposited at the office of Odyssey, no later than 10:00 a.m. (Pacific Time) on Wednesday, June 26, 2024 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting. The deadline for the deposit of Proxies may be waived by the Chairman of the Meeting at his or her sole discretion without notice. Failure to properly complete or deposit a Proxy may result in its invalidation.

Revocation of Proxies

Only registered shareholders have the power to revoke Proxies previously given. Revocation can be effected by an instrument in writing (which includes a Proxy bearing a later date) executed by the shareholder or by the shareholder's attorney authorized in writing and in the case of a corporation, duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation, and either delivered at any time up to the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, to:

GSilver's Head Office		Odyssey Trust Company	
999 Canada Place, Suite 578 Vancouver, B.C. V6C 3E1	Or	United Kingdom Building #350 – 409 Granville Street Vancouver, B.C. V6C 1T2	
Or deposited with the Chairman of the Meeting on the day of the Meeting, prior to the hour of commencement.			

Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.

NOTICE AND ACCESS

The Company will deliver the Meeting Materials to Shareholders by posting the Meeting Materials on <https://gsilver.com/investors/agm>. The Meeting Materials will be available on this website as of May 29, 2024, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR+ at www.sedarplus.ca as of May 29, 2024.

The Company will mail paper copies of the Meeting Materials to those registered and beneficial Shareholders who have previously elected to receive paper copies of the Company's meeting materials. All other Shareholders will receive a Notice and Access Notice which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies using the control number as it appears on the Proxy or VIF accompanying your Notice and Access Notice. You may request materials by calling toll free, within North America – 1-888-996-4034 or direct, from outside North America – 1-604-670-8460, and providing your control number as indicated on your Proxy or VIF. Meeting Materials will be sent to you at no cost within three business days of receipt of your request, if such request is made before the Meeting. To ensure that you receive the Meeting Materials in advance of the voting deadline and Meeting date, all requests must be received no later than June 14, 2024. If you do request paper copies of the Meeting Materials, please note that another Proxy/VIF will not be sent and you should retain your current one for voting purposes. To obtain paper copies of the Meeting Materials after the Meeting date, please contact 1-604-670-8460.

UNITED STATES SHAREHOLDERS

This solicitation of proxies involves securities of a corporation incorporated in Canada and is being affected in accordance with the corporate laws of the province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), the majority of its directors and executive officers are residents of Canada or Mexico and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value. All issued Shares are entitled to be voted at the Meeting and each has one vote. As of May 14, 2024 there were 412,324,690 Shares issued and outstanding.

Only those shareholders of record on May 14, 2024 will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances.

PART 3 - THE BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2023 will be placed before you at the Meeting. A copy of these financial statements, together with the auditor's report thereon, and management's discussion and analysis related thereto, were mailed to those shareholders who indicated that they wished to receive same in response to the Company's annual and interim financial statement request inquiry mailed to shareholders in connection with the Company's last annual general meeting held on June 28, 2023. These financial statements and MD&A are also available for review under the Company's profile on SEDAR+ at www.sedarplus.ca. See Part 8 "OTHER INFORMATION – Additional Information" below.

ELECTION OF DIRECTORS

Directors of the Company are elected for a term of one year. Management proposes to nominate the persons named under the heading "*Nominees for Election*" below for election as directors of the Company. Each director elected will hold office until the next annual general meeting or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or he becomes disqualified to act as a director.

It is proposed to set the number of directors at seven. This requires the approval of the shareholders of the Company by an ordinary resolution. Accordingly, at the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass the following resolution:

"RESOLVED, as an ordinary resolution, THAT the number of directors of the Company for the ensuing year be set at seven."

Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the setting of the number of directors, the persons named in the enclosed Proxy will vote FOR the number of directors of the Company to be set at seven (7).

Nominees for Election

The Board of the Company presently consists of seven (7) directors to be elected annually. At the Meeting, it is proposed to maintain the number of directors elected at seven (7) directors to hold office until the next annual general meeting or until their successors are duly elected or appointed. The Company has nominated the seven (7) nominees whose names are set forth below for election as directors of the Company at the Meeting. Management does not contemplate that any of such nominees will be unable to serve as a director; however, if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy shall have the right to vote for another nominee in their discretion.

The following table and notes thereto state the names, provinces/states and countries of residence of all persons proposed to be nominated for election as directors, the date on which each of them first became a director of the Company, all positions and offices with the Company held by each of them, the principal occupation or employment of each of them, and the approximate number of Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the Record Date. The biographical information set out below as to principal occupation

of, and number of Shares owned by, each of the nominees, not being within the knowledge of the Company, has been furnished by the nominees. The Company also has an audit committee, a corporate governance and compensation committee and a health and safety committee, the members of which are indicated below.

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation ⁽¹⁾	Previously a Director Since	Shares Owned ⁽²⁾
James Anderson ⁽⁵⁾ B.C., Canada <i>Chairman, CEO and Director</i>	President and Chief Executive Officer, Guanajuato Silver Company Ltd., March 2019 to present; Director, Orestone Mining Corp., May 2019 to present; previously Chief Executive Officer, NuLegacy Gold Corporation (TSXV); July 2012 to April 2019	January 7, 2019	6,952,236
Ramon Davila ⁽³⁾ Durango, Mexico <i>President and Director</i>	President, Guanajuato Silver Company Ltd., March 2022 to present; Mining Industry Consultant, June 2020 to present; former Minister of Economic Development for the State of Durango, Mexican Government; September 2016 to June 2020; former Chief Operating Officer, First Majestic Silver Corp., 2004 to 2013 (director from 2004 to 2015)	May 12, 2021	190,000
William T. Gehlen ⁽³⁾⁽⁴⁾⁽⁵⁾ B.C., Canada <i>Director</i>	Certified Professional Geologist with the AIPG (CPG-10626); Director of Geology, Dakota Gold Corp. (NYSE American), January 2022 to present; Manager of Geology, JR Resources Corp (private company), January 2021 to December 2021; Manager of Corporate Development, Gold Standard Ventures Corp. (TSX, NYSE American), April 2018 to Dec. 2020; Manager of Resource Development in the Americas, OceanaGold Corp. (TSX), 2013 to 2018	March 31, 2020	306,025
Daniel Oliver, Jr. ⁽³⁾⁽⁴⁾ New York, U.S.A. <i>Director</i>	Managing Member of Myrmikan Gold Fund LLC (research/gold fund), New York, NY, since 2009; President of the Committee for Monetary Research & Education.	October 2, 2019	13,493,613 ⁽⁶⁾
Richard Silas ⁽⁴⁾ B.C., Canada <i>Vice-President, Corporate Development, Secretary and Director</i>	Vice-President, Corporate Development and Corporate Secretary, Guanajuato Silver Company Ltd., May 2021 to present; Director and Corporate Secretary, Northern Lion Gold Corp. (TSXV), September 2019 to present; Principal of Universal Solutions Inc., private company providing management and administration services to TSX Venture Exchange issuers, 1997 to present; Corporate Secretary, Barksdale Resources Corp. (TSXV) August 2016 to February 2021 (previously President and director of Barksdale from June 2015 to April 2019).	October 18, 2019	1,775,000
Hernan Dorado Smith ⁽⁵⁾ Ontario, Canada <i>Chief Strategy Officer and Director</i>	Chief Strategy Officer, Guanajuato Silver Company Ltd., April 2023 to present (formerly Chief Operating Officer from May 2021 to April 2023); Mining engineer since 2003. Member of the Mining and Metallurgical Society of America (MMSA).	April 26, 2017	5,872,500
Miranda Werstiuk Ontario, Canada <i>Director</i>	Senior Originator of Monetary Metals & Co. from November 13, 2023 to present; Director of Corporate Development of OCIM from February 2, 2020 to May 11,	April 25, 2024	15,000

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation ⁽¹⁾	Previously a Director Since	Shares Owned ⁽²⁾
	2023; Senior Vice-President, Investment Banking of IBK Capital from 2011 to 2019.		

