



## INFORMATION CIRCULAR FOR THE 2022 ANNUAL GENERAL MEETING

This information is given as of **September 29, 2022**, unless otherwise noted.

**The Company is conducting a Meeting virtually. Registered shareholders and validly appointed proxyholders may attend the Meeting via the web at <https://agm.issuereirect.com/cydvf>. The site will allow registered shareholders to vote their shares online during the Meeting, submit questions and listen to the Meeting live.**

### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of **CYPRESS DEVELOPMENT CORP.** (the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name, address, and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

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

### PERSONS OR COMPANIES MAKING THE SOLICITATION

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. None of the directors of the Company (the "**Board**" or the "**Directors**") have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him or her on his or her behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 at least 48 hours (Vancouver Time) before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays, which is on or before 1:00 pm Pacific Standard Time on October 26, 2022.**

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

**In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and depositing it at the place and within the time aforesaid or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

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

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

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

#### Registered Shareholders

As stated above, registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting virtually. Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9; or
- (b) using a touch-tone phone to transmit voting choices to the toll-free number given in the enclosed Proxy. Registered shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the proxy access number;
- (c) using the internet at Computershare's website, [www.computershare.com/ca/proxy](http://www.computershare.com/ca/proxy). Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder's account number and the proxy access number,

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof at which the Proxy is to be used.

Alternatively, registered shareholders may vote their shares online at the Meeting via the web at <https://agm.issuereirect.com/cydvf>.

## **Non-Registered Shareholders**

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote online at the Meeting.** Most of the Company's shareholders are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of a nominee (a "**Nominee**") such as: (a) a brokerage firm through which they purchased the shares; (b) a bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan; or (c) a clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely a NON-registered holder. Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners or "**NOBOs**". Those non-registered holders who have objected to disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners or "**OBOs**".

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting Materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is used instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

If you, as a non-registered holder, wish to vote at the Meeting virtually, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In either case, the purpose of this procedure is to permit non-registered shareholders to direct the voting of the shares which they beneficially own. If a non-registered holder who receives a VIF wishes to attend the Meeting or have someone else attend on his, her or its behalf, the non-registered shareholder may appoint a legal proxy as set forth in the VIF, which will give the non-registered shareholder or his, her or its nominee the right to attend and vote at the Meeting. Non-registered shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

In addition, Canadian securities legislation now permits the Company to forward Meeting Materials directly to NOBOs. If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions.

## **Notice to Shareholders in the United States**

The solicitation of proxies in this Information Circular involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of certain provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of

Canada. Shareholders should be aware that disclosure requirements under the securities laws of the applicable provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the Business Corporations Act (British Columbia), as amended (the "BCBCA"), the majority of its directors and executive officers are residents of Canada and a substantial portion of the assets of such persons are located outside of the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

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

### **Record Date**

Only shareholders of record at the close of business on the **September 23, 2022**, who either personally attend the Meeting virtually or who complete and deliver the Proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

### **Voting Securities**

On **September 23, 2022**, there were **146,528,136** common shares without par value issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, every shareholder shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he or she is the holder.

### **Principal Holders**

To the knowledge of the Directors and executive officers of the Company, there are no shareholders who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

### **Votes Necessary to Pass Resolutions at the Meeting**

Under the Company's Articles, the quorum for the transaction of business at the Meeting consists of one person present in person or by proxy. Under the Business Corporations Act (British Columbia) and the Company's Articles, a simple majority of the votes cast at the Meeting (virtually or by proxy) is required in order to pass an ordinary resolution.

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

Other than as disclosed below and elsewhere in this Information Circular, none of the Directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed fiscal year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

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

For the purposes of this Information Circular, "informed person" means:

- (a) a Director or executive officer of the Company;
- (b) a Director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

The Company was a party to the following material transactions with informed persons:

- (a) certain of the Directors and executive officers of the Company may be paid pursuant to written management agreements or consulting agreements, or receive Directors' fees or wages. See sub-heading "Employment, Consulting and Management Agreements or Arrangements" under the heading "Statement of Executive Compensation – Venture Issuer"; and
- (b) Directors and officers of the Company are eligible to be granted stock options, RSUs, DSUs and PSUs under the Company's Long-Term Incentive Plan. See sub-heading "Approval of Long-Term Incentive Plan" under the heading "Particulars of Matters to be Acted Upon".

