



## **GEOMEGA RESOURCES INC.**

### **Notice of Annual and Special Meeting of Shareholders and Management Proxy Circular**

Geomega Resources Inc.'s annual and special meeting of shareholders will be held at the offices of McMillan LLP located at 1000 Sherbrooke W, Suite 2700, Montréal, Québec, on October 27, 2021 at 10:00 a.m.

Shareholders may exercise their rights by attending the meeting or by completing a form of proxy.

**YOUR VOTE AS A SHAREHOLDER IS IMPORTANT**

**GEOMEGA RESOURCES INC.**  
**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

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**NOTICE IS HEREBY GIVEN THAT the annual and special meeting of the shareholders of Geomega Resources Inc. (the “Corporation”) will be held at the offices of McMillan LLP located at 1000 Sherbrooke W., Suite 2700, Montréal, Québec, on October 27, 2021 at 10:00 a.m. (the “Meeting”), for the following purposes:**

1. to receive the audited financial statements of the Corporation for the financial year ended May 31, 2021 and the auditors' report thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year, and authorize the directors to fix their remuneration;
4. to approve the Corporation’s stock option plan;
5. to transact such other business as may properly be brought before the Meeting and at any adjournment thereof.

The management proxy circular of the Corporation enclosed herein provides detailed information on the items that will be brought before the Meeting and is therefore to be considered as forming a part of this notice.

Boucherville, Québec, September 28, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(s) Kiril Mugerma*

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President and Director

Notice is also hereby given that the board of directors of the Corporation has fixed the record date for the Meeting at the close of business on September 22, 2021 (the "**Record Date**"). Only holders of common shares of the Corporation as of the Record Date are entitled to receive notice of the Meeting. Shareholders of the Record Date will be entitled to vote their shares at the Meeting.

**IMPORTANT**

**Holders of shares may exercise their rights by attending the Meeting or by completing a proxy form.** Those who are unable to attend the Meeting in person are urged to complete and return the enclosed form of proxy to Computershare, Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, or by fax at 1-866-249-7775 (within North America) or 416-263-9524 (outside North America), before 5:00 p.m. (Eastern Standard Time) on Monday, October 25, 2021. A person appointed as proxy need not be a shareholder of the Corporation. Holders of shares may also exercise their voting rights (i) by calling the toll-free number 1-866-732-8683 or any other number indicated on the proxy form or the voting instruction form or (ii) by going to the following website: [www.investorvote.com](http://www.investorvote.com). For any additional information concerning this matter, please contact Computershare by calling at no charge at 1-866-962-0498 (within North America) and at 514-982-8716 (outside North America) or by e-mail at [service@computershare.com](mailto:service@computershare.com).

**The Corporation urges shareholders to review the Meeting Materials before voting.**

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**GEOMEGA RESOURCES INC.**  
**(the “Corporation”)**

**MANAGEMENT PROXY CIRCULAR**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**  
(Containing information as at September 22, 2021 unless indicated  
otherwise)

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**REGISTERED SHAREHOLDERS**

You will have received a form of proxy from the Corporation’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”). Complete, sign and mail your form of proxy in the postage prepaid envelope provided or if you prefer to submit the form by way of fax or Internet, follow the instructions on the form to that effect.

**BENEFICIAL (NON-REGISTERED) SHAREHOLDERS**

Your common shares are held in the name of a nominee (securities broker, trustee or other financial institution). You will have received a request for voting instructions from your broker. Follow the instructions on your Voting Instruction Form to vote by telephone, Internet or fax, or complete, sign and mail the Voting Instruction Form in the postage prepaid envelope provided. **To vote in person at the Meeting, see the box on page 4 of this management proxy circular (the “Management Proxy Circular”).**

**PROXY VOTING**

**Who is soliciting my proxy?**

**The enclosed form of proxy is being solicited by the management of the Corporation** in connection with the annual and special meeting of shareholders (the “**Meeting**”) and the associated costs will be borne by the Corporation. The solicitation of proxies will be primarily by mail but may be by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. In addition, the Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of shares of the Corporation.

**How do I vote?**

There are two ways you can vote your shares if you are a registered shareholder. You may vote in person at the Meeting or you may sign the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your shares at the Meeting. If your shares are held in the name of a nominee, please see the box on page 4 for voting instructions.

### **What if I plan to attend the Meeting and vote in person?**

If you are a registered shareholder and plan to attend the Meeting on October 27, 2021, and you wish to vote your shares in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. Please register with the transfer agent, Computershare, upon arrival at the Meeting. If your shares are held in the name of a nominee, please see the box on page 4 for voting instructions.

### **What am I voting on?**

Shareholders will be asked to vote on the following matters:

1. the election of directors to the board of directors of the Corporation (the “**Board of Directors**” or the “**Board**”) for the ensuing year;
2. the appointment of the auditors of the Corporation for the ensuing year, and the authorization for the directors to fix their remuneration;
3. to consider and, if deemed advisable, to adopt an ordinary resolution confirming and approving the Corporation’s stock option plan (the “**Stock Option Plan**”);
4. any such other business as may properly be brought before the Meeting or at any adjournment thereof.

For more details, please refer to the heading entitled “**Matters to be Acted Upon at the Meeting**”.

Other than as specifically discussed under the heading entitled “**Matters to be Acted Upon at the Meeting**”, no director or executive officer, past, present or nominated hereunder, or any associate or affiliate of such persons, or any person on behalf of whom this solicitation is made, has any interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

### **What if I sign the form of proxy enclosed with this Management Proxy Circular?**

Signing the enclosed form of proxy gives authority to Mr. Kiril Mugerman or Kosta Kostic, directors of the Corporation, or to another person you have appointed, to vote your shares at the Meeting.

### **Can I appoint someone other than these directors to vote my shares?**

**Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the form of proxy.** It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your shares. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of Computershare.

### **What do I do with my completed form of proxy?**

Return it to the Corporation's transfer agent, Computershare, at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or by fax to 1 (888) 453-0330 within Canada and the United States **no later than 10 a.m. on October 25, 2021**. This will ensure that your vote is recorded.

### **Can I vote by way of Internet?**

Yes, if you wish to vote electronically, access the following Website: [www.investorvote.com](http://www.investorvote.com), enter your personalized control number printed on the form of proxy and follow the instructions on the website, **no later than 10 a.m. on October 25, 2021**. This will ensure that your vote is recorded.

### **If I change my mind, can I take back my form of proxy once I have given it?**

Yes. If you change your mind and wish to revoke your form of proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered at the above-mentioned registered office of Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the form of proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, and upon either of such deposits the form of proxy is revoked.

### **How will my shares be voted if I give my form of proxy?**

The persons named on the form of proxy must vote for or against or withhold from voting your shares in accordance with your directions, or you can let your proxyholder decide for you. **Where shareholders have not specified in the form of proxy the manner in which the designated proxyholders are required to vote the common shares represented thereby as to any matter to be voted on, such common shares will be voted, on any ballot that may be called, FOR or IN FAVOUR of such matter, as detailed under the heading entitled “Matters to be Acted Upon at the Meeting”.**

### **What if amendments are made to these matters or if other matters are brought before the Meeting?**

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the enclosed form of proxy and with respect to other matters which may properly come before the Meeting. As of the time of printing of this Management Proxy Circular, management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

### **How many shares are entitled to vote?**

As at the close of business on September 22, 2021 (the “**Record Date**”) there were 129,867,211 common shares of the Corporation issued and outstanding, each of which is entitled to one vote at the Meeting. Only shareholders whose common shares are registered in the Corporation’s register on the Record Date are entitled to receive notice of and to vote at the Meeting.

To the knowledge of the management of the Corporation, at the date hereof, no person holds, directly or indirectly, nor exercises control or direction over shares carrying more than 10% of the voting rights attached to all the shares of the Corporation.