- (1) Includes occupations for preceding five years unless the director was elected at the previous annual meeting and was shown as a nominee for election as a director in the information circular for that meeting.
- (2) The approximate number of Shares of the Company carrying the right to vote in all circumstances beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed nominee as of May 14, 2024. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company’s transfer agent or from insider reports filed by the individuals and available through the Internet at www.sedi.ca.
- (3) Member of audit committee. Ramon Davila is the Chair of the audit committee.
- (4) Member of corporate governance and compensation committee. Daniel Oliver, Jr. is the Chair of the corporate governance and compensation committee.
- (5) Member of health and safety committee. William T. Gehlen is the Chair of the health and safety committee.
- (6) Of these shares, 1,094,869 shares are held directly by Mr. Oliver and 12,398,744 shares are held indirectly through Myrmikan Gold Fund LLC a limited liability company based in New York, NY, U.S.A. Mr. Oliver is the managing member of each of these limited liability companies.

The Company does not have an executive committee. Pursuant to the provisions of the *Business Corporations Act* (British Columbia), the Company is required to have an audit committee whose members are indicated above. See also Part 6 “AUDIT COMMITTEE” below. The Company also has a corporate governance and compensation committee and a health and safety committee whose members are indicated above. See also Part 4 “EXECUTIVE COMPENSATION” and Part 7 “CORPORATE GOVERNANCE” – *Board Committees*”.

At the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass the following resolution with respect to the election of directors of the Company:

“RESOLVED, as an ordinary resolution, THAT James Anderson, Ramon Davila, William T. Gehlen, Daniel Oliver, Jr., Richard Silas, Hernan Dorado Smith and Miranda Werstiuk be elected as directors of the Company for the ensuing year to hold office until the next annual general meeting or until their successors are elected or appointed.”

The Company’s management recommends that shareholders vote in favour of the above nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the seven nominees as directors of the Company for the ensuing year.**

Corporate Cease Trade Orders or Bankruptcy

Save as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be director or executive officer, in the company being subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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.

Mr. Silas is the Chief Executive Officer and a director of Sanibel Ventures Corp., a capital pool company that was suspended from trading by the TSX Venture Exchange (the “TSXV”) on July 30, 2020 for failure to complete a qualifying transaction within 24 months of its listing. Mr. Silas is also a former director of Spirit Bear Capital Corp., a capital pool company that was suspended from trading by the TSXV on May 15, 2014 for failure to complete a qualifying transaction within 24 months of its listing.

Penalties or Sanctions

Save as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable investor making an investment decision.

On April 29, 2013, Mr. Silas was fined \$8,000 by the Autorité des marchés financiers in Quebec for failure to file insider reports within the prescribed time periods in respect of changes in his control over securities of Northern Star Mining Corp., a reporting issuer whose common shares were previously listed for trading on a predecessor to the TSXV, in November 2008 and April 2010. Such fine has been paid in full.

Personal Bankruptcy

As of the date of this Information Circular, no proposed nominee for election as a director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Conflicts of Interest

Certain of the directors are currently, or may in the future become, involved in managerial or director positions with other issuers, both reporting and non-reporting, whose operations may, from time to time, be in direct competition with those of the Company or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Company.

The directors are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will consider, among other things, the degree of risk to which the Company may be exposed relative to the potential reward and its financial position at that time.

In addition, the directors of the Company also have other employment or other business or time restrictions placed on them and accordingly will only be able to devote part of their time to the business and affairs of the Company.

Save as aforesaid or otherwise disclosed in this Information Circular, to the Company’s knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests.

Advance Notice Provisions

The Company’s Articles contain advance notice provisions with a view to providing shareholders, directors and management of the Company with a fair and transparent procedure for nominating directors. The advance notice provisions establish a deadline on or before which holders of record of Shares must submit, in writing, director nominations to the Company prior to any annual general or special meeting of shareholders, and the information that such holder(s) must include with such nominations in order for any director nominee to be eligible for election at any annual general or special meeting of shareholders. A copy of the Company’s Articles is available for review under the

Company's profile on SEDAR+ at www.sedarplus.ca. As of the date of this Information Circular, the Company has not received notice of any additional director nominations in connection with the Meeting.

APPOINTMENT OF THE AUDITOR

KPMG LLP, Chartered Professional Accountants, have served as the Company's auditor since their initial appointment on December 31, 2021. See also Part 6 "AUDIT COMMITTEE – External Auditor Service Fees".

At the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass the following resolution with respect to the appointment of auditors for the Company:

"RESOLVED, as an ordinary resolution, THAT KPMG LLP, Chartered Professional Accountants, be appointed as the Company's auditor for the ensuing year, at a remuneration to be fixed by the Board of Directors."

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the above resolution with respect to the appointment of KPMG LLP as the auditor of the Company for the ensuing year and authorizing the Board to fix the remuneration to be paid to the auditor.

ANNUAL RATIFICATION OF STOCK OPTION PLAN

Policy 4.4 *Security Based Compensation* of the TSXV ("Policy 4.4") specifies that all listed issuers must implement a plan for the granting of stock options. The Company's current stock option plan, which was adopted on September 12, 2022 (the "Option Plan"), is a "rolling" plan as characterized by TSXV policy pursuant to which the aggregate number of Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company's issued and outstanding Shares from time to time. TSXV policy requires that shareholder approval for "rolling" stock option plans must be obtained annually.

The principal purposes of the Option Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of those persons responsible for the success of the Company; to create in those persons a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such persons to remain with the Company; to attract new talent to the Company; and to reduce the cash compensation the Company would otherwise have to pay.

The material terms of the Option Plan are set out below:

1. The number of Shares subject to each option is determined by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board, provided, at the time the options are granted, that:
 - (a) the aggregate number of Shares reserved for issuance pursuant to options shall not, at any time, exceed 10% of the Company's then issued Shares;
 - (b) the aggregate number of Shares reserved for issuance pursuant to options, and any other security-based compensation of the Company (**Security Based Compensation**), to any one person in any 12-month period shall not exceed 5% of the issued Shares of the Company (determined at the date of grant), unless the Company has obtained "disinterested" shareholder approval;
 - (c) the aggregate number of Shares reserved for issuance pursuant to options, and any other Security Based Compensation of the Company, to any one consultant in any 12-month period shall not exceed 2% of the issued Shares of the Company (determined at the date of grant);
 - (d) the aggregate number of Shares reserved for issuance pursuant to options granted to all persons providing investor relations activities in any 12-month period shall not exceed 2% of the issued Shares of the Company;
 - (e) the aggregate number of Shares reserved for issuance pursuant to options, and any other Security Based Compensation of the Company, to "insiders" as a group in any 12-month period shall not exceed 10% of the issued Shares of the Company (determined at the date of grant), unless the Company has obtained