Other than as disclosed above and elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed fiscal year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

#### **STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER**

The following disclosure is made pursuant to Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* published by the Canadian Securities Administrators.

For the purpose of this disclosure:

**"CEO"** means chief executive officer;

**"CFO"** means chief financial officer;

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

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

**"named executive officer"** or **"NEO"** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed fiscal year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed fiscal year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed fiscal year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that fiscal year;

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

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

For the purposes of the following disclosure, the Company’s NEOs for the fiscal year ended December 31, 2021 are: William W. Willoughby, CEO, Abraham Jonker, CFO, and James G. Pettit, former CFO.

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

Following are particulars of all compensation paid or payable to the Company’s NEOs and non-NEO directors for each of the two most recently completed fiscal years ended December 31:

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fees, Retainer or Commission	Bonus	Committee or Meeting Fees	Value of Perquisites	Value of all Other Compensation	Total Compensation
William Willoughby <sup>(1)</sup> CEO, President and Director	2021	\$176,026 <sup>(2)</sup>	\$59,375	Nil	Nil	Nil	\$176,026
	2020	\$112,308 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$112,308
Abraham Jonker <sup>(3)</sup> CFO	2021	\$126,800 <sup>(4)</sup>	\$110,000	Nil	Nil	Nil	\$226,800
	2020	N/A	N/A	N/A	N/A	N/A	N/A
James Pettit <sup>(5)</sup> Director; Former CFO	2021	\$11,000 <sup>(6)</sup>	\$59,375	Nil	Nil	Nil	\$70,375
	2020	\$6,000 <sup>(6)</sup>	Nil	Nil	Nil	Nil	\$6,000
Donald Myers Director	2021	\$60,000 <sup>(7)</sup>	\$40,625	Nil	Nil	Nil	\$100,625
	2020	\$48,000 <sup>(7)</sup>	Nil	Nil	Nil	Nil	\$48,000
Cassandra Joseph <sup>(8)</sup> Director	2021	\$24,219 <sup>(9)</sup>	Nil	Nil	Nil	Nil	\$24,219
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Bryan Disher <sup>(10)</sup> Director	2021	\$4,833 <sup>(11)</sup>	Nil	Nil	Nil	Nil	\$4,833
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Ken Owen <sup>(12)</sup> Director	2021	\$4,000 <sup>(13)</sup>	Nil	Nil	Nil	Nil	\$4,000
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Amanda Chow <sup>(14)</sup> Former Director	2021	\$12,000 <sup>(15)</sup>	\$12,500	Nil	Nil	Nil	\$24,500
	2020	\$12,000 <sup>(15)</sup>	Nil	Nil	Nil	Nil	\$12,000
Donald Huston <sup>(16)</sup> Former Director, President and Chairman	2021	\$67,500 <sup>(17)</sup>	\$40,625	Nil	Nil	Nil	\$108,125
	2020	\$60,000 <sup>(17)</sup>	Nil	Nil	Nil	Nil	\$60,000

(1) Mr. Willoughby was appointed President on August 26, 2021.

(2) The Company paid consulting fees to Willoughby & Associates, PLLC, a company controlled by Mr. Willoughby, pursuant to an agreement dated January 1, 2018, as amended on July 2, 2019 and July 23, 2020, which was further replaced with a consulting agreement dated November 26, 2021. For details, see “Employment, Consulting and Management Agreements or Arrangements”.

(3) Mr. Jonker was appointed CFO on May 1, 2021.

(4) Mr. Jonker provided employee services to the Company pursuant to an agreement dated May 1, 2021. For details, see “Employment, Consulting and Management Agreements or Arrangements”.

(5) Mr. Pettit resigned as CFO on May 1, 2021.