### **Who counts the votes?**

The Corporation’s transfer agent, Computershare, counts and tabulates the proxies. This is done independently of the Corporation to preserve the confidentiality of individual shareholder votes. Proxies

are referred to the Corporation only in cases where a shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

### **If I need to contact the transfer agent, how do I reach them?**

For general shareholder enquiries, you can contact the transfer agent:

By mail:

Computershare Investor Services Inc.  
100 University Avenue, 8<sup>th</sup> Floor  
Toronto, Ontario, M5J 2Y1

By telephone

within Canada and the United States at 1 (800) 564-6253

By fax:

within Canada and the United States at 1 (888) 453-0330

### **If my shares are not registered in my name but are held in the name of a nominee (a bank, trust company, securities broker, trustee or other), how do I vote my shares?**

There are two ways you can vote your shares held by your nominee. As required by Canadian securities legislation, you will have received from your nominee either a request for voting instructions (a Voting Instructions Form) or a form of proxy for the number of shares you hold. For your shares to be voted for you, please follow the voting instructions provided by your nominee. Since the Corporation has limited access to the names of its beneficial (non-registered) shareholders, if you attend the Meeting, the Corporation may have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as proxy holder. Therefore, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the transfer agent, Computershare, upon arrival at the Meeting.

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **1. Presentation of the Financial Statements**

The audited financial statements of the Corporation for the financial year ended May 31, 2021 and the auditors' report thereon will be submitted to shareholders at the Meeting but no vote with respect thereto is required or proposed to be taken.

### **2. Election of Directors**

Pursuant to the Corporation's articles and resolutions of its Board of Directors, the business of the Corporation is managed by a Board of Directors consisting of not less than three and not more than ten directors.

At the Meeting, the six persons named hereunder will be proposed for election as directors of the Corporation for the ensuing year. You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them. **Except where authority to vote for the election of directors is withheld, the persons named in the accompanying form of proxy will vote the shares represented by such form of proxy at the Meeting FOR the election of each of the persons named hereunder.**

A simple majority of the votes cast, in person or by proxy, will constitute approval of this matter. Each director elected will hold office until the next annual meeting of the shareholders or until a successor is duly elected or appointed, unless his office is vacated earlier pursuant to the by-laws of the Corporation.

The nomination of candidates for the Board of Directors of the Corporation is subject to by-law 2012-01, which establishes the process to be followed by the shareholders to nominate a person for election as a director of the Corporation and provides for a reasonable period of time to submit candidacies, as well as specific requirements as to the information which must accompany the candidacies (the “**Advance notice of nomination**”). As of the date of this Management Proxy Circular, the Corporation had received no Advance notice of nomination by a shareholder. See the sections entitled “**Advance notice of nomination**” and “**2022 advance notice of nomination**” below.

The table below indicates, for each nominee proposed for election as a director, his/her name, province and country of residence, position held in the Corporation, present principal occupation, the year he/she became a director, whether or not he/she is independent, and the committees of the Corporation's Board of Directors of which he/she is a member. The table also indicates the number of shares of the Corporation with voting rights controlled or beneficially owned, directly or indirectly, by the nominee.

The management of the Corporation does not contemplate that any of the nominees hereunder will, for any reason, become unable or unwilling to serve as a director. **However, if any change should occur prior to the Meeting, the persons named in the form of proxy reserve the right to vote for other nominees of their choice unless the shareholder has indicated in the form of proxy his wish to withhold from exercising the voting rights attached to his shares at the time of the election of the directors.**

The nominees themselves have provided the following information to the Corporation, which is up to date as of the date of the Management Proxy Circular.

Name, Residence and Office Held in the Corporation	Principal Occupation	Director since	Number and Percentage of Common Shares Beneficially Owned or Controlled
Kiril Mugerman Quebec, Canada Director Non-Independent	President and Chief Executive Officer and President, CEO and director of Kintavar Exploration Inc.	2016	1,982,353 1.52%
Kosta Kostic <sup>(1)</sup> Quebec, Canada Director Independent	Partner, Fasken Martineau DuMoulin LLP, an international law firm	2017	250,000 0.19%
Gilles Gingras <sup>(1)</sup> Quebec, Canada Director Independent	Retired partner in audit and advisory services at Deloitte LLP, a global professional services firm	2013	726,546 0.56%
Mario Spino <sup>(1)(2)</sup> Quebec, Canada Director Independent	National Bank of Canada, model validation	2010	983,702 0.75%
Matt Silvestro <sup>(2)</sup> Ontario, Canada Director Independent	President and owner of Jobmaster Magnets Canada Inc.	2020	45,000 0.03%
Nicholas Nickoletopoulos <sup>(2)</sup> Quebec, Canada Director Independent	President, Managing Director and minority shareholder of Metalunic Revêtement	2020	85,000 0.07%

(1) Member of the Audit Committee.

(2) Member of the Corporate Governance, Nominating and Compensation Committee.

All nominees were elected to their present term of office by the shareholders of the Corporation at a meeting in respect of which the Corporation circulated to shareholders a management proxy circular.

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

To the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that as at the date hereof, no proposed director of the Corporation:

- (a) is, as at the date of hereof or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that:
  - (i) was subject to a cease trade or similar order or an order that denied the corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, and was issued while that person was acting in that capacity; or
  - (ii) was subject to a cease trade or similar order or an order that denied the corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, and that was issued after the proposed director ceased acting in that capacity and which resulted from an event that occurred while that person was acting in that capacity;
- (b) is, as at the date hereof or has been within the 10 years before the date hereof, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date hereof, 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 its assets;

Furthermore, to the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that as at the date hereof, no proposed director of the Corporation:

- a) was subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; nor
- b) was subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

### **Advance Notice of Nomination**

The nomination of candidates for the Board of Directors of the Corporation is subject to by-law 2012-01 passed by the Board of Directors of the Corporation on September 21, 2012 and ratified by the shareholders at the annual and special meeting of the shareholders held on October 30, 2012, which establishes the terms applicable to the Advance notice of nomination. The purpose of the Advance notice of nomination is to treat all the shareholders fairly by ensuring that they, including those who participate

to a meeting by proxy rather than in person, will receive adequate Advance notice of the nominations which will be reviewed at the meeting and thus can exercise their voting rights in an enlightened manner. Furthermore, the advance notice provision will contribute to facilitate holding a meeting in an orderly and efficient way.

The Advance notice of nomination shall fix a deadline by which the registered holders of common shares of the Corporation may nominate a person for election at the Board of Directors of the Corporation prior to any annual or special meeting of the shareholders and specify the information which a shareholder must include in the advance notice to the Corporation for such written notice to be properly given.

As of the date of this Management Proxy Circular and in respect of the Meeting referred to herein, the Corporation has received no advance notice under the requirement for Advance notice of nomination. Accordingly, only the nominations proposed or authorized by the Board of Directors will be reviewed at the Meeting.

The terms of by-law 2012-01 pertaining to the Advance notice of nomination may be found at Schedule « C » of the proxy circular dated October 1, 2012 prepared for the purposes of the annual and special meeting of the shareholders of the Corporation held on October 30, 2012, a copy of which is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **2022 Advance Notice of Nomination**

In the event that a shareholder wishes to propose the candidacy of one or several persons as directors of the Corporation at the next annual meeting of the shareholders of the Corporation to be held in 2022, an Advance notice of nomination must be sent to the Corporation at least 30 days and no more than 65 days prior to the date of the annual meeting, however provided that in the event that the annual meeting is scheduled to be held on a date which falls less than 50 days after the date on which a first public announcement has been made, the notice cannot be given later than at close of business on the 10<sup>th</sup> day following such public announcement.

### **3. Appointment of Auditors**

The Board of Directors proposes the nomination of PricewaterhouseCoopers LLP ("PwC") as auditors of the Corporation for the financial year ending May 31, 2022.

Consequently, shareholders of the Corporation are asked to approve the re-appointment of PwC as the auditors of the Corporation to hold office until the close of the next annual shareholders' meeting of the Corporation and to authorize the Board of Directors to establish the auditors' remuneration.

**Except where authority to vote for the appointment of the auditors of the Corporation is withheld, the persons named in the accompanying form of proxy will vote the shares represented by such form of proxy at the Meeting FOR the appointment of PwC as auditors of the Corporation for the current financial year, and to authorize the directors of the Corporation to fix their remuneration.**

A simple majority of the votes cast, in person or by proxy, will constitute approval of this matter.

### **4. Approval of Stock Option Plan**

The Stock Option Plan was last approved by the shareholders on October 21, 2020. The Stock Option Plan of the Corporation was established by the Board of Directors of the Corporation in July 2010. The Stock Option Plan was amended in November 2010 so as to set a vesting schedule for all options granted.