“disinterested” shareholder approval); and

- (f) the aggregate number of Shares reserved for issuance pursuant to options, and any other Security Based Compensation of the Company, to “insiders” as a group shall not, at any point in time, exceed 10% of the issued Shares of the Company (determined at the date of grant), unless the Company has obtained “disinterested” shareholder approval).
2. The exercise price of the options cannot be set at less than the last closing price of the Company’s Shares on the stock exchange on which the Shares of the Company are then listed before the date on which the options are granted by the Company, less the maximum allowable discount from market as may be permitted under the policies of such exchange, if any, or such other minimum exercise price as may be required by such exchange.
3. The options may be exercisable for a period of up to 10 years.
4. All options are non-assignable and non-transferable and, if granted to “insiders” or at an exercise price less than market, will be legended with a four month TSXV hold period commencing on the date the stock options are granted.
5. The options shall be subject to such vesting requirements, if any, as may be determined by the Board from time to time provided that options granted to “investor relations service providers” must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any three-month period. Investor relations service providers include any consultant that performs investor relations activities and any director, officer or employee whose role and duties primarily consist of investor relations activities.
6. Reasonable topping up of options granted to an individual will be permitted.
7. The option can only be exercised by the optionee and only so long as the optionee is a director, officer, employee or consultant of the Company, any of its subsidiaries or a management company employee or within a reasonable period of time, not to exceed one year, after the optionee ceases to be in at least one of such positions to the extent that the optionee was entitled to exercise the option at the date of such cessation.
8. In the event of death of an optionee, the option previously granted to him or her shall be exercisable as to all or any of the Shares in respect of which such option has not previously been exercised at the date of the optionee’s death (including the right to purchase Shares not otherwise vested at such time), by the legal representatives of the optionee at any time up to and including (but not after) a date one year following the date of death of the optionee or the expiry time of the option, whichever occurs first.
9. Subject to the approval of the Board, cashless exercise of options is permitted provided that the Company has an arrangement with a brokerage firm to loan money to the optionee to exercise the option and the brokerage firm sells a sufficient number of Shares to cover the exercise price of the options in order to repay the loan made to the optionee. The brokerage firm then receives an equivalent number of Shares from the exercise of the options and the optionee receives the balance of the Shares or the cash proceeds from the balance of such Shares.
10. Subject to the approval of the Board, net exercises of options is permitted whereby options, excluding options held by persons providing investor relations services, are exercised without the optionee making any cash payment so the Company does not receive any cash from the exercise of the options, and instead the optionee receives only the number of Shares that is equal to the quotient obtained by dividing:
 - (A) the product of the number of options being exercised multiplied by the difference between the five-day volume weighted average price (the “VWAP”) of the Shares underlying the options and the exercise price of the options; by
 - (B) the VWAP of the underlying Shares.
11. In the event a take-over bid or tender offer is made for the common shares of the Company, the Board may, subject to the acceptance of the TSXV, permit all options outstanding to become immediately exercisable in order to permit the shares issuable under such options to be tendered to such bid or offer.

12. Disinterested shareholder approval for any reduction in the exercise price of a previously granted option shall be obtained prior to the exercise of such option if the optionee is an “insider” of the Company at the time of the proposed reduction.

The full text of the Option Plan is included in the Company’s management information circular dated September 12, 2022 delivered to shareholders in connection with the Company’s 2022 annual general meeting (the “**2022 Information Circular**”) available for review on SEDAR+ under the Company’s profile at www.sedarplus.ca.

Since the Option Plan is a “rolling” plan which, together with the Company’s other Security Based Compensation plan (see Part 4 “STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER – *Stock Option Plan and Other Incentive Plans*” below), could result in certain individual or group participation limitations of the TSXV being exceeded, Policy 4.4 of the TSXV requires that the Option Plan be approved annually by the Company’s “*disinterested*” shareholders.

Accordingly at the Meeting, relevant “*disinterested*” shareholders will be asked to vote on the following ordinary resolution (the “**Stock Option Plan Resolution**”):

“RESOLVED, as an ordinary resolution, THAT:

1. the Company’s amended and restated stock option plan adopted September 12, 2022 (the “Option Plan”), be and is hereby ratified, confirmed and approved;
2. the reservation under the Option Plan of up to a maximum of 10% of the issued shares of the Company, on a rolling basis, as at the time of granting of the stock option pursuant to the Option Plan be and the same is hereby authorized and approved; and
3. any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents, agreements and instruments, and to do all such acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the doing of any such act or thing.”

Recommendation of the Board

The Board unanimously recommends that the shareholders vote in favour of the Stock Option Plan Resolution.

Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with adoption, ratification, confirmation and approval of the Option Plan, the persons named in the enclosed Proxy will vote FOR the approval of the Stock Option Plan Resolution.

PART 4 – STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER

Forwarding Looking Information

This statement of executive compensation (the “**Statement**”) contains “forward-looking information” as such term is defined under applicable securities laws including, without limitation, the Company’s intentions and plans with respect to compensation of its executive officers and directors and other statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management’s current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward-looking information is inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company’s control. Such factors include, among others, market conditions, risks and uncertainties relating to exploration, development and production; actual results of development and production activities; actual resource grades and recoveries of silver and gold; the ability of the Company to obtain additional financing; the Company’s history of losses; the need to comply with environmental and governmental regulations; potential defects in title to the Company’s properties; fluctuations in currency exchange rates; fluctuating prices of commodities; operating hazards and risks; competition; labor issues; equipment or personnel delays; delays in obtaining governmental or regulatory approvals and permits; and other risks and uncertainties. In addition, there is uncertainty

about the impact of a resurgence of COVID-19, the ongoing war in Ukraine and conflict in Gaza, higher inflation and interest rates and the impact they will have on the Company's operations, supply chains, ability to access the Company's properties or procure equipment, contractors and other personnel on a timely basis or at all and economic activity in general. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information and, save as required by law, the Company is under no obligation to update or alter any forward-looking information. Unless otherwise indicated, the information in this statement of executive compensation is as of December 31, 2023 and all figures are expressed in **Canadian dollars**.

Definitions: For the purpose of this Statement:

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted share 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.

"external management company" includes a subsidiary, affiliate or associate of the external management company.

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

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer ("**CEO**");
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer ("**CFO**");
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer compensation, excluding compensation securities

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years, to the directors and NEOs of the Company, other than compensation securities:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites ⁽¹⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
James Anderson Chairman, CEO and Director ⁽²⁾	2023	300,000	1,000	Nil	Nil	Nil	301,000
	2022	250,000	25,000	Nil	Nil	Nil	275,000
Ramon Davila President and Director ⁽³⁾	2023	250,000	Nil	Nil	Nil	Nil	250,000
	2022	240,000	100,165	Nil	Nil	Nil	340,165
Lisa Dea Former CFO ⁽⁵⁾	2023	240,000	Nil	Nil	Nil	Nil	240,000
	2022	220,000	20,000	Nil	Nil	Nil	240,000
Hernan Dorado Smith Director and Chief Strategy Officer ⁽⁶⁾	2023	240,000	Nil	Nil	Nil	Nil	240,000
	2022	220,000	Nil	Nil	Nil	Nil	220,000
Richard Silas Director and VP Corporate Development/Corporate Secretary ⁽⁷⁾	2023	220,000	1,000	Nil	Nil	Nil	221,000
	2022	200,000	15,000	Nil	Nil	Nil	215,000
Daniel Oliver, Jr. Director ⁽⁸⁾	2023	Nil	Nil	Nil	Nil	45,000 ⁽¹⁰⁾	45,000 ⁽¹⁰⁾
	2022	Nil	Nil	Nil	Nil	Nil	Nil
William Gehlen Director ⁽⁹⁾	2023	Nil	Nil	Nil	Nil	9,000 ⁽¹⁰⁾	9,000 ⁽¹⁰⁾
	2022	Nil	Nil	Nil	Nil	Nil	Nil

- (1) The value of perquisites received by each of the Named Executive Officers and directors, including property or other personal benefits provided to the Named Executive Officers and directors that are not generally available to all employees, were not in the aggregate greater than \$15,000.
- (2) Mr. Anderson was appointed as a director of the Company on January 9, 2019. Subsequently, Mr. Anderson was appointed as CEO and Chairman (March 18, 2019). Mr. Anderson also acted as President from March 19, 2019 to March 21, 2022. Mr. Anderson provided management consulting services to the Company through Blueberry Capital Corp., a private management company controlled by Mr. Anderson, in consideration for a monthly management fee until December 31, 2022. Starting January 1, 2023, Mr. Anderson became an employee of the Company and the consulting agreement with Blueberry Capital Corp. was replaced with an employment agreement.
- (3) Mr. Ramon Davila was appointed as a director of the Company on May 12, 2021 and President on March 22, 2022.
- (4) This amount represents fees paid to the individual in his capacity as a director including committee fees.
- (5) Ms. Dea was appointed as CFO of the Company on April 1, 2021. Ms. Dea was replaced by Mr. Danny Lee as CFO effective January 1, 2024.
- (6) Mr. Dorado Smith was first appointed as a director of the Company on April 21, 2017. On May 12, 2021, Mr. Smith was appointed Chief Operating Officer of the Company before transitioning to Chief Strategy Officer on April 25, 2023.
- (7) Mr. Silas was appointed as a director of the Company on October 18, 2019 and subsequently appointed as Vice-President, Corporate Development and Corporate Secretary on May 12, 2021.
- (8) Mr. Oliver was appointed as a director of the Company on October 2, 2019.
- (9) Mr. Gehlen was appointed as a director of the Company on March 31, 2020.
- (10) This amount represents fees paid to the individual in his capacity as a director including committee fees.