- (6) Mr. Pettit provided consulting services to the Company pursuant to an agreement dated July 1, 2016, as amended on July 23, 2020, which was further replaced by a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (7) Mr. Myers provided consulting services to the Company pursuant to an agreement dated July 1, 2016, as amended March 1, 2017, which was further replaced by a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (8) Ms. Joseph was appointed a director on June 1, 2021.
- (9) Ms. Joseph provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (10) Mr. Disher was appointed a director on August 26, 2021.
- (11) Mr. Disher provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (12) Mr. Owen was appointed a director on October 28, 2021.
- (13) Mr. Owen provided director services to the Company pursuant to a director fee agreement dated December 6, 2021. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (14) Mr. Huston resigned as President and Chairman on August 26, 2021 and as a director on November 18, 2021.
- (15) Mr. Huston provided consulting services to the Company pursuant to an agreement dated July 1 2016, as amended March 1, 2017. For details, see "Employment, Consulting and Management Agreements or Arrangements".
- (16) Ms. Chow resigned as a director on November 18, 2021.
- (17) Ms. Chow provided consulting services to the Company pursuant to an agreement dated July 1, 2016, as amended August 1, 2017 and July 23, 2020. For details, see "Employment, Consulting and Management Agreements or Arrangements".

### Stock Options and Other Compensation Securities

The following compensation securities were granted, issued or issuable to the Directors and NEOs by the Company in the most recently completed fiscal year ended December 31, 2021, for services provided or to be provided, directly or indirectly, to the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or underlying security on date of grant	Closing price of security or underlying security at year end	Expiry date
William Willoughby CEO, President and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abraham Jonker CFO	Options	750,000	03May2021	\$1.25	\$1.11	\$2.22	03May2024
James Pettit Director; Former CFO	Options	150,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
Donald Myers Director	Options	150,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
Cassandra Joseph Director	Options	200,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
		150,000	01Oct2021	\$1.51	\$1.51	\$2.22	01Oct2026
Bryan Disher Director	Options	180,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
Ken Owen Director	Options	150,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
Amanda Chow Former Director	Options	25,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026
Donald Huston Former Director, President and Chairman	Options	50,000	22Nov2021	\$2.26	\$2.24	\$2.22	22Nov2026

## Exercise of Stock Options

The following table sets out all compensation securities exercised by each Director and NEO of the Company during the fiscal year ended December 31, 2021.

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security	Date of Exercise	Closing Price per Security on Date of Exercise	Difference Between Exercise Price and Closing Price on Date of Exercise	Total Value on Exercise Date
William Willoughby <i>CEO, President and Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abraham Jonker <i>CFO</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James Pettit <i>Director; Former CFO</i>	Options	220,000	\$0.08	07Apr2021	\$1.15	\$1.07	\$235,400
		153,000	\$0.105	24Dec2021	\$1.90	\$1.795	\$274,635
Donald Myers <i>Director</i>	Options	170,000	\$0.08	07Apr2021	\$1.15	\$1.07	\$181,900
		172,500	\$0.105	24Dec2021	\$1.90	\$1.795	\$309,637
Cassandra Joseph <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bryan Disher <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ken Owen <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Amanda Chow <i>Former Director</i>	Options	86,000	\$0.105	29Dec2021	\$1.92	\$1.815	\$156,090
Donald Huston <i>Former Director, President and Chairman</i>	Options	220,000	\$0.08	25Mar2021	\$1.10	\$1.02	\$224,400
		172,500	\$0.105	25Nov2021	\$2.13	\$2.025	\$349,312
		20,000	\$0.10	25Nov2021	\$2.13	\$2.03	\$40,600

## External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly. However, the Company operates from the premises of Sentinel Market Services Ltd. ("**Sentinel**"), a private company controlled by James Pettit, a Director of the Company, that provides office and administration services to the Company and various other public companies. Sentinel incurs expenses, which are reimbursed by the Company. These expenses included office space, equipment rental, administrative wages and other ancillary expenses. None of these expenses were paid directly or indirectly to Mr. Pettit.

## Stock Option Plans and Other Incentive Plans

For information about the material terms of the Company's Long-Term Incentive Plan, please refer to the heading below "Particulars of Matters to be Acted Upon". There are no stock option or other awards made outside of the Company's former Stock Option Plan or current Long-Term Incentive Plan.