The Stock Option Plan was also amended in February 2011 in order to allow the Corporation to take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Corporation is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any option grant or option exercise. During the year ended May 31, 2014, the Board of Directors amended the Stock Option Plan in order to meet the requirements of the TSX Venture Exchange.

Under the Stock Option Plan, the Board of Directors may, from time to time and at its discretion, grant to directors, officers, employees or consultants of the Corporation options to acquire common shares of the Corporation, provided that the number of options granted does not exceed a maximum of 10% of the aggregate number of common shares of the Corporation issued and outstanding. Consequently, the number of common shares that are reserved under the Stock Option Plan is automatically increased as the number of issued and outstanding common shares of the Corporation increases. This is known as a “rolling” stock option plan.

Under TSX Venture Exchange *Policy 4.4 - Incentive Stock Options*, a “rolling” stock option plan, such as the Stock Option Plan, must receive shareholder approval yearly, at the annual meeting of shareholders. Accordingly, at the Meeting, shareholders will be asked to consider, and if deemed appropriate, to pass, with or without variation, a resolution in the form annexed to this Management Proxy Circular as Schedule “A” (the “**Stock Option Plan Resolution**”), subject to such amendments, variations or additions as may be approved at the Meeting, ratifying, confirming and approving the Stock Option Plan.

The Board of Directors and management recommend the adoption of the Stock Option Plan Resolution. In order to be adopted, the Stock Option Plan Resolution must be approved by a majority of the votes cast by the shareholders, either present in person or represented by proxy at the Meeting. **Unless the form of proxy states otherwise, the persons named in the accompanying form of proxy will vote the shares represented by such form of proxy at the Meeting FOR the approval of the Stock Option Plan Resolution.**

A simple majority of the votes cast, in person or by proxy, will constitute approval of this matter.

The following is a summary of the terms and conditions of the Stock Option Plan:

- the Board of Directors of the Corporation may grant options to acquire common shares of the Corporation to directors, executive officers, employees and services providers of the Corporation and of its subsidiaries;
- the Board of Directors administers the Stock Options Plan, designates the recipients of options and determines the number of common shares covered by each such option, the exercise price of each option, the expiry date and any other question relating thereto, in each case in accordance with the applicable legislation of the securities regulatory authorities.
- the price at which the common shares covered by an option may be purchased pursuant to the Stock Option Plan will not be lower than the value of the common shares as recorded in the last sale of a board lot on the TSX Venture Exchange on the day preceding the allocation of the option;
- all options granted under the Stock Option Plan may be exercised during varying option periods established by the Board of Directors that do not exceed five (5) years;

- options granted are non-transferable;
- the maximum number of shares that may be issued under the Stock Option Plan will be limited to 10% of the issued shares at the time of the grant of the options;
- the number of shares reserved for issuance during a twelve-month period cannot exceed the following percentage of issued and outstanding shares of the Corporation, being:
  - i) 5% in the case of an individual;
  - ii) 2% in the case of a consultant; and
  - iii) 2% for all persons providing investor relation services, with these options to be acquired gradually over that 12 months period, with a maximum of 25% per quarter.
- the options shall terminate upon the death, retirement, resignation or termination of employment of the beneficiary, the beneficiaries or their heirs sometimes having additional delays (that cannot exceed 12 months) stipulated by the Stock Option Plan to exercise their options; and
- the options granted (to person other than to a person providing investor relation services) vest gradually over a period of 24 months from the day of grant, at a rate of 1/4 per six-month period.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

#### ***Corporate governance, Nomination and Compensation Committee***

##### **Duties and Responsibilities**

In order to assist the Board of Directors in fulfilling its responsibilities with respect to human resources matters and in order to consolidate corporate governance, nomination and compensation matters in one committee, the Board of Directors has established the Corporate Governance, Compensation and Nomination Committee on September 19, 2013.

The Corporate Governance, Compensation and Nomination Committee's purpose is to:

- (a) fix the Chief Executive Officer's ("CEO") individual goals and objectives as well as corporate goals which are relevant to his compensation and review such goals and objectives with the CEO and evaluate the CEO's performance in light of those goals and objectives, determine and recommend for approval the CEO's compensation based on that evaluation and report to the Board of Directors thereon;
- (b) in consultation with the CEO, review and make recommendations to the Board of Directors with respect to the compensation of all members of senior management other than the CEO (including incentive-compensation plans, equity-based plans, the terms of any employment agreements, severance arrangements, and change in control arrangements or provisions, and any special or supplemental benefits, as the case may be), with a view to maintaining a compensation program for the senior management at a fair and competitive level, consistent with the best interests of the Corporation;

- (c) when requested by the Board, review and make recommendations to the Board of Directors with respect to compensation of directors, the Chairman of the Board of Directors and those acting as committee chairs to, among other things, ensure their compensation appropriately reflects the responsibilities they are assuming;
- (d) when requested by the Board, determine and make recommendations to the Board of Directors regarding stock option awards pursuant to any of the Corporation's equity-based plans;
- (e) when requested by the Board, review the efficiency of incentive compensation programs and equity-based compensation programs for the Corporation's directors, officers and employees, and, when seen as advisable, make recommendations to the Board of Directors regarding the role thereof;
- (f) when requested by the Board, review executive compensation disclosure prior to public disclosure of this information by the Corporation; and
- (g) when requested by the Board, review with the Board of Directors the succession plans relating to the position of the CEO and other senior positions and make recommendations to the Board of Directors with respect to the selection of individuals to occupy these positions.

#### Composition and Experience

During the most recently completed financial year, the Corporate Governance, Compensation and Nomination Committee was comprised of three directors, namely Mario Spino (Chair), Matt Silvestro and Nicholas Nicholetopoulos, all of whom were independent members.

Each member of the Corporate Governance, Compensation and Nomination Committee was an experienced business person and had general knowledge of incentive structures and compensation levels.

Mr. Spino holds a Bachelor's degree in Business Administration from HEC (Montreal) since May 2000 and a Master's degree in Financial Engineering from HEC (Montreal) since 2003. He currently works for National Bank of Canada in model validation. From January 2013 to March 2017, he has been an independent risk management consultant. In 2012, he held the position of Chief Financial Officer of the Corporation. From 2008 to July 2011, he held the position of Senior Advisor (Advisory Services) at KPMG where he advised Canadian asset managers and banks on financial market risk management and derivatives valuation.

As president and owner of Jobmaster Magnets, Mr. Silvestro is a Canadian entrepreneur with an established track record of leading companies during both growth stages and market downturns. His operational experience spans all sides of a business from financial, procurement, administration, quality management and production. Mr. Silvestro holds a BA in Social Science (Geography – focus on soil science and hydrology) from University of Western Ontario.

Mr. Nickoletopoulos is President, Managing Director and minority shareholder of Metalunic, a Quebec-based manufacturer of metallic building envelope products primarily composed of Canadian base materials. Previously, he led different companies as President, CEO or General Manager including Urecon, Sivaco Wire Group and Ifastgroupe. Dr. Nickoletopoulos sat on the Board of Directors of Durabox Paper Inc. from 2003 to 2016 until it was acquired by Supremex Inc. (SXP on the TSX). He sat on the Board of Wire Association International based in Madison, Connecticut, and acted as President and Chairman in 2012. Dr. Nickoletopoulos holds a Ph.D. and a Bachelors degree in Metallurgical Engineering from McGill University and is a member of the Professional Order of Engineers of Ontario since 1997.

These skills and experiences enabled the Corporate Governance, Compensation and Nomination Committee to make proper decisions on the suitability of the Corporation's compensation program.

### ***Objectives of the Corporation's Compensation Program***

The Corporation does not have a formal executive compensation program, however the Corporation aims at offering to its executives, compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics.

The Corporation is an exploration and development corporation and will not be generating significant revenues from operations for the foreseeable future. As a result, the use of traditional and measured performance metrics, such as corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of its executives.

During the last financial year, the Corporation has not adopted specific corporate and individual objectives to determine the compensation to be paid to the executive officers.