External Management Companies

Save and except as disclosed under “*Employment, Consulting and Management Agreements*” below, as of the date of this Statement, there are no contracts with external management companies in effect.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each Named Executive Officer or director during the most recently completed financial year ended December 31, 2023 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation securities – Stock Options						
Name and position	Number of compensation securities, number of underlying securities ⁽¹⁾ , and percentage of class ⁽²⁾	Date of issue or grant	Issue, conversion, or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at financial year end (\$)	Expiry date
James Anderson Chairman, CEO, and Director	600,000 stock options or 0.17% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
Ramon Davila President, and Director	400,000 stock options or 0.11% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
Lisa Dea CFO	300,000 stock options or 0.08% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
Hernan Dorado Smith Director and Chief Strategy Officer	300,000 stock options or 0.08% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
Richard Silas Director and VP Corp. Dev. / Corp. Secretary	300,000 stock options or 0.08% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
Daniel Oliver, Jr. Director	250,000 stock options or 0.07% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28
William Gehlen Director	100,000 stock options or 0.03% ⁽³⁾	19-Apr-23	\$0.58	\$0.57	\$0.26	19-Apr-28

- (1) Each stock option entitles the holder to purchase one common share of the Company.
- (2) This figure represents the aggregate number of underlying common shares issuable upon exercise of the stock options as a percentage of the total issued and outstanding common shares of the Company as at December 31, 2023 (being 353,913,478 shares).
- (3) These stock options are subject to vesting on the basis of 1/3 on April 19, 2023, 1/3 on April 19, 2024 and 1/3 on April 19, 2025.

No stock options or other compensation securities were re-priced, cancelled and replaced, extended or otherwise materially modified during the Company’s most recently completed financial year ended December 31, 2023.

As of December 31, 2023, the total compensation securities held by Named Executive Officers and directors of the Company were as follows:

Name and Position	Type of Compensation Security ⁽¹⁾	Total Number of Compensation Securities Held	Total Number of Common Shares Underlying Compensation Securities ⁽²⁾
James Anderson Chairman, CEO and Director	Stock options Restricted Share Units	2,450,000 35,000	2,485,000 or 0.70%
Ramon Davila President and Director	Stock options Restricted Share Units	2,200,000 172,500	2,372,500 or 0.67%
Lisa Dea CFO	Stock options	1,600,000	1,600,000 or 0.45%
Hernan Dorado Smith CSO and Director	Stock options Restricted Share Units	1,450,000 35,000	1,485,000 or 0.42%
Richard Silas VP-CD, Corp. Sec., and Director	Stock options Restricted Share Units	1,450,000 17,500	1,467,500 or 0.41%
Daniel Oliver, Jr. Director	Stock options	1,400,000	1,400,000 or 0.40%
William Gehlen Director	Stock options	450,000	450,000 or 0.13%

(1) Each stock option entitles the holder to purchase one common share of the Company.

(2) These figures represent the aggregate number of underlying common shares issuable upon exercise of the stock options as a percentage of the total issued and outstanding common shares of the Company as at December 31, 2023 (being 353,913,478 shares).

The following table discloses all compensation securities exercised by each Named Executive Officer or director during the most recently completed financial year ended December 31, 2023.

Compensation securities – Stock Options							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
James Anderson Chairman, CEO, and Director	Stock options	400,000	0.075	April 11, 2023	0.58	0.505	202,000
Ramon Davila President, and Director	N/A						
Lisa Dea CFO	N/A						
Hernan Dorado Smith Director and Chief Strategy Officer	Stock options	250,000	0.075	March 21, 2023	0.485	0.41	102,500
Richard Silas Director and VP Corp. Dev. / Corp. Secretary	Stock options	250,000	0.075	April 11, 2023	0.58	0.505	126,250

Daniel Oliver, Jr. Director	Stock options	250,000	\$0.075	March 3, 2023	0.385	0.31	77,500
William Gehlen Director	Stock options	250,000	\$0.075	April 11, 2023	0.58	0.505	126,250

Stock Option Plans and Other Incentive Plans

Stock Option Plan

On December 11, 2019, the shareholders of the Company approved a new “10% rolling” stock option plan for the directors, officers, employees and consultants of the Company and its affiliates as characterized by the policies of the TSXV pursuant to which the aggregate number of common shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company’s issued and outstanding shares. The principal purposes of the Option Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of those persons responsible for the success of the Company; to create in those persons a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such persons to remain with the Company; to attract new talent to the Company; and to reduce the cash compensation the Company would otherwise have to pay.

Subsequent to December 31, 2021, the Company amended and restated its Option Plan to response to certain changes made by the TSXV to its policy with respect to the granting of stock options and other forms of executive equity compensation on November 24, 2021. See Part 3 “THE BUSINESS OF THE MEETING – Annual Ratification of Stock Option Plan” for a description of the material terms of the Company’s amended and restated Option Plan.

Under the policies of the TSXV, as a “rolling plan”, the Company’s Option Plan must be presented for approval by the shareholders annually at the Company’s annual general meeting, which approval will be sought at the Meeting. See Part 3 “THE BUSINESS OF THE MEETING – Annual Ratification of Stock Option Plan” above.

Omnibus Equity Compensation Plan

On September 12, 2022, the Company adopted an omnibus equity compensation plan for officers, employees, directors and consultants of the Company and its affiliates (the “**Omnibus Plan**”) with a view to providing the Board with, in addition to stock options, a wide range of incentive awards including restricted share units (“**RSUs**”), deferred share units (“**DSUs**”), performance share units (“**PSUs**”) and share appreciation rights (“**SARs**”) (each an “**Award**” and, collectively “**Awards**”) with which to attract, retain and motivate key employees, officers, directors and consultants of the Company and its affiliates. The Omnibus Plan is in addition to the Option Plan, reserves a fixed maximum of 15,000,000 Shares for issuance to eligible officers, employees, directors and consultants and was approved by the “disinterested” shareholders of the Company at the Company’s 2022 annual general meeting held on October 27, 2022.

The material terms of the Omnibus Plan are as follows:

1. **Limitation on Grants** - The number of common shares subject to each Award is determined by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board, subject to the following limitations on grants:
 - (a) subject to adjustment as provided for under the Omnibus Plan, the maximum number of common shares issuable upon the exercise or redemption and settlement of all Awards granted under the Omnibus Plan shall not exceed 15,000,000 common shares; and
 - (b) further, the Company cannot grant Awards:
 - (i) to any one person where the aggregate number of common shares reserved for issuance pursuant to Awards, and any other Security Based Compensation including Options, in any 12-month period will exceed 5% of the issued shares of the Company (determined at the date of grant), unless the Company has obtained “disinterested” shareholder approval;