## Employment, Consulting and Management Agreements or Arrangements

Other than as described below, the Company has not entered into any agreement or arrangement under which compensation was provided during the most recently completed fiscal year ended December 31, 2021 or is

payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a Director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

*William Willoughby, CEO, President and Director*

The Company and Willoughby & Associates, PLLC ("**W&A**"), a professional limited liability company controlled by Mr. Willoughby, entered into a consulting agreement dated January 1, 2018, as amended July 2, 2019 and July 23, 2020, by which W&A provided executive management services as and geotechnical consulting services to the Company. The agreement was further replaced by a consulting agreement dated November 26, 2021 made between the Company and W&A for the same services in consideration of a consulting fee of USD 20,833.33 per month payable in monthly installments. During the fiscal year ended December 31, 2021, \$176,026 (2020: \$112,308) was paid to W&A pursuant to this agreement in relation to Mr. Willoughby's services as CEO and \$59,375 (2020: \$149,523) was paid for geotechnical services provided by W&A. None of these latter fees were paid directly or indirectly to Mr. Willoughby.

The agreement with W&A provides for termination:

(a) by W&A, at any time, for any reason, on the giving of **six (6) months** written notice to the Company (the Company may waive notice, in whole or in part and if it does so, W&A's entitlement to remuneration and benefits pursuant to this Agreement will cease on the date it waives such notice);

(b) by the Company in its absolute discretion without notice, or pay in lieu thereof, for cause and, and for the purpose of this Agreement, cause includes:

(i) any material breach of the provisions of this Agreement and W&A's failure to cure such breach within **thirty (30) days** after written notice from the Company, specifying the nature of the breach (except for the items set forth in subsections (ii), (iii) and (iv) set forth below which, for the purposes of this Agreement are deemed breaches which cannot be cured;

(ii) any conduct of W&A which in the opinion of the Company, tends to bring himself or the Company into disrepute;

(iii) the commission of an act of bankruptcy by W&A or compounding with his creditors generally; and

(iv) conviction of W&A of a criminal offence punishable by indictment, where the cause is not prohibited by law;

and failure by the Company to rely on the provision of this paragraph in any given instance or instances, shall not constitute a precedent or be deemed a waiver;

(c) by the Company, in its absolute discretion, for any reason on giving W&A **twelve (12) months'** notice in writing or on paying to W&A the equivalent termination pay in lieu of notice; and

(d) (**CHANGE OF CONTROL**): by W&A on giving thirty (30) days' written notice of termination to the Company at any time within the six (6) month period following the acquisition of common shares or other voting securities of the Company ("Voting Securities") such that the person or persons come to hold, of record or beneficially, at least thirty-five cent (35%) of the Voting Securities and act in concert with respect to voting such Voting Securities. In the event of receipt of such notice, the Company shall pay to W&A on the termination day the sum equivalent to **twenty-four (24) months** of Fees. The Company agrees to make reasonable efforts to structure such payment in a manner designed to minimize the tax consequences for W&A. On receipt of this payment, W&A shall have no further claims against the Company.

The agreement with W&A was further replaced by an employment agreement made between the Company and William Willoughby dated August 24, 2022.

*Abraham Jonker, Chief Financial Officer*

The Company entered into an employment agreement dated May 1, 2021, by which Mr. Jonker was engaged to provide executive management services as Chief Financial Officer to the Company in consideration of a base-salary retainer fee of CAD \$14,600 per month payable in bi-monthly installments.

The agreement with Mr. Jonker provides for termination:

(a) by Mr. Jonker, at any time, for any reason, on the giving of **three (3) months** written notice to the Company (the Company may waive notice, in whole or in part and if it does so, Mr. Jonker's entitlement to remuneration and benefits pursuant to this Agreement will cease on the date it waives such notice);

(b) by the Company in its absolute discretion without notice, or pay in lieu thereof, for cause and, and for the purpose of this Agreement, cause includes:

(i) any material breach of the provisions of this Agreement and Mr. Jonker's failure to cure such breach within **thirty (30) days** after written notice from the Company, specifying the nature of the breach (except for the items set forth in subsections (ii), (iii) and (iv) set forth below which, for the purposes of this Agreement are deemed breaches which cannot be cured;

(ii) any conduct of Mr. Jonker which in the opinion of the Company, tends to bring himself or the Company into disrepute;

(iii) the commission of an act of bankruptcy by Mr. Jonker or compounding with his creditors generally; and

(iv) conviction of Mr. Jonker of a criminal offence punishable by indictment, where the cause is not prohibited by law;

and failure by the Company to rely on the provision of this paragraph in any given instance or instances, shall not constitute a precedent or be deemed a waiver;