As the Corporation is at the exploration and development phase with respect to its properties, it often has to operate with limited financial resources and control costs to ensure that funds are available to complete scheduled programs. As a result, the Board of Directors has also considered not only the financial situation of the Corporation at the time of the determination of the compensation but also the estimated financial situation in the mid and long-term.

For the financial year ended May 31, 2021, the compensation paid to the executive officers was determined after taking into consideration the Corporation's business strategy, compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics and general economic considerations. Please refer to the heading entitled "**Compensation Process**" of this Management Proxy Circular.

### ***Compensation and Risk Management***

In light of the Corporation's size and the fact that it has not implemented a formal compensation program, it was not applicable for either the Corporate Governance, Compensation and Nomination Committee or the Board of Directors to consider risks associated a compensation program.

The Corporation, as part of adopting its Insider Trading Policy, adopted a provision restraining the Named Executive Officers (as hereinafter defined) or directors from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, any of which are designed to hedge their equity-based compensation awards or the value of the securities they hold.

### ***Compensation Process***

The Corporate Governance, Compensation and Nomination Committee relies on the knowledge and experience of its members to target appropriate levels of compensation for executive officers.

The Corporate Governance, Compensation and Nomination Committee uses data publicly available to it to ensure that the Corporation is maintaining a level of compensation that is both commensurate with the size of the Corporation and sufficient to retain key personnel.

In the Corporate Governance, Compensation and Nomination Committee's view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing

compensation levels. External data is considered, along with an assessment of individual performance and experience, the Corporation's business strategy, and general economic considerations.

In order to be assisted in its functions, the Corporate Governance, Compensation and Nomination Committee shall have the authority to hire an independent compensation consultant to provide comparative market data and trends. However, due to the financial constraints of the Corporation during the last financial year, no such consultant was hired for the purpose of establishing compensation levels relative to any predetermined level or of comparing of the compensation to a specific peer group of corporations.

### *Elements of Executive Compensation*

The compensation of the executive officers consists primarily of the payment of a base salary or consulting fees (in the case of contractor arrangements) and, in certain cases, the granting of options.

#### Base salary or consultant fees

The Board of Directors, in determining base salary or consultant fees for each executive officer, considers the person's experience, position and responsibility within the Corporation. Base salaries or consulting fees are reviewed annually by the Compensation Committee.

#### Annual bonus

The Corporation has not adopted an annual bonus plan. Awards of annual bonuses are at the discretion of the Board of Directors. No awards were made in the financial year ended May 31, 2021.

#### Stock Options

The Board of Directors believes that executive officers and employees should have a stake in the future growth of the Corporation and that their interests should be aligned with those of the shareholders. Executive officers, employees, directors and consultants who have an ability to directly impact the Corporation's business are eligible to participate in the Corporation's Stock Option Plan.

Stock Options may be awarded by the Board of Directors to executive officers and directors at the commencement of their employment or directorship, annually based on meeting corporate and individual objectives, or for specific requirement, as the Board sees fit.

In reviewing option grants, the Board of Directors gives consideration to the number of options already held by the executive officer, the level of responsibility assumed by the executive officer as well as his overall contribution to the Corporation's business plan. For the financial year ended May 31, 2021, the Compensation Committee determined the number of options granted in a discretionary manner based on the roles of each participant.

For more information with respect to the Corporation's Stock Option Plan, please refer to the heading entitled "**Ratification and confirmation of Stock Option Plan**" of this Management Proxy Circular.

### **Executive Compensation Summary**

#### *Summary Compensation Table*

During the most recently completed financial year ended May 31, 2021, the Corporation had four Named Executive Officers (as hereinafter defined), namely Kiril Mugerman, its President and Chief Executive Officer, Alain Cayer, its Vice-President Exploration, Mathieu Bourdeau, its Chief Financial Officer, and Dr. Pouya Hajiani, its Chief Technology Officer,

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

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, 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 neither an officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The following table sets forth all annual and long-term compensation awarded, paid to or earned by the Corporation's Named Executive Officers during the financial years of the Corporation ended May 31, 2019, 2020 and 2021.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long Term Incentive Plans			
Kiril Mugerma <sup>(3)</sup> President and Chief Executive Officer	2021	76,206 <sup>(9)</sup>	-	28,650 <sup>(10)</sup>	-	-	-	-	104,856
	2020	70,631	-	27,800 <sup>(7)(8)</sup>	-	-	-	-	98,431
	2019	51,480	-	7,950 <sup>(6)</sup>	-	-	-	-	59,430
Alain Cayer <sup>(1)</sup> Vice-President Exploration	2021	1,370	-	14,325 <sup>(10)</sup>	-	-	-	-	15,695
	2020	24,644	-	23,250 <sup>(7)(8)</sup>	-	-	-	-	47,894
	2019	-	-	1,325 <sup>(6)</sup>	-	-	-	-	1,325
Pouya Hajiani <sup>(2)</sup> Process Engineer and Chief Technology Officer	2021	183,000 <sup>(9)</sup>	-	28,650 <sup>(10)</sup>	-	-	-	-	211,650
	2020	150,000	-	27,800 <sup>(7)(8)</sup>	-	-	-	-	177,800
	2019	150,000	-	7,950 <sup>(6)</sup>	-	-	-	-	157,950
Mathieu Bourdeau <sup>(4)</sup> Chief Financial Officer	2021	37,365	-	28,650 <sup>(10)</sup>	-	-	-	-	66,015
	2020	53,315	-	27,800 <sup>(7)(8)</sup>	-	-	-	-	81,115
	2019	34,969	-	22,650 <sup>(5)(6)</sup>	-	-	-	-	57,619

(1) Mr. Cayer joined the Corporation on September 1, 2011 and was appointed Vice-President Exploration on April 30, 2012.

(2) Mr. Hajiani joined the Corporation on March 1, 2013 as a process engineer. He was appointed Chief Technology Officer on January 26, 2015.

(3) Mr. Mugerma was appointed President and Chief Executive Officer of the Corporation on September 14, 2015. Since January 1, 2017 and until May 31, 2017, part of Mr. Mugerma's salary was charged to Kintavar Exploration inc, based on time sheet.

(4) M. Bourdeau joined the Corporation on October 1<sup>st</sup>, 2018 as financial controller and was named Chief Financial Officer on October 25, 2018.

(5) In 2019, for the 400,000 options granted to Mr. Bourdeau, the \$0.05 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 89%, a risk-free interest rate of 2.22% and an expected life of options of 3.75 years.

(6) In 2019, for the 150,000 options granted to Mr. Mugerma, the 25,000 options granted to Mr. Cayer, the 150,000 options granted to Mr. Hajiani and the 50,000 options granted to Mr. Bourdeau, the \$0.053 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 88%, a risk-free interest rate of 2.26% and an expected life of options of 3.75 years.

(7) In 2020, a first grant was made for 200,000 options granted to Mr. Mugerma, Mr. Bourdeau and Mr. Hajiani as well as 150,000 options to Mr. Cayer. A fair market value of \$ 0.091 per option was estimated using the Black-Scholes model based on the following assumptions: risk-free interest rate of 1.56%, expected volatility of 82%, no dividend per share and an expected life of options of 3.75 years.

(8) In 2020, a second grant was made for 100,000 options granted to Mr. Mugerma, Mr. Cayer, Mr. Hajiani and Mr. Bourdeau. A fair market value of \$ 0.096 per option was estimated using the Black-Scholes model using the following assumptions: risk-free interest rate of 0.43%, expected volatility of 83%, no dividend per share and an expected life of options of 3.75 years.

(9) The Salary includes the payment of \$33,000 of cumulated vacations.

(10) In 2021, for the 150,000 options granted to Mr. Mugerma, the 75,000 options granted to Mr. Cayer, the 150,000 options granted to Mr. Hajiani and the 150,000 options granted to Mr. Bourdeau, the \$0.191 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 79.42%, a risk-free interest rate of 0.3203% and an expected life of options of 3.75 years.