- (ii) to any one consultant where the aggregate number of common shares reserved for issuance pursuant to Awards, and any other Security Based Compensation including Options, in any 12-month period will exceed 2% of the issued shares of the Company (determined at the date of grant);
 - (iii) to insiders (as a group) where the aggregate number of common shares reserved for issuance pursuant to Awards, and any other Security Based Compensation including Options, in any 12-month period will exceed 10% of the issued shares of the Company (determined at the date of grant), unless the Company has obtained “disinterested” shareholder approval);
 - (iv) to insiders (as a group) where the aggregate number of Shares reserved for issuance pursuant to Awards, and any other Security Based Compensation including Options, will, at any point in time, exceed 10% of the issued Shares of the Company (determined at the date of grant), unless the Company has obtained “disinterested” shareholder approval); and
 - (v) to persons performing investor relations activities.
2. **Effect of Termination** - Other than DSUs granted to eligible directors, unless otherwise provided for in the underlying Award agreement or determined by the Board on an individual basis, in the event of a participant’s:
- (a) **Termination for Cause:** all unexercised vested or unvested Awards granted to such participant shall terminate as of the date the participant ceases to be an “eligible participant” under the Omnibus Plan (the “**Termination Date**”);
 - (b) **Resignation:** all unexercised vested or unvested Awards granted to such participant shall terminate on the Termination Date caused by such resignation;
 - (c) **Termination or Cessation (other than for cause, resignation, death, disability or retirement):** the number of Awards that may vest (net of previously vested Awards) is subject to pro ration over the applicable vesting period ending on the Termination Date and shall expire on the earlier of ninety (90) days after the Termination Date, or the expiry date of the Awards; and
 - (d) **Death, Disability or Retirement:** the number of Awards that may vest (net of previously vested awards) is subject to pro ration over the applicable vesting period ending on the Termination Date and shall expire on the earlier of 180 days after the Termination Date, or the expiry date of the Awards. Notwithstanding the foregoing, if the participant is determined to have breached any post-employment restrictive covenants in favour of the Company, then any Awards held by the participant, whether vested or unvested, will immediately expire and the participant shall pay to the Company any “in-the-money” amounts realized upon exercise of Awards following the Termination Date.
3. **Change of Control** - In the event of a Change of Control (as defined in the Omnibus Plan), unless otherwise provided in the underlying Award agreement between the Company and the participant and subject to the approval of the TSXV, if required, the Board has the right, in its discretion, to deal with any or all Awards (or any portion thereof) issued under the Omnibus Plan in the manner it deems fair and reasonable in the circumstances of the Change of Control including, without any action or consent required on the part of any participant, the right to:
- (a) determine that the Awards, in whole or in part and whether vested or unvested, shall remain in full force and effect in accordance with their terms after the Change of Control;
 - (b) provide for the conversion or exchange of any or all Awards (or any portion thereof, whether vested or unvested) into or for options, rights, units or other securities in any entity participating in or resulting from a Change of Control;
 - (c) cancel any unvested Awards (or any portions thereof) without payment of any kind to any participant;
 - (d) accelerate the vesting of outstanding Awards;

- (e) provide for outstanding Awards to be purchased;
 - (f) accelerate the date by which any or all Awards or any portion thereof, whether vested or unvested, must be exercised either in whole or in part;
 - (g) deem any or all Awards or any portion thereof, whether vested or unvested (including those accelerated pursuant to the Omnibus Plan) to have been exercised in whole or in part, tender, on behalf of the participant, the underlying shares that would have been issued pursuant to the exercise of such Awards to any third party purchaser in connection with the Change of Control, and pay to the participant on behalf of such third party purchaser an amount per underlying share equal to the positive difference between the Change of Control price of the Shares and the applicable exercise price; or
 - (h) take such other actions including any combinations of the foregoing actions as permitted under the Omnibus Plan, as it deems fair and reasonable under the circumstances.
4. **Assignment** - Other than by will or under the law of succession, or as expressly permitted by the Board, or as otherwise set forth in the Omnibus Plan, Awards will not be assignable or transferable. Awards may be exercised only by the participant to whom the Awards were granted, by the legal representative of the participant's estate or such other person who has legal authority to deal with the participant's property in the event of the participant's death or incapacity, as the case may be.
5. **Amendment and Discontinuance of the Omnibus Plan** - The Board is authorized to amend the Omnibus Plan or any Award at any time without the consent of the participants provided that such amendment shall:
- (a) not adversely alter or impair any Award previously granted except as permitted by the provisions of the Omnibus Plan;
 - (b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSXV; and
 - (c) be subject to shareholder approval including "disinterested" shareholder approval, if applicable, where required by law, the requirements of the TSXV or the provisions of the Omnibus Plan, including
 - (i) any amendment to increase the maximum number of Shares issuable from treasury under the Omnibus Plan, except increases resulting from the adjustment provisions of the Omnibus Plan;
 - (ii) any amendment to increase the limits on the aggregate number of Shares that may be reserved for issuance under the Omnibus Plan to any one person or group or category of persons;
 - (iii) subject to the black-out period provisions of the Omnibus Plan, any amendment to the expiry or termination provisions applicable to Awards granted under the Omnibus Plan;
 - (iv) any amendment which extends the expiry date of any Award held by an "insider", except in case of an extension due to a black-out period;
 - (v) any amendment to the non-assignability provision contained in the Omnibus Plan, except as otherwise permitted by the TSXV or for estate planning or estate settlement purposes;
 - (vi) any amendment to expand the class of Participants to whom Awards may be granted under the Omnibus Plan; and
 - (vii) any amendment to the amendment provisions of the Omnibus Plan.
6. The Board may, subject to regulatory approval, suspend or discontinue the Omnibus Plan at any time without the consent of the participants provided that such suspension or discontinuance shall not materially and adversely affect any Awards previously granted to a participant under the Omnibus Plan.

The full text of the Omnibus Plan is included in the Company's 2022 Information Circular dated September 12, 2022 available for review on SEDAR+ under the Company's profile at www.sedarplus.ca.

Save as aforesaid, there are currently no other equity or non-equity incentive plan awards in place for the Company's Named Executive Officers or directors.

Employment, Consulting and Management Agreements

During the fiscal year ended December 31, 2023, the Company was a party to written employment, consulting or management agreements with the following Named Executive Officers and directors of the Company:

James Anderson is the CEO and Chairman of the Company and was appointed to such office on March 19, 2019. The Company was a party to a formal consulting agreement with a private company controlled by James Anderson (the "**Anderson Consulting Agreement**") to provide, on an independent contractor basis, corporate and management services to the Company, at an annual base fee of \$250,000 (\$20,833 per month) to be reviewed annually. Starting January 1, 2023, Mr. Anderson became an employee of the Company and the Anderson Consulting Agreement was replaced with an employment agreement with the Company (the "**Anderson Agreement**") that provides for an annual salary of \$300,000 (\$25,000 per month). See the summary compensation table under the heading "*Director and Named Executive Officer compensation, excluding compensation securities*" above for details of the executive compensation paid directly or indirectly to Mr. Anderson during the fiscal years ended December 31, 2023 and 2022.

Ramon Davila is the President of the Company and was appointed to such office on March 15, 2022. The Company is a party to an employment agreement with Mr. Davila (the "**Davila Agreement**") to act as the Company's President on a full time basis at a current annual salary of **CAD\$250,000 (\$20,833 per month)** to be reviewed annually. Mr. Davila's most recent salary increase occurred on April 1, 2023. See the summary compensation table under the heading "*Director and Named Executive Officer compensation, excluding compensation securities*" above for details of the executive compensation paid to Mr. Davila during the fiscal years ended December 31, 2023 and 2022.

Lisa Dea is the CFO of the Company and was appointed to such office on April 1, 2021 and her last day in such position was December 31, 2023. The Company was a party to an employment agreement with Lisa Dea (the "**Dea Agreement**") to act as the Company's CFO on a full time basis at an annual salary of **\$260,000 (\$21,666 per month)** to be reviewed annually. Ms. Dea's most recent salary increase occurred on April 1, 2023. Ms. Dea was replaced by Mr. Danny Lee as CFO effective January 1, 2024. See the summary compensation table under the heading "*Director and Named Executive Officer compensation, excluding compensation securities*" above for details of the executive compensation paid to Ms. Dea during the fiscal years ended December 31, 2023 and 2022.