(c) by the Company, in its absolute discretion, for any reason on giving Mr. Jonker **twelve (12) months'** notice in writing or on paying to Mr. Jonker the equivalent termination pay in lieu of notice; and

(d) **(CHANGE OF CONTROL)**: by Mr. Jonker on giving thirty (30) days' written notice of termination to the Company at any time within the six (6) month period following the acquisition of common shares or other voting securities of the Company ("Voting Securities") such that the person or persons come to hold, of record or beneficially, at least thirty-five cent (35%) of the Voting Securities and act in concert with respect to voting such Voting Securities. In the event of receipt of such notice, the Company shall pay to Mr. Jonker on the termination day the sum equivalent to **twenty-four (24) months** of Fees. The Company agrees to make reasonable efforts to structure such payment in a manner designed to minimize the tax consequences for Mr. Jonker. On receipt of this payment, Mr. Jonker shall have no further claims against the Company.

(e) Notwithstanding any provision or agreement to the contrary, if Mr. Jonker's employment is terminated, for any reason, its rights regarding any vested share options existing as of the date on which his employment is terminated will continue and remain available for exercise at any time within twelve (12) months of the date on which his employment is terminated.

The agreement with Mr. Jonker was further amended on August 30, 2022.

*James Pettit, Director*

By an agreement dated July 1, 2016, as amended on July 23, 2020, Mr. Pettit provided consulting services to the Company in consideration of consulting fees of CAD \$500 per month payable in equal monthly installments. The agreement with Mr. Pettit was further replaced by a director fee agreement dated December 6, 2021 whereby the Company engaged Mr. Pettit's services as a director in consideration of CAD \$48,000 per annum. For actual amounts paid to Mr. Pettit, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Pettit terminates automatically if he is removed from office by a resolution of the shareholders and provides for termination if he:

- (a) becomes prohibited by law from acting as a director;
- (b) resigns in writing;
- (c) receives an order made against her or compounds with creditors generally;
- (d) is unable to perform his duties to the reasonable satisfaction of the board of directors of the Company or by reason of mental incapacity;
- (e) is in breach of the *Criminal Code* (Canada);
- (f) is in breach of any terms set out in her agreement not remedied within 21 days of notice of such breach and remedy;
- (g) is incompetent, guilty of gross misconduct and/or any serious or persistent negligence or misconduct in respect of her obligations under his agreement; or
- (h) refuses after a written warning to carry out the duties reasonably and properly required of him under the terms of his appointment as set out in his agreement.

*Donald Myers, Director*

By an agreement dated July 1, 2016, as amended on March 1, 2017, Mr. Myers provided consulting services to the Company in consideration of consulting fees of CAD \$4,000 per month payable in equal monthly installments. The agreement with Mr. Myers was further replaced by a director fee agreement dated December 6, 2021 whereby the Company engaged Mr. Myers' services as a director in consideration of CAD \$48,000 per annum. For actual amounts paid to Mr. Myers, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Myers provides for termination upon the same terms as the foregoing agreement with Mr. Pettit.

*Cassandra Joseph, Director*

By an agreement dated December 6, 2021, Ms. Joseph provides director services to the Company in consideration of CAD \$48,000 per annum. In addition, she receives CAD \$17,000 per annum for serving as non-executive Chair of the Board. For actual amounts paid to Ms. Joseph, see "Table of Compensation Excluding Compensation Securities".

The agreement with Ms. Joseph provides for termination upon the same terms as the foregoing agreements with Mr. Pettit and Mr. Myers.

*Bryan Disher, Director*

By an agreement dated December 6, 2021, Mr. Disher provides director services to the Company in consideration of CAD \$48,000 per annum. In addition, he receives CAD \$10,000 per annum for serving as Chair on the Audit Committee and CCGNC. For actual amounts paid to Mr. Disher, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Disher provides for termination upon the same terms as the foregoing agreements with Mr. Pettit, Mr. Myers and Ms. Joseph.

*Ken Owen, Director*

By an agreement dated December 6, 2021, Mr. Owen provides director services to the Company in consideration of CAD \$48,000 per annum. For actual amounts paid to Mr. Owen, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Owen provides for termination upon the same terms as the foregoing agreements with Mr. Pettit, Mr. Myers, Ms. Joseph and Mr. Disher.