## Incentive Plan Awards

### *Outstanding Share-based Awards and Option-based Awards*

The following table indicates for each of the Named Executive Officers all awards outstanding at the close of the financial year ended May 31, 2021.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options <sup>(1)</sup> (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested <sup>(1)</sup> (\$)
Kiril Mugerman <sup>(4)</sup> President and Chief Executive Officer	500,000 <sup>(6)</sup>	0.095	November 29, 2021	142,500	-	-
	125,000	0.09	October 19, 2022	36,250		
	150,000	0.085	November 20, 2023	44,250		
	200,000	0.155	October 23, 2024	45,000		
	100,000	0.165	April 16, 2025	21,500		
	150,000	0.34	January 27, 2026	6,000		
Mathieu Bourdeau <sup>(5)</sup> Chief Financial Officer	400,000	0.08	September 14, 2023	120,000	-	-
	50,000	0.085	November 20, 2023	14,750		
	200,000	0.155	October 23, 2024	45,000		
	100,000	0.165	April 16, 2025	21,500		
	150,000	0.34	January 27, 2026	6,000		
Alain Cayer <sup>(2)</sup> Vice-President Exploration	300,000 <sup>(6)</sup>	0.095	November 29, 2021	85,500	-	-
	125,000	0.09	October 19, 2022	36,250		
	25,000	0.085	November 20, 2023	7,375		
	150,000	0.155	October 23, 2024	33,750		
	100,000	0.165	April 16, 2025	21,500		
	75,000	0.34	January 27, 2026	3,000		
Pouya Hajiani <sup>(3)</sup> Chief Technology Officer	150,000	0.095	November 29, 2021	42,750	-	-
	75,000	0.09	October 19, 2022	21,750		
	150,000	0.085	November 20, 2023	44,250		
	200,000	0.155	October 23, 2024	45,000		
	100,000	0.165	April 16, 2025	21,500		
	150,000	0.34	January 27, 2026	6,000		

(1) Calculated based on the difference between the exercise price of the options and the closing price of the common shares of the Corporation as at May 31, 2021, being \$0.38.

(2) Mr. Cayer joined the Corporation on September 1, 2011 and was appointed Vice-President Exploration on April 30, 2012.

(3) Mr. Hajiani joined the Corporation on March 1, 2013 as a Process Engineer and became Chief Technology Officer on January 26, 2015.

(4) Mr. Mugerman joined the Corporation in September 2014, appointed President and Chief Executive Officer on September 14, 2015.

(5) M. Bourdeau joined the Corporation on October 1<sup>st</sup>, 2018 as financial controller and was named Chief Financial Officer on October 25, 2018.

(6) The options were exercised before the record date on September 22, 2021.

### *Incentive plan awards – value vested or earned during the year*

<b>Name</b>	<b>Option-Based Awards – Value Vested During the Year <sup>(1)</sup></b>	<b>Share-Based Awards – Value Vested During the Year <sup>(1)</sup></b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During the Year</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Kiril Mugerma <sup>(2)</sup> President and Chief Executive Officer	30,250	-	-
Mathieu Bourdeau <sup>(5)</sup> Chief Financial Officer	36,750	-	-
Alain Cayer <sup>(3)</sup> Vice-President Exploration	22,375	-	-
Pouya Hajjani <sup>(4)</sup> Process Engineer and Chief Technology Officer	30,250	-	-

- (1) The value of the stock options that vested in the year ended May 31, 2021 is determined by multiplying the number of options vested during the year by the difference between the closing price of the Corporation's common shares on the TSX Venture Exchange on the date of vesting and the exercise price of the options. If the closing price of the Corporation's common shares was below or equal to the exercise price, the value of the vested options during the year was \$ nil.
- (2) Mr. Mugerma. On the November 20, 2018 grant at \$0.085, 37,500 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 50,000 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 50,000 options vested on April 23, 2021 with a TSX-V price at \$0.52. On the April 17, 2020 grant at \$0.165, 25,000 options vested on October 17, 2020 with a TSX-V price at \$0.185 and. 25,000 options vested on April 17, 2021 with a TSX-V price at \$0.445.
- (3) Mr. Cayer. On the November 20, 2018 grant at \$0.085, 6,250 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 37,500 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 37,500 options vested on April 23, 2021 with a TSX-V price at \$0.52. On the April 17, 2020 grant at \$0.165, 25,000 options vested on October 17, 2020 with a TSX-V price at \$0.185 and. 25,000 options vested on April 17, 2021 with a TSX-V price at \$0.445.
- (4) Mr. Hajjani. On the November 20, 2018 grant at \$0.085, 37,500 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 50,000 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 50,000 options vested on April 23, 2021 with a TSX-V price at \$0.52. On the April 17, 2020 grant at \$0.165, 25,000 options vested on October 17, 2020 with a TSX-V price at \$0.185 and. 25,000 options vested on April 17, 2021 with a TSX-V price at \$0.445.
- (5) Mr. Bourdeau. On the September 14, 2018 grant at \$0.08, 100,000 options vested on September 14, 2020 with a TSX-V price at \$0.17. On the November 20, 2018 grant at \$0.085, 12,500 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 50,000 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 50,000 options vested on April 23, 2021 with a TSX-V price at \$0.52. On the April 17, 2020 grant at \$0.165, 25,000 options vested on October 17, 2020 with a TSX-V price at \$0.185 and. 25,000 options vested on April 17, 2021 with a TSX-V price at \$0.445.

### **Pension Plan Benefits**

The Corporation does not have a pension plan or similar benefit program.

### **Termination and Change of Control Benefits**

On June 27, 2013, the Corporation entered into an employment agreement with Alain Cayer as Vice-President Exploration of the Corporation. This employment agreement stipulates among other things, a base salary and provides for, in the event that the employment is terminated without cause, an indemnity equal to three months' base salary. This indemnity will be increased by an additional three months each year, subject to a maximum of 6 months. The agreement further provides for, in the event of a change of control, an indemnity paid in a lump sum equal to 24 months base salary, payable within 10 days of the election date and which represents, for the financial year ended May 31, 2021, an amount of \$278,100.

On April 1, 2014, the Corporation entered into an employment agreement with Pouya Hajjani as Process Engineer of the Corporation. This employment agreement stipulates among other things, a base salary and provides for, in the event that the employment is terminated without cause, an indemnity equal to three months' base salary. This indemnity will be increased by an additional three months each year, subject to a maximum of 6 months. The agreement further provides for, in the event of a change of control, an

indemnity paid in a lump sum equal to 24 months' base salary, payable within 10 days of the election date and which represents, for the financial year ended May 31, 2021, an amount of \$300,000. The details of the rights on the technology in the case of Change of Control are presented in detail in the 2017 Management Circular.

On September 14, 2015, the Corporation entered into an employment agreement with Kiril Mugerma as President and Chief Executive Officer of the Corporation. This employment agreement stipulates among other things, a base salary and provides for, in the event that the employment is terminated without cause, an indemnity equal to 6 months' base salary. The agreement further provides for, in the event of a change of control, an indemnity paid in a lump sum equal to 24 months base salary, payable within 10 days of the election date and which represents, for the financial year ended May 31, 2021, an amount of \$270,000.

On December 1<sup>st</sup>, 2018, the Corporation entered into an employment agreement with Mathieu Bourdeau as Chief Financial Officer. This employment agreement stipulates among other things, a base salary and provides for, in the event that the employment is terminated without cause, an indemnity equal to 12 months' base salary. The agreement further provides for, in the event of a change of control, an indemnity paid in a lump sum equal to 24 months' base salary, payable within 10 days of the election date and which represents, for the financial year ended May 31, 2021, an amount of \$250,000.

## Director Compensation

The Corporation has not adopted a formal compensation plan for directors. The objectives of the directors' compensation are to compensate the directors in a manner that is appropriate for the Corporation and competitive with other comparable companies and to align the interests of the directors with the shareholders.

Since 2020, directors of the Corporation only receive stock-based compensation for their services. Directors who are also executive officers of the Corporation do not receive extra compensation for the services rendered as a director of the Corporation. Directors are entitled to the reimbursement of expenses incurred in attending meetings of the Corporation.

For the year ended May 31, 2021, the Board of Directors determined the number of options to be granted to the directors for the prior year of service in a discretionary manner that took into consideration the size of the Corporation.