Hernan Dorado Smith is the Chief Strategy Officer of the Company and was appointed to such office on April 25, 2023. Previously, Mr. Smith acted as Chief Operating Officer of the Company from May 12, 2021 to April 25, 2023. The Company is a party to an employment agreement with Mr. Smith (the "**Smith Agreement**") whereby Mr. Smith works for the Company on a full time basis at an annual salary of **\$240,000 (\$20,000 per month)** to be reviewed annually. Mr. Smith's most recent salary increase occurred on April 1, 2023. See the summary compensation table under the heading "*Director and Named Executive Officer compensation, excluding compensation securities*" above for details of the executive compensation paid to Mr. Smith during the fiscal years ended December 31, 2023 and 2022.

Richard Silas is the Vice-President, Corporate Development and Corporate Secretary of the Company and was appointed to such offices on May 12, 2021. The Company is a party to a consulting agreement with a private company controlled by Richard Silas (the "**Silas Agreement**") to provide, on an independent contractor basis, certain corporate and administrative services to the Company, at an annual base fee of **\$220,000 (\$18,333 per month)** to be reviewed annually. Mr. Silas' most recent salary increase occurred on April 1, 2023. See the summary compensation table under the heading "*Director and Named Executive Officer compensation, excluding compensation securities*" above for details of the executive compensation paid to Mr. Silas during the fiscal years ended December 31, 2023 and 2022.

Each of the Anderson Agreement, the Dea Agreement, the Smith Agreement and the Silas Agreement provides for termination payments in certain circumstances. Each of James Anderson, Lisa Dea, Hernan Dorado Smith and Richard Silas will be entitled to receive, directly or indirectly, a lump sum termination payment equal to one times their annual compensation (i.e. base fee/salary plus annual bonus, if applicable) in the event they are terminated without cause (or by the executive for good reason) or two times their annual compensation if terminated without cause (or by the executive for good reason) following a change of control of the Company.

The following table sets out the estimated incremental payments payable to the above Named Executive Officers of the Company that would have been triggered by, or result from, a change of control, severance, termination or constructive dismissal as at December 31, 2023:

	James Anderson	Ramon Davila	Hernan Dorado Smith	Richard Silas
Termination Without Cause/ Constructive Dismissal				
Base Fee/Termination Payment	250,000 1,000	250,000 Nil	240,000 Nil	220,000 1,000
Annual Incentives ⁽¹⁾				
Change of Control				
Base Fee/Termination Payment	500,000 2,000	500,000 Nil	480,000 Nil	440,000 2,000
Annual Incentives ⁽¹⁾				

(1) Based on bonus payments made to the Named Executive Officers for the fiscal year ended December 31, 2023.

(2) Ms. Dea resigned effective December 31, 2023 without any severance payment.

Save as aforesaid, during the fiscal year ended December 31, 2023, there were no other compensatory plans, contracts or arrangements whereby a Named Executive Officer or director was entitled to receive any severance or termination payment from the Company or its subsidiaries, including periodic payments or instalments, in the event of the termination or constructive dismissal of the officer's or director's employment or engagement with the Company or its subsidiaries or following a change of control of the Company.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

The Company has no standard arrangement pursuant to which non-executive directors are compensated by the Company for their services in their capacity as directors, other than periodic discretionary director's fees and the granting from time to time of incentive stock options and other forms of equity compensation Awards in accordance with the Option Plan, the Omnibus Plan and the policies of the TSXV, as applicable. The granting of incentive stock options and other Awards (including DSUs), if any, provides a link between director compensation and the Company's share price. It also rewards directors for achieving results that improve Company performance and thereby increase shareholder value. In making a determination as to whether a grant of long-term incentive stock options and/or other Awards is appropriate, and if so, the number of options or Awards that should be granted, the Board, in consultation with the Company's Corporate Governance and Compensation Committee (the "CGCC") (see Part 7 "CORPORATE GOVERNANCE – Committees of the Board of Directors" below) considers, inter alia, the number and terms of outstanding incentive stock options and Awards held by each director; the value in securities of the Company that the Board intends to award as compensation; the potential dilution to shareholders and the cost to the Company; general industry standards; and the limits imposed by the terms of the Option Plan, the Omnibus Plan and the TSXV. Any "interested" director who is being considered for the grant of an option or other Award by the Company is required to declare his interest in such grant and abstain from voting thereon.

The granting of incentive stock options and other Awards allows the Company to reward the directors' efforts to increase value for shareholders without requiring the Company to use cash from its treasury. The terms and conditions of the Company's stock option grants and other Awards, including vesting provisions and exercise prices, are governed by the terms of the Option Plan and Omnibus Plan, respectively, the material terms of which are described under Part 3 "THE BUSINESS OF THE MEETING – Annual Ratification of the Stock Option Plan" and Part 4 "STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Stock Option Plan and Other Incentive Plans – Omnibus Equity Compensation Plan*" above. See also Part 4 "STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Stock Options and Other Compensation Securities*" above for details of the stock options granted to the Company's non-executive directors under the Option Plan during the fiscal year ended December 31, 2023.

The directors may also be reimbursed for actual expenses reasonably incurred by them in the performance of their duties as directors.

Named Executive Officer Compensation

The Company's CGCC is primarily responsible for, among other things, advising the Board on compensation of executive officers and directors, as well as related policies, programs and practices designed to achieve the strategic goals and financial objectives of the Company. The CGCC makes recommendations to the Board on all forms of compensation (including long-term incentives in the form of stock options and additional Awards under the Omnibus Plan) to be granted to the Company's executive officers and directors to ensure such arrangements reflect the responsibilities and risks associated with each position. See Part 3 "THE BUSINESS OF THE MEETING - *Annual Ratification of Stock Option Plan*" and Part 4 "STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Stock Option Plan and Other Incentive Plans – Omnibus Equity Compensation Plan*" above for further details regarding the Option Plan and the Omnibus Plan, respectively.

The Company does not have a formal compensation program; however, the CGCC meets annually subsequent to the annual general meeting or more frequently as determined by the CGCC to discuss and make recommendations to the Board regarding management compensation. The general objectives of the Company's compensation strategy are to attract, retain and motivate talented employees, contractors and consultants who will contribute to the long term success of the Company by aligning compensation with market conditions, corporate performance, and the interest of shareholders to maximize shareholder value.

The Board, in consultation with the CGCC, generally considers three elements of compensation – a base fee/salary for the current financial year, a discretionary cash bonus for the previously completed financial year and one or more grants of long-term incentives in the form of stock options and/or Awards.

Base fee/salary is used to provide the Named Executive Officers with a set amount of money during the year with the expectation that they will perform their responsibilities to the best of their ability and in the best interests of the Company. The Board determines, in consultation with the CGCC, what the Named Executive Officer's base fee/salary for the upcoming year will be based on the overall performance of the Company, the performance of the Named Executive Officer, general trends in the industry and the Company's then financial resources.

The granting of incentive stock options under the Option Plan and Awards under the Omnibus Plan are designed to provide a link between management compensation and the Company's share price and reward management for achieving results that improve the Company's performance and thereby increase shareholder value. In making a determination as to whether a grant of long-term incentive stock options or Awards, is appropriate, and if so, the number of options and/or Awards that should be granted, the CGCC and Board will consider, inter alia, the number and terms of outstanding incentive stock options and Awards held by the Named Executive Officer; the value in securities of the Company that the Board intends to award as compensation; the potential dilution to shareholders and the cost to the Company; general industry standards; and the limits imposed by the terms of the Stock Option Plan, the Omnibus Plan and policies of the TSXV. Major consideration is given to the fact that the Company's mining operations are not yet cash flow positive and the Company remains reliant upon equity and/or debt financings to raise the necessary funds to cover operating shortfalls and capital expenditures and finance other corporate plans and objectives. Therefore, greater emphasis may be placed on incentive stock option compensation and share based Awards in lieu of cash to attract and retain the Company's Named Executive Officers. The terms and conditions of the Company's stock option grants and Awards, including vesting provisions and exercise prices, are governed by the Option Plan and the Omnibus Plan, respectively, the material terms of which are described under Part 3 "THE BUSINESS OF THE MEETING – *Annual Ratification of Stock Option Plan*" and Part 4 "STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Stock Option Plan and Other Incentive Plans – Omnibus Equity Compensation Plan*". See also "*Stock Options and Other Compensation Securities*" above for details of the stock options granted to the Company's Named Executive Officers under the Option Plan during the fiscal year ended December 31, 2023

Finally, the CGCC will consider whether it is appropriate and in the best interests of the Company to award a discretionary cash bonus to the Named Executive Officers for the most recently completed financial year and if so, in what amount, and make its recommendations to the Board. A cash bonus may be awarded to reward extraordinary performance that has led to increased value for shareholders through, inter alia, property acquisitions or divestitures, the formation of new strategic or joint venture relationships and/or capital raising efforts. Demonstrations of extraordinary personal commitment to the Company's interests, the community and the industry may also be rewarded through a cash bonus.