*Donald Huston, Director*

By an agreement dated July 1, 2016 and amended March 1, 2017, Mr. Huston provided consulting services to the Company in consideration of consulting fees of CAD \$5,000 per month payable in equal monthly installments. The agreement was terminated on November 30, 2021 upon Mr. Huston's resignation from the Board. For actual amounts paid to Mr. Huston, see "Table of Compensation Excluding Compensation Securities".

The agreement with Mr. Huston provided for termination:

- (a) by the consultant on 90 days' notice to the Company;
- (b) by the Company: (i) in its discretion, without any notice or payment in lieu thereof, for cause; (ii) for any material breach by the consultant of the provisions of the agreement and the consultant failure to cure such breach within 30 days after notice from the Company; (iii) for any conduct by the consultant which in the opinion of the Company tends to bring the consultant or the Company into disrepute; (iv) for the commission of an act of bankruptcy by the consultant; and (v) for a conviction of the consultant of a criminal offence; or
- (c) by the Company at any time at its sole discretion upon 90 days' notice or payment of fees in lieu thereof.

On a change of control of the Company (as defined in the agreement) and within 6 months of such change, Mr. Huston may give 30 days' notice of termination to the Company and the Company shall on the termination date pay him 36 months' equivalent salary.

*Amanda Chow, Director*

By an agreement dated July 1, 2016, as amended August 1, 2017 and July 23, 2020, Ms. Chow provided consulting services to the Company in consideration of consulting fees of CAD \$1,000 per month payable in equal monthly installments. The agreement was terminated on November 30, 2021 upon Ms. Chow's resignation from the Board. For actual amounts paid to Ms. Chow, see "Table of Compensation Excluding Compensation Securities".

The agreement with Ms. Chow provided for termination:

- (a) by the consultant on 30 days' notice to the Company;
- (b) by the Company: (i) in its discretion, without any notice or payment in lieu thereof, for cause; (ii) for any material breach by the consultant of the provisions of the agreement and the consultant's failure to cure such breach within 30 days after notice from the Company; (iii) for any conduct by the consultant which in the opinion of the Company tends to bring the consultant or the Company into disrepute; (iv) for the commission of an act of bankruptcy by the consultant; and (v) for a conviction of the consultant of a criminal offence; or
- (c) by the Company at any time at its sole discretion upon 30 days' notice or payment of fees in lieu thereof.

On a change of control of the Company (as defined in the agreement) and within 6 months of such change, Ms. Chow may give 30 days' notice of termination to the Company and the Company shall on the termination date pay her 36 months' equivalent salary.

### Incremental Payments on Change of Control or Termination

For each of the foregoing agreements, the following table summarizes the estimated incremental payments that are triggered by, or result from, change of control, severance, termination or constructive dismissal (assuming such events had occurred on or before December 31, 2021):

Consultant (NEO or Director)	Payout for Termination without Cause	Payout for Change of Control
Willoughby & Associates LLC (controlled by William Willoughby, CEO, President and Director)	US \$250,000	US \$500,000 <sup>(1)</sup>
Abraham Jonker, CFO	\$175,200	\$350,400 <sup>(1)</sup>
James Pettit, Director	N/A	N/A
Donald Myers, Director	N/A	N/A
Cassandra Joseph, Director	N/A	N/A
Bryan Disher, Director	N/A	N/A
Ken Owen, Director	N/A	N/A
Donald Huston, Former Director	\$15,000	\$180,000 <sup>(1)</sup>
Amanda Chow, Former Director	\$1,000	36,000 <sup>(1)</sup>

(1) Payable in the event of termination within six months of a change of control.

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

The Board established a Compensation, Corporate Governance and Nominating Committee (the “CCGNC”) on September 9, 2021. The CCGNC is comprised of three Directors: Donald Myers, Cassandra Joseph and Bryan Disher. The compensation of Directors and NEOs shall be reviewed and approved on a quarterly basis per year by the CCGNC. In setting compensation levels, the CCGNC relies primarily on the experience, skills and education of its members.

The Company’s compensation practices are designed to attract, motivate and retain highly qualified employees to manage the business of the Company by rewarding individual and corporate performance and aligning the interests of the Directors and NEOs with the Company’s shareholders. Compensation is designed to achieve both current and long-term goals of the Company and to maximize returns to shareholders. Accordingly, a significant portion of executive compensation is tied to achieving the Company’s goals. Compensation decisions are intended to be transparent, and the Company’s practices are intended to be simple in design and competitive within the mineral exploration industry. Any compensation paid to the Directors and NEOs is dependent upon the Company’s finances as well as the performance of each of the Directors and NEOs.