### *Director compensation*

Name <sup>(1)</sup>	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	TOTAL (\$)
Gilles Gingras	-	-	9,550 <sup>(2)</sup>	-	-	-	9,550
Mario Spino	-	-	9,550 <sup>(2)</sup>	-	-	-	9,550
Kosta Kostic	-	-	9,550 <sup>(2)</sup>	-	-	-	9,550
Matt Silvestro <sup>(3)</sup>	-	-	33,050 <sup>(2)(3)</sup>	-	-	-	33,050
Nicholas Nickoletopoulos <sup>(4)</sup>	-	-	34,800 <sup>(2)(4)</sup>	-	-	-	34,800

(1) Mr. Kiril Mugerma was a Named Executive Officer for the financial year ended May 31, 2021 and received no fees as a director. Details respecting Mr. Mugerma's compensation are provided in the table entitled "Summary Compensation Table" and elsewhere in this Management Proxy Circular.

(2) In 2021, a grant was made for 50,000 options granted to Mr. Gingras, Mr. Spino, Mr. Silvestro, Mr. Nickoletopoulos and Mr. Kostic with a strike price of \$0.34. The fair market value of \$0.191 per option was estimated using the Black-Scholes model using the following

assumptions: risk-free interest rate of 0.32%, expected volatility of 79.42%, no dividend per share and an expected life of options of 3.75 years.

- (3) Mr. Silvestro joined the Board of Directors of the Corporation on June 3, 2020. He received a first grant of 250,000 options with a fair market value of \$0.094 per option and a strike price of \$0.155. The fair market value estimated using the Black-Scholes model using the following assumptions: risk-free interest rate of 0.3854%, expected volatility of 83.12%, no dividend per share and an expected life of options of 3.75 years.
- (4) Mr. Nickoletopoulos joined the Board of Directors of the Corporation on October 21, 2020. He received a first grant of 250,000 options with a fair market value of \$0.101 and a strike price of \$0.18. The fair market value was estimated using the Black-Scholes model using the following assumptions: risk-free interest rate of 0.301%, expected volatility of 79.89%, no dividend per share and an expected life of options of 3.75 years.

### ***Director Outstanding Share-based Awards and Options***

The following table indicates for each director (except for the Named Executive Officers) all awards outstanding at the end of the 2021 financial year.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-The-Money Options <sup>(1)</sup>	Number of Shares or Units of Shares That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested
	(#)	(\$)		(\$)	(#)	(\$)
Gilles Gingras	100,000 50,000 175,000 75,000 375,000 75,000	0.095 0.09 0.085 0.155 0.165 0.34	November 29, 2021 October 19, 2022 November 20, 2023 October 23, 2024 April 16, 2025 January 27, 2026	28,500 14,500 51,625 16,875 80,625 3,000	-	-
Mario Spino	100,000 75,000 75,000 75,000 250,000 50,000	0.095 0.09 0.085 0.155 0.165 0.34	November 29, 2021 October 19, 2022 November 20, 2023 October 23, 2024 April 16, 2025 January 27, 2026	28,500 21,750 22,125 16,875 53,750 2,000	-	-
Kosta Kostic	200,000 75,000 75,000 250,000 50,000	0.09 0.085 0.155 0.165 0.34	October 19, 2022 November 20, 2023 October 23, 2024 April 16, 2025 January 27, 2026	58,000 22,125 16,875 53,750 2,000	-	-
Matt Silvestro <sup>(2)</sup>	250,000 50,000	0.155 0.34	June 3, 2025 January 27, 2026	56,250 2,000	-	-
Nicholas Nickoletopoulos <sup>(3)</sup>	250,000 50,000	0.18 0.34	October 21, 2025 January 27, 2026	50,000 2,000	-	-

(1) Calculated based on the difference between the exercise price of the options and the closing price of the common shares of the Corporation as at May 31, 2021, being \$0.38.

(2) Mr. Silvestro joined the Board of Directors of the Corporation on June 3, 2020.

(3) Mr. Nickoletopoulos joined the Board of Directors of the Corporation on October 21, 2020.

### ***Director incentive plan awards – Value Vested or Earned During the Year***

Option-Based Awards –	Share-Based Awards – Value	Non-Equity Incentive Plan Compensation –
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Name	Value Vested During The Year <sup>(1)</sup> (\$)	Vested During The Year (\$)	Value Earned During The Year (\$)
Gilles Gingras <sup>(2)</sup>	11,500	-	-
Mario Spino <sup>(3)</sup>	9,000	-	-
Kosta Kostic <sup>(4)</sup>	9,000	-	-
Matt Silvestro <sup>(5)</sup>	3,125	-	-
Nicholas Nickoletopoulos <sup>(6)</sup>	18,750	-	-

- (1) The value of the stock options that vested in the year ended May 31, 2021 is determined by multiplying the number of options vested during the year by the difference between the closing price of the Corporation's common shares on the TSX Venture Exchange on the date of vesting and the exercise price of the options. If the closing price of the Corporation's common shares was below or equal to the exercise price, the value of the vested options during the year was Nil.
- (2) For Mr. Gingras. On the November 20, 2018 grant at \$0.085, 43,750 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 18,750 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 18,750 options vested on April 23, 2021 with a TSX-V price at \$0.52.
- (3) For Mr. Spino. On the November 20, 2018 grant at \$0.085, 18,750 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 18,750 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 18,750 options vested on April 23, 2021 with a TSX-V price at \$0.52.
- (4) For Mr. Kostic. On the November 20, 2018 grant at \$0.085, 18,750 options vested on November 20, 2020 with a TSX-V price at \$0.185. On the October 23, 2019 grant at \$0.155, 18,750 options vested on October 23, 2020 with a TSX-V price at \$0.17 and 18,750 options vested on April 23, 2021 with a TSX-V price at \$0.52.
- (5) For Mr. Silvestro. On the June 3, 2020 grant at \$0.155, 62,500 options vested on December 3, 2020 with a TSX-V price at \$0.205.
- (6) For Mr. Nickoletopoulos. On the October 21, 2020 grant at \$0.18, 62,500 options vested on April 21, 2021 with a TSX-V price at \$0.48.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at May 31, 2021, the end of the Corporation's financial year, with respect to the Stock Option Plan.

Plan Category	Number of common shares To Be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of common shares Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected In The First Column)
Equity compensation plans approved by security holders: Stock Option Plan	9,296,250	\$0.166	3,526,204
Equity compensation plans not approved by security holders	-	-	-
Total	9,296,250	\$0.166	3,526,204

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at May 31, 2021, there were no loans granted by the Corporation to any of its directors or executive officers (including the Named Executive Officers), persons proposed for election as a director, or any person related to such directors or officers or persons proposed for election as a director.

## INSURANCE OF DIRECTORS AND OFFICERS

The Corporation provides liability insurance for the benefit of its directors and officers. This insurance provides coverage of \$5,000,000 per event and policy year. A deductible of \$50,000 applies when the Corporation is authorized or obliged to indemnify the persons insured.

For the fiscal year ended May 31, 2021, the premium paid by the Corporation was \$13,526 including the taxes.

## **INFORMATION ABOUT AUDIT COMMITTEE**

### **a) Audit Committee's Charter**

The Audit Committee has a formal charter, the text of which is attached to this Management Proxy Circular as Schedule "B". The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of *Regulation 52-110 respecting Audit Committees* ("**Regulation 52-110**").

### **b) Composition of the Audit Committee**

The Audit Committee is currently composed of Gilles Gingras, Chairman, Mario Spino and Kosta Kostic, directors of the Corporation, all of which are considered independent pursuant to Regulation 52-110.

All members, by their experience and formation, are financially literate within the meaning of Regulation 52-110. The Audit Committee meets on a quarterly basis or adopts written resolutions recommending to the Board the approval of the financial statements.

### **c) Relevant Education and Experience**

The members of the Audit Committee of the Corporation have gained their education and experience by participating in the management of private and public companies and are financially literate, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can be reasonably expected to be raised by the Corporation's financial statements. The education and related experience of each Audit Committee member that is relevant to the performance of his responsibilities are set out below:

#### **Gilles Gingras**

Gilles Gingras, CPA, CA, was an audit and advisory services partner at Deloitte LLP, a global professional services firm, from 1987 to 2013. As managing partner of the Québec City audit department from 1994 to 2002, Mr. Gingras was involved in numerous audit and tax and financial planning mandates for private and public companies. He also participated in many initial public offerings (IPO), financing mandates, restructuring mandates and due diligences in connection with mergers and acquisitions. Mr. Gingras was a member of Deloitte LLP Canadian Board of Directors and of its finance, risk management and governance committees from 2002 to 2010.