Other than as described above there are no perquisites provided to the Named Executive Officers.

Research and Benchmarking

Currently, the Company does not use specific benchmark groups in determining compensation or any element of compensation for the Named Executive Officers. However, the Company may, in the future, engage in benchmarking (informally or formally with an independent advisory firm) for the purpose of establishing its executive and/or director compensation programs relative to any predetermined level or specified peer group of companies when considering the design of its programs.

Pension Disclosure

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of December 31, 2023, the Company’s most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders ⁽¹⁾	17,249,500	\$0.46 (options) ⁽²⁾	15,708,848
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	17,249,500	\$0.46 (options)	15,708,848

- (1) As at December 31, 2023, the Company’s equity compensation plans included its 10% “rolling” Option Plan and fixed Omnibus Plan for directors, officers, employees and consultants of the Company. See Part 3 “THE BUSINESS OF THE MEETING – *Annual Ratification of Stock Option Plan*” for details of the material terms of the Company’s Option Plan and Part 4 “STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Stock Option Plan and Other Incentive Plans – Omnibus Equity Compensation Plan*” for details of the material terms of the Company’s Omnibus Plan.
- (2) Restricted share units do not have an exercise price.

PART 6 – AUDIT COMMITTEE

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

1. The Audit Committee Charter

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Exhibit “A” to this Information Circular.

2. Composition of Audit Committee

The Company’s audit committee is currently comprised of three directors, Ramon Davila (Chair), Daniel Oliver, Jr. and William Gehlen, of which Messrs. Oliver and Gehlen are considered “independent” as that term is defined in applicable securities legislation.

All three members of the Company’s audit committee have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements and are therefore considered “financially literate”.

3. Relevant Education and Experience

All of the audit committee members are business persons with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

Ramon Davila was Chief Operating Officer and a director of First Majestic Silver Corp. from 2004 to 2013 (director until 2015). In September 2016, Mr. Davila was appointed Minister of Economic Development for the State of Durango, Mexico and held such post until June 2020. Mr. Davila holds a degree in Mining and Metallurgical Engineering from the University of Guanajuato, Mexico as well as a Master of Science degree in Mineral Economics from the Colorado School of Mines.

Daniel Oliver, Jr. manages Myrmikan Gold Fund LLC of New York, NY, which actively invests in the precious metals mining sector. Mr. Oliver also serves as President of the Committee for Monetary Research & Education, an organization founded by prominent economists and businessmen in 1970 in opposition to the Bretton Woods monetary system. His articles have been published in Forbes.com, The Wall Street Journal, The Washington Times, Real Clear Markets, National Review Online, among others, and he speaks frequently at precious metals conferences. Mr. Oliver has a J.D. from Columbia Law School and an MBA from INSEAD.

William Gehlen has over 40 years experience in minerals exploration and holds a Master of Science (Geology) from the University of Idaho and a Bachelor of Science (Geology) from the University of Oregon and currently serves as Director of Geology for Dakota Gold Corp. (NYSE, American). From April 2018 to Dec 2020, Mr. Gehlen was Manager of Corporate Development for Gold Standard Ventures Corp. (TSX and NYSE American). From 2013 to 2018, Mr. Gehlen was Manager of Resource Development for OceanaGold Corp. (TSX) and prior to that he served as Vice-President of Exploration for Pacific Rim Mining Corp. where he managed all aspects of mineral exploration for Pacific Rim and was in charge of exploration at the El Dorado gold deposit in El Salvador, and the Diablillos silver-gold deposit in Argentina.

4. Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year ended December 31, 2023, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

5. Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year ended December 31, 2023, the Company has not relied on the exemptions contained in section 2.4 or section 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

6. Pre-Approval Policies and Procedures

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

7. External Audit Service Fees (By Category)

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services

rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to KPMG LLP, the Company’s auditor, for services rendered to the Company in each of the last two fiscal years, by category, are as follows:

Financial Period Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2023	539,000	21,000	Nil	Nil
December 31, 2022	319,000	Nil	Nil	Nil

8. Exemption

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

PART 7 – CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines, which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices. As a “venture issuer” the Company is required to make such disclosure with reference to the requirements of Form 58-101F2, which disclosure is set forth below.

1. Board of Directors

Structure and Composition

The Board is currently composed of seven directors.

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as a relationship which could, in the view of the Company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board is responsible for determining whether a director is an independent director. Of the current directors, James Anderson, Ramon Davila, Hernan Dorado Smith and Richard Silas are not independent directors because of their positions as Chief Executive Officer, President, Chief Strategy Officer, and Vice-President, Corporate Development and Secretary of the Company, respectively. On the other hand, Daniel Oliver, Jr., William Gehlen and Miranda Werstiuk are considered “independent” directors of the Company as they are neither officers nor employees of the Company, do not receive, directly or indirectly, any consulting, advisory or other compensatory fees from the Company for acting in any capacities other than as directors of the Company and have no ongoing interest or material relationship with the Company other than their shareholdings and stock options in the Company and serving as directors.

Accordingly, while it is anticipated that following the Meeting, the Board will have more “non-independent” directors than “independent” directors, it is the objective of the Company to strive to attain a majority of independent Board members and it has taken a step towards this objective with the addition of Ms. Werstiuk to the Board.

Mandate of the Board

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees (see “Committees of the Board of Directors” below). In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and its annual business plan, reviewing and approving the annual corporate and exploration, development and capital budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources. The Board also takes responsibility for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable.

The Board delegates to management, through the Company’s executive officers, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Although following the Meeting, the Board will be composed of a majority of “non-independent” directors, given the size of the Company’s current operations, the Board believes that the independence of the Board from management is not compromised by such composition. The Board believes that the fiduciary duties placed on management by the Company’s governing corporate legislation and common law and the restrictions on an individual director’s participation in decisions of the Board in which the director has an interest under applicable corporate and securities legislation provide the “independent” directors with significant input and leadership in exercising their responsibilities for independent oversight of management. In addition, each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances and the “independent” directors have the ability to meet independently of management whenever deemed necessary in order to facilitate open and candid discussion among the independent directors

Notwithstanding the foregoing, it is the Board’s objective to have a majority of independent directors.

Directorships

As of the date of this Information Circular, the following directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction.

Name of Director	Name of Other Reporting Issuer	Market/Tier	Position	Period
James Anderson	Orestone Mining Corp.	TSXV	Director	Since May 2019
Richard Silas	LDB Capital Corp Northern Lion Gold Corp. Sanibel Ventures Corp. Carcetti Capital Corp	TSXV TSXV TSXV TSXV	Director Secretary and Director CEO, CFO and Director Director	Since August 2021 Since September 2019 Since October 2017 Since May 2023

The above information has been provided by the directors and has not been independently verified by the Company.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

The Board itself must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

The Board has also adopted a written Code of Business Conduct and Ethics (the "**Code**") to assist all Company personnel in making decisions regarding the affairs of the Company. The Code establishes certain standards and procedures to be complied with by all directors, officers, employees and consultants of the Company relating to, among other things, financial reporting and disclosure, compliance with laws, conflicts of interest, confidentiality, stock trading and use of material information, environmental standards and safety, use of Company property and resources, and dealing with corporate opportunities with a view to conducting the Company's business and affairs honestly and with integrity, using high ethical standards. Any breach of the Code is reportable immediately to the Company in accordance with the provisions thereof.