At present, the Board does not evaluate the implications of the risks associated with the Company’s current compensation policies and practices, as the Company is still a venture issuer developing its business.

### **Pension Disclosure**

The Company does not provide any pension, retirement plan or other remuneration for its Directors or officers that constitutes an expense to the Company.

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

The following table sets out information on the Company’s equity compensation plans under which common shares are authorized for issuance as of **December 31, 2021**.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders	5,131,667	\$0.472	8,154,382
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	5,131,667		8,154,382

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed fiscal year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed fiscal year with respect to any indebtedness of any such person.

### MANAGEMENT CONTRACTS

During the Company's most recently completed fiscal year ended December 31, 2021, there were no management functions of the Company, which were to any substantial degree performed by a person other than a director or senior officer of the Company.

### CORPORATE GOVERNANCE

The following disclosure is made pursuant to the Canadian Securities Administrators' National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*.

#### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board. Cassandra Joseph, Bryan Disher, Ken Owen and Donald Myers do not have any other material relationship to the Company that would interfere with their ability to act in the best interests of the Company, are considered to be independent directors. William Willoughby, the CEO & President, and James Pettit, former CFO, would not be considered independent directors.

#### Other Directorships

Certain directors of the Company currently serve as directors of other public companies. Some of the directors may be engaged in the search for additional business opportunities on behalf of other companies, and situations may arise where these directors may be serving another company with interests that could be in conflict with those of the Company. In the event of any conflicts of interest, such conflicts must be disclosed to the Company and dealt with in accordance with the provisions of the the *Business Corporations Act* (British Columbia). The following table sets out the directors of the Company that are currently directors of other reporting issuers:

Director/Proposed Director	Other Reporting Issuers
William Willoughby	Caliber Minerals Inc.
James Pettit	Aben Resources Ltd. Rockridge Resources Ltd. Skyharbour Resources Ltd. Surge Copper Corp.

Director/Proposed Director	Other Reporting Issuers
	RevoluGROUP Canada Inc. Apogee Minerals Ltd.
Donald Myers	N/A
Cassandra Joseph	Bunker Hill Mining Corp.
Bryan Disher	Registered Plan Private Investments Inc. Minds + Machines Group Limited
Ken Owen	N/A

### Orientation and Continuing Education

The Company does not provide a formal orientation and education program for new directors. However, any new directors will be given: (a) the opportunity to familiarize themselves with the Company, the current directors and members of management; (b) copies of recently publicly filed documents of the Company, technical reports and the Company's internal financial information; (c) access to technical experts and consultants; and (d) a summary of significant corporate and securities legislation.

Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments, and with changes in legislation, and are encouraged to attend related industry seminars in relation to the Company's operations. Board members have full access to the Company's records.

### Ethical Business Conduct

The Board has developed and adopted a Code of Business Conduct and Ethics (the "Code"), which is applicable to all directors, officers, employees and consultants to the Company. The Code serves as a roadmap to guide their decisions and actions in order to uphold the highest moral, legal and ethical standards within the Company.

### Nomination of Directors

The CCGNC is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

### Compensation

The CCGNC is responsible for setting compensation paid to directors and executive officers and establishing and reviewing incentive plans for directors, officers and management. For further details, see "Oversight and Description of Director and Named Executive Officer Compensation".

### Other Board Committees

In addition to the Audit Committee and CCGNC, the Company has a Disclosure Committee and a Technical, Environment, Social and Employees' Health and Safety Committee ("Technical Committee").

The Disclosure Committee is comprised of four directors and officers: William Willoughby, CEO & President, Braam Jonker, CFO, Cassandra Joseph, director and Bryan Disher, director. The Disclosure Committee is responsible for ensuring that communications to the investing public about the Company are made in accordance with all applicable legal and regulatory requirements, including National Instrument 51-201, "Disclosure Standards".