Mr. Gingras holds a bachelor's degree in business administration from Laval University in Québec City. He is a member of the *Ordre des comptables professionnels agréés du Québec* and holds a diploma from the Institute of Corporate Directors (ICD).

#### **Mario Spino**

Mario Spino holds a bachelor's degree in business administration from the HEC (Montreal) since May 2000, and a master's degree in financial engineering from the HEC (Montréal) since 2003. Mr. Spino is currently working with National Bank of Canada in model validation. From January 2013 to March 2017

he worked as an independent consultant in risk management. In 2012, he held the position of Chief Financial Officer of the Corporation. From 2008 to July 2011, he held the position of principal advisor (consulting services) with KPMG where he advised Canadian banks and asset managers on financial market risk management and on the evaluation of derivatives. From May 2004 to November 2008, Mr. Spino served as advisor in market risk management at Caisse centrale Desjardins.

#### Kosta Kostic

Kosta is a Partner in the corporate/commercial group in the Montreal office of Fasken Martineau DuMoulin LLP, an international law firm. His practice is predominantly focused on corporate finance, securities and mergers and acquisitions matters.

Kosta has a broad range of experience providing advice to companies with respect to their ongoing corporate and securities law obligations. He has acted for various junior, mid-cap and established issuers in connection with their initial public offerings, follow-on offerings and listings on the Toronto Stock Exchange, the TSX Venture Exchange and the Canadian Securities Exchange (CSE).

A member of the Barreau du Québec since 2002, Kosta received a B.C.L./LL.B. from McGill University in 2001 and B.A. in Communication Studies from Concordia University in 1996. He has also completed an executive training program on financial information at the McGill International Executive Institute and received a Certificate in Mining Law from Osgoode Hall Law School. Kosta is also a member of the Regional Advisory Committee of the TSX Venture Exchange.

#### **d) Audit Committee Oversight**

Since the commencement of the Corporation's most recently completed financial year, the Board of Directors has never refused to adopt a recommendation of the Audit Committee with respect to the nomination or compensation of the external auditors.

#### **e) Reliance on certain exemptions**

At no time during the financial year ended May 31, 2021 has the Corporation relied on the exemption provided at section 2.4 (exemption for *de minimis* non-audit services), on any of the various exemptions provided in Regulation 52-110, or on those provide under Part 8 of Regulation 52-110 (Exemptions). However, the Corporation is exempted from the application of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of Regulation 52-110 because it is an emerging issuer as defined in Regulation 52-110.

#### **f) Pre-Approval Policies and procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services, as described in the charter of the Audit Committee.

### **g) External Auditor Service Fees**

The aggregate fees billed over the last two financial years by the external auditors of the Corporation are as follows:

	<b>2020</b>	<b>2021</b>
	<b>(\$)</b>	<b>(\$)</b>
Audit fees <sup>(1)</sup>	44,405	44,405
Audit-related fees <sup>(2)</sup>	630	-
Tax fees <sup>(3)</sup>	4,000	7,788
All other fees <sup>(4)</sup>	-	-
<b>TOTAL</b>	<b>49,035</b>	<b>52,193</b>

- (1) Audit fees include fees related to the audit of the Corporation's financial statements.
- (2) Audit-related fees include fees for services related to the review of the Corporation's financial statements.
- (3) Tax service fees include fees for preparation of the Corporation's tax returns as well as tax ruling services and other tax opinions.
- (4) Other fees include fees related to compliance with IFRS.

### **INFORMATION ABOUT CORPORATE GOVERNANCE**

The Board of Directors of the Corporation considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value.

The Board of Directors, assisted by the Compensation Committee, is responsible for ensuring that the Corporation addresses all corporate governance matters in compliance with *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* ("**Regulation 58-101**"), Form 58-101F2 *Corporate Governance Statement (venture issuers)*, *Policy Statement 58-201 to Corporate Governance Guidelines* of the Canadian Securities Administrators and the TSX Venture Exchange *Policy 3.1 - Directors, Officers, other Insiders & Personnel and Corporate Governance*. The Compensation Committee is responsible for developing and recommending to the Board appropriate corporate governance principles for the Corporation.

The Corporation's disclosure of corporate governance practices pursuant to Regulation 58-101 is set out in Schedule "C" to this Management Proxy Circular in the form required by Form 58-101F2.

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

No informed person (as such term is defined in *Regulation 51-102 respecting Continuous Disclosure Obligations*) of the Corporation, nominee for election as a director of the Corporation or, to the knowledge of the directors and executive officers of the Corporation, their respective associates or affiliates, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

### **OTHER ITEMS ON THE AGENDA**

Management of the Corporation is not aware of any amendment regarding the matters set forth in the Notice or any other matters which may properly come before the Meeting, other than those mentioned in the Notice. However, should any amendment or other business be duly submitted to the Meeting, the

attached proxy form confers discretionary authority upon the persons designated therein to vote on the amendments concerning the matters mentioned in the Notice or any other business in accordance with their best judgment.

### **ADDITIONAL INFORMATION**

Financial information is provided in the Corporation's financial statements and management's discussion and analysis for its most recently completed financial year. Copies of these documents may be obtained on request from the secretary of the Corporation at: 75 boulevard de Mortagne, Boucherville (Quebec) J4B 6Y4, tel: (450) 641-5119 –fax: (450) 800-865-6536. Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING**

In accordance with the *Canada Business Corporations Act*, a shareholder may be entitled to submit to the Corporation notice of any matter that the person proposes to raise at the next annual meeting of shareholders and the Corporation shall set out such proposal and the accompanying supporting statements, if any, in the management proxy circular for the next annual meeting of shareholders, provided such notice is given to the Corporation by June 28, 2022.

### **APPROVAL**

The content of this Management Proxy Circular and its forwarding to the shareholders have been approved by the directors of the Corporation.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED at Boucherville (Quebec), September 28, 2021.

*(s) Kiril Mugerman*  
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President and Director

**SCHEDULE “A”  
GEOMEGA RESOURCES INC.  
(the “Corporation”)**

**SHAREHOLDERS’ RESOLUTION**

**APPROVAL OF THE STOCK OPTION PLAN**

BE IT RESOLVED THAT:

- a) the Corporation’s stock option plan, as described in the management proxy circular of the Corporation dated September 28, 2021 (the “**Plan**”), be and it is hereby ratified, confirmed and approved;
- b) the Corporation be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares in the capital of the Corporation (the “**Common Shares**”) that would equal 10% of the issued and outstanding Common Shares as at the time of the grant; and
- c) the directors and officers of the Corporation be authorized and directed to perform all such acts and deeds and things and execute, under the seal of the Corporation or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of this resolution.

**SCHEDULE “B”  
AUDIT COMMITTEE CHARTER**

**GEOMEGA RESOURCES INC.  
(the “Corporation”)**

The following charter is adopted in compliance with *Regulation 52-110 respecting Audit Committees (“52-110”)*.

**1. MANDATE AND OBJECTIVES**

The mandate of the audit committee of the Corporation (the “**Committee**”) is to assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting and the Corporation’s auditing, accounting and financial reporting processes.

The objectives of the Committee are to:

- i) serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements;
- ii) ensure the independence of the Corporation’s independent auditors; and
- iii) provide better communication among the Corporation’s independent auditors, the management and the Board.

**2. COMPOSITION**

The Committee shall be comprised of at least three (3) directors as determined by the Board. The majority of the members of the Committee shall be independent, within the meaning of 52-110.

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 shall work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

The appointment of members to the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected. If the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue to serve as members until their successors are validly appointed. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual elections of directors.

Unless the Committee’s chairman is appointed by the Board, the members of the Committee may designate a chairman by a majority vote of all Committee members.

### **3. MEETINGS AND PROCEDURES**

The Committee shall meet at least quarterly, or more frequently if required.

At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the chairman shall not be entitled to a second vote.

Quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.

The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.

Each member (including the chairman of the Committee) is entitled to one vote in Committee proceedings.

The Committee shall meet separately, periodically, with senior management and may request any member of the Corporation's senior management or the Corporation's outside counsel or independent auditors to attend meetings of the Committee or to meet with any members of or advisors to the Committee.