Nomination and Assessment

Given its current size and stage of development, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. Nominees are generally the result of recruitment efforts by Board members, including both formal and informal discussions among Board members and the Chief Executive Officer, and proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current operations.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly mineral resource companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "*Election of Directors*" in Part 3 "THE BUSINESS OF THE MEETING" for a description of the current principal occupations of the Company's Board.

As present, the Board does not have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's current size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness and the effectiveness and contribution of its committees or individual directors on an ad hoc basis.

Committees of the Board of Directors

At the present time, the Board of the Company has appointed three formal committees, being the Audit Committee, the Corporate Governance and Compensation Committee and the Health and Safety Committee.

The Audit Committee is comprised of Ramon Davila (Chair), Daniel Oliver, Jr. and William Gehlen and is primarily responsible for the policies and practices relating to integrity of financial and regulatory reporting of the Company, as well as internal controls to achieve the objectives of safeguarding the Company's assets; reliability of information; and compliance with policies and laws. See Part 6 "AUDIT COMMITTEE" for further information regarding the mandate of the Company's audit committee and its composition, its specific authority, duties and responsibilities, as well as the

Audit Committee Charter

The Corporate Governance and Compensation Committee (the “CGCC”) is comprised of Daniel Oliver, Jr. (Chair), William Gehlen and Richard Silas, of which Messrs. Oliver and Gehlen are independent directors, and is primarily responsible for (i) establishing the Company’s corporate governance policies and procedures and monitoring compliance with such policies and procedures, and (ii) advising the Board on compensation of executive officers and directors, as well as related policies, programs and practices designed to achieve the strategic goals and financial objectives of the Company. See “Compensation” below.

The Health and Safety Committee is comprised of William Gehlen (Chair), James Anderson and Hernan Dorado Smith and is primarily responsible for establishing the Company’s health and safety policies and procedures and monitoring compliance with such policies and procedures. Of the three members of the Health and Safety Committee, only William Gehlen is an independent director.

Compensation

The CCGC is responsible for, inter alia, making recommendations to the Board on all forms of compensation (including long-term incentive in the form of stock options and other Awards) to be granted to the Company’s executive officers and directors to ensure such arrangements reflect the responsibilities and risks associated with each position. See the heading “*Oversight and Description of Director and Named Executive Officer Compensation*” in Part 4 “STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER” above for a discussion of the Company’s philosophy, objectives and processes with respect to executive compensation.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

No individual who is, or at any time during the most recently completed financial year of the Company was, a director or officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any one of them is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or to another entity (where such indebtedness to such other entity is, or was at any time during the most recently completed financial year of the Company, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries).

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

As of the date hereof, there is no indebtedness owing to the Company, any of its subsidiaries or any other entity (where such indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries) in connection with the purchase of securities or otherwise by any current or former executive officers, directors or employees of the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than disclosed elsewhere in this Information Circular and below, no informed person (as defined below), proposed nominee for election as a director, or any associate or affiliate of any informed person or proposed nominee, has had a material interest, direct or indirect, in any transaction with the Company or any of its subsidiaries or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company or any of its subsidiaries or is likely to do so.

By amended and restated royalty purchase option agreement dated November 11, 2020, as amended (the “**EMBSA Option Agreement**”), the Company acquired an option from Exploraciones Mineras de Bajío S.A. de C.V. (“**EMBSA**”), a private Mexican company beneficially owned by, inter alia, Hernan Dorado Smith, the Chief Strategy Officer and a director of the Company, to purchase 3 of the 4 underlying royalties on the Company’s El Pinguico silver and gold

project in Guanajuato, Mexico (“**El Pinguico**”) held by EMBSA, being a 4% net smelter returns royalty (“**NSR**”) on minerals recovered from the existing surface and underground stockpiles of historically mined mineral resources and material and the 3% NSR and 5% Net Profits Interest (“**NPI**”) on all newly mined mineralized material at El Pinguico, in consideration for C\$1,680,000 cash (of which the final option payments of C\$237,500 is due on or before June 30, 2024 and C\$237,500 is due on or before October 30, 2024) and 3,750,000 units of the Company (issued), each unit comprised of one common share and one non-transferable share purchase warrant to purchase an additional common share at a price of C\$0.175 for a term of 5 years.

Pursuant to an amendment to the EMBSA Option Agreement dated February 17, 2023, the Company purchased EMBSA’s outstanding 15% NPI royalty over the surface stockpile of mineral resources and material at El Pinguico for US\$70,000 cash on March 16, 2023.

Accordingly, upon payment of the C\$237,500 option payment due on or before June 30, 2024, and C\$237,500 due on or before October 30, 2024, under the EMBSA Option Agreement, the Company will own an undivided 100% interest in El Pinguico free and clear of all underlying royalties, save for a final 15% NPI in favour of EMBSA on the existing underground stockpile of mineral resources and material at El Pinguico and applicable governmental duties and taxes.

For the above purposes, “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of the directors and the ratification and approval of the Option Plan.

MANAGEMENT CONTRACTS

The management functions of the Company are performed by its directors and executive officers (or private companies controlled by such executive officers) and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers (or private companies controlled by such executive officers) of the Company. See the headings “*Director and Named Executive Officer compensation, excluding compensation securities*” and “*Employment, Consulting and Management Agreements*” in the Part 4 “STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER” above for details of the fees paid or payable to the Company’s Named Executive Officers (or private companies controlled by such Named Executive Officers) and directors for, inter alia, the year ended December 31, 2023

OTHER MATTERS

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

ADDITIONAL INFORMATION

Financial information about the Company is provided in its comparative financial statements and Management's Discussion and Analysis for the year ended December 31, 2023. You may obtain copies of such documents without charge upon request to us at 999 Canada Place, Suite 578, Vancouver, B.C., Canada V6C 3E1 – telephone (604) 670 - 8460. You may also access such documents, together with the Company's additional disclosure documents, through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca.

BOARD APPROVAL

The Board of the Company has approved the contents and the delivery of this Information Circular to its shareholders.

DATED at Vancouver, British Columbia, as of the 14th day of May, 2024.

BY ORDER OF THE BOARD

(signed) "*James Anderson*"

James Anderson
Chairman and Chief Executive Officer

EXHIBIT "A"

GUANAJUATO SILVER COMPANY LTD. AUDIT COMMITTEE CHARTER

Purpose

The overall purpose of the Audit Committee (the "**Audit Committee**") of Guanajuato Silver Company Ltd. (the "**Company**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

Composition, Procedures and Organization

- (3) The Committee shall consist of at least three members of the Board of Directors (the "Board").
- (4) At least two members of the Committee shall be independent, and the Committee shall endeavor to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (5) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (6) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (7) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (8) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (9) Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

- (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
- (8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Role and Responsibilities

- (1) The overall duties and responsibilities of the Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - A. contents of their report;
 - B. scope and quality of the audit work performed;
 - C. adequacy of the Company's financial and auditing personnel;
 - D. co-operation received from the Company's personnel during the audit;
 - E. internal resources used;
 - F. significant transactions outside of the normal business of the Company;
 - G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - H. the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

- (3) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (4) The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - A. the annual report to Shareholders;
 - B. the annual information form, if required;
 - C. annual and interim MD&A;
 - D. prospectuses;
 - E. news releases discussing financial results of the Company; and
 - F. other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Company's consolidated financial statements;
 - (f) review the minutes of any audit committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

(5) The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external auditors.