### **4. DUTIES AND RESPONSIBILITIES**

The following are the general duties and responsibilities of the Committee:

#### **4.1 Financial Statements and Disclosure Matters**

4.1.1 Review the Corporation's financial statements, management's discussion and analysis and any press releases regarding annual and interim earnings, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public.

#### **4.2 Independent Auditors**

4.2.1 Recommend to the Board the selection and, where applicable, the replacement of the independent auditors to be appointed annually as well the compensation of such independent auditors.

4.2.2 Oversee the work and review annually the performance and independence of the independent auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation.

4.2.3 On an annual basis, review and discuss with the independent auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence.

- 4.2.4 Consult with the independent auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
- 4.2.5 Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
- 4.2.6 Review the audit plan for the year-end financial statements and intended template for such statements.
- 4.2.7 Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the independent auditors to the Corporation or its subsidiaries. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
  - 4.2.7.1 the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiaries to the independent auditors during the fiscal year in which the non-audit services are provided;
  - 4.2.7.2 such services were not recognized by the Corporation or its subsidiaries as non-audited services at the time of the engagement; and
  - 4.2.7.3 such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

## 4.2 **Financial Reporting Processes**

- 4.3.1 Review with management, in consultation with the independent auditors, the integrity of the Corporation's financial reporting process, both internal and external.
- 4.3.2 Consider the independent auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
- 4.3.3 Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors and management.
- 4.3.4 Review any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements.

- 4.3.5. Review, with the independent auditors and management, the extent to which changes and improvements in financial and accounting practices have been implemented.
- 4.3.6. Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters as well as the confidential, anonymous treatment of submissions by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

#### 4.4 **Risk Management**

- 4.4.1. Oversee the identification, prioritisation and management of the risks faced by the Corporation.
- 4.4.2. Direct the facilitation of risk assessment and measurement to determine the material risks to which the Corporation may be exposed and to evaluate the strategy for managing those risks.
- 4.4.3. Monitor the changes in the internal and external environment and the emergence of new risks.
- 4.4.4. Review the adequacy of insurance coverage.
- 4.4.5. Monitor the procedures to deal with and review disclosure of information to third parties insofar as these disclosures represent a risk for the Corporation.

#### 4.5 **Whistleblower Policy**

- 4.5.1. Monitor and review compliance with the Corporation's Whistleblower Policy;
- 4.5.2. Establish a procedure for the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;
- 4.5.3. Establish a procedure for the confidential and anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- 4.5.4. Ensure that a confidential and anonymous process exists whereby persons can report any wrongdoing relating to the Corporation and its subsidiaries.

#### 4.6 **Reporting Responsibilities**

- 4.6.1. The Committee shall report to the Board on a regular basis, and in any event:
  - 4.6.1.1. before the public disclosure by the Corporation of its financial statements, management's discussion and analysis and any press releases regarding annual and interim earnings and any reports or

other financial information which are submitted to any governmental body or to the public; and

4.6.1.2 as required by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators.

#### 4.7 **Annual Evaluation**

4.7.1. Annually, the Committee shall, in a manner it determines to be appropriate:

4.7.1.1 conduct a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this charter; and

4.7.1.2 review and assess the adequacy of this charter and the position description for the chairman of the Committee and recommend to the Board any improvements to this charter or the position description that the Committee determines to be appropriate, except for minor technical amendments to this charter, authority for which is delegated to the Corporate Secretary, who will report any such amendments to the Board at its next regular meeting.

### 5. **AUTHORITY**

#### 5.1 **External Consultants**

5.1.1 The Committee may engage, when it deems appropriate, legal counsel or other independent external consultants to assist it in carrying out its duties and responsibilities. It sets the remuneration and compensates the external consultants it engages. The Corporation provides the funds reasonably necessary to pay for the services of these external consultants.

APPROVED BY THE BOARD OF DIRECTORS ON DECEMBER 9, 2013  
AND RECONDUCTED ON JANUARY 27, 2021

## SCHEDULE “C”

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES of Geomega Resources Inc. (the “Corporation”)

The Corporation seeks to attain high standards of corporate governance. The Board of Directors has carefully considered the Corporate Governance Guidelines set forth in *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* (“**Regulation 58-101**”), Form 58-101F2 *Corporate Governance Statement (venture issuers)* and *Policy Statement 58-201 to Corporate Governance Guidelines* of the Canadian Securities Administrators.

#### Form 58-101F2 - Corporate Governance Disclosure

#### The Corporation's Practices

##### 1. Board of Directors

i) Disclose the identity of directors who are independent.

The Board of Directors is currently composed of six persons. The following directors are “independent” pursuant to *Regulation 58-101*: Gilles Gingras, Mario Spino, Kosta Kostic, Nicholas Nickoletopoulos and Matt Silvestro.

ii) Disclose the identity of directors who are not independent and describe the basis for that determination.

Kiril Mugerma must be considered a non-independent director since he is the President and CEO of the Corporation.

iii) Disclose how the Board of Directors facilitates its exercise of independent supervision over management.

The Board of Directors of the Corporation and all the committees of the Board of Directors are composed of a majority of independent directors. The independent directors hold private meetings, without the attendance of non-independent directors, at every meeting of the Board of Directors.

##### 2. Directorships

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors are currently director of another issuer that is reporting issuer (or the equivalent) in a jurisdiction in Canada or abroad:

Kiril Mugerma	Kintavar Exploration Inc.	Canada
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##### 3. Orientation and Continuing Education

Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.

Given its size and limited resources, the Corporation does not offer a formal orientation and education program for new directors. The new directors familiarize themselves with the Corporation by speaking to other directors and by reading documents provided by the officers.

However, the directors are invited to follow, at the expense of the Corporation, the various seminars offered by the TSX Venture Exchange and other regulatory authorities on the management of reporting issuers and on the duties of directors of such issuers. Also, the directors have access to the legal counsel to the Corporation for any question concerning their duties as director.

#### **4. Ethical Business Conduct**

Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.

Each director, in the exercise of his functions and responsibilities, must act in all honesty and good faith in the best interest of the Corporation as well as in compliance with the law, rules and policies. In case of a conflict of interests, each director has to declare the nature and extent in any one important contract or proposed contract of the Corporation as soon as he acquires knowledge of an agreement or intent of the Corporation to consider or grant the proposed contract. In such case, the director must refrain from voting on the subject.

The Board of Directors of the Corporation has adopted a policy with respect to internal controls to address issues like banking transactions, related party transactions and various exploration expenditures.

#### **5. Nomination of Directors**

Disclose what steps, if any, are taken to identify new candidates for board nomination, including (i) who identify new candidates, and (ii) the process of identifying new candidates

The Corporate Governance, Nomination and Compensation Committee is responsible for recommending to the Board of Directors suitable candidates for nominees for election or appointment as directors and specifies which criteria governing the overall composition of the board and governing the desirable individual characteristics for directors. The candidates are chosen after carefully reviewing and assessing the professional qualifications and skills, personality and other qualifications of each candidate, including the time and energy that such candidate is able to devote to the task and the contribution he can make to the Board of Directors.

#### **6. Compensation**

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including (i) who determines compensation, and (ii) the process of

The Corporate Governance, Nomination and Compensation Committee is responsible for reviewing the compensation of the Corporation's directors and officers.

The mandate of the Corporate Governance, Nomination

determining compensation.

and Compensation Committee is used to fulfill its responsibilities and the Board of Directors believes that this composition allows for the free flow of information that is required to ensure that the compensation process is objective and effective. For more details please refer to the section entitled “**Compensation Discussion and Analysis**” of the Management Proxy Circular.

## **7. Other Board Committees**

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

In addition to the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, the Board of Directors has a Finance and Strategy committee, and its primary functions consist in the establishment and execution of the Corporation’s strategic planning and in ensuring the sufficiency of financial resources for execution under the operating budget, capital expenditures and working capital.

## **8. Assessments**

Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.

For the financial year ended May 31, 2021, the Board of Directors of the Corporation has not completed any formal procedures for assessing the performance of the Board or its committees and members. Those responsibilities have rather been carried out on an informal basis by the Corporate Governance, Nomination and Compensation Committee.