The Technical Committee is comprised of three directors: Ken Owen (Chair), Donald Myers and James Pettit. The Technical Committee assists the Board in fulfilling its responsibilities and to a) ensure that the Company's management has an effective reporting system in place to fully report to the Board on a regular basis on all aspects

of the Company's exploration, project development and operational plans and programs ("*Technical Programs*") and to assist the Board to monitor the Company's actual performance against capital budgets, timelines and Technical Programs; b) review and approve of policies and monitor activities of the Company as they relate to public disclosure made by the Company in respect of its mineral projects and reserves ("*Technical Disclosure*") to ensure compliance with all applicable regulatory requirements; c) review and approve of environmental policies and monitor activities of the Company as they relate to environmental matters; d) review and approve of social policies and programs of the Company as they relate to social issues affecting communities where the Company is conducting its Technical Programs and activities; and e) review and approve of health and safety policies and monitor the activities of the Company as they relate to the health and safety of employees of the Company in the workplace.

### Assessments

The effectiveness of the Board as a whole, any committee of the Board and individual directors is assessed on an ongoing basis by the Board and senior management.

### Liability Insurance

The Company has purchased, at its expense, directors' and officers' liability insurance for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Company and its subsidiaries.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Pursuant to the *Business Corporations Act* (British Columbia) and the Canadian Securities Administrators' National Instrument 52-110 *Audit Committees* ("**NI-110**"), the Company is required to have an audit committee. A copy of the Company's audit committee charter is set out in Appendix A of this Information Circular.

### Composition of the Audit Committee

As at the date of this Information Circular, the following are the members of the Company's audit committee (the "**Audit Committee**"):

Name	Independent	Financially Literate
Bryan Disher (Chair)	Yes	Yes
Ken Owen	Yes	Yes
Cassandra Joseph	Yes	Yes

### Relevant Education and Experience

The Board has determined that the committee members have the appropriate level of financial understanding and industry specific knowledge to be able to perform the duties of the position. Furthermore, the Board has determined that each member of the Audit Committee is financially literate as defined in NI 52-110.

**Bryan Disher** is an independent director and Chair of the Audit Committee. Mr. Disher also serves as independent director and chair of the audit committee of Registered Plan Private Investments Inc. and serves on the audit committee of Minds + Machines Group Limited. Mr. Disher was previously independent director and audit committee chair of Balmoral Resources Limited and independent director and audit committee chair of Rubicon Organics Inc. Mr. Disher spent 37 years with PwC, serving as an audit partner on numerous publicly listed companies. Mr. Disher is a Chartered Professional Accountant (CPA, CA).

**Ken Owen** is an independent director and an Audit Committee member. Mr. Owen holds a B.Sc Eng ( Mining) (WITS) and M.Sc Minerals Production Management ( Imperial College London ). He has over 40 years experience in senior management and consulting roles, with De Beers Consolidated Mines, Anglo American Plc, and as an associate with SRK Consulting. He served as Technical Director on the Board of Mwana Africa Plc ( 2006-9) and as non-executive director for Firestone Diamonds Plc ( 2015-2020).

**Cassandra Joseph** is an independent director and Chair of the Board. Ms. Joseph is an attorney with more than 20 years of legal experience with a focus on mining and metals, environmental and corporate law. She has diverse experience delivering practical legal advice in both the public and private sectors and currently serves on the Board of Directors of Bunker Hill Mining Corp. She joined Nevada Copper Corp. in 2019 and currently serves as its Senior Vice President and General Counsel. Ms. Joseph previously served as Vice President Associate General Counsel, Corporate Secretary and Chief Compliance Officer for Tahoe Resources Inc., as well as a Senior Deputy Attorney General for the Nevada Attorney Generals' Office, representing the Nevada Division of Environmental Protection, Division of Water Resources and other agencies within the Department of Natural Resources. Ms. Joseph holds a J.D. from Santa Clara University School of Law and a B.A. from U.C. Berkeley.

As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- (a) the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) reviewing or evaluating financial statements, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements; and
- (c) an understanding of internal controls and procedures for financial reporting.

#### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed fiscal year, the Company's Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

#### **Reliance on Certain Exemptions**

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

If and when required, the Company is relying upon the exemption in section 6.1 of NI 52-110, which exempts "venture issuers" from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

#### **Pre-Approval of Policies and Procedures**

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

#### **External Auditor Service Fees**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed or billable by the Company's auditor in each of the last two fiscal years, by category, are as follows:

Fiscal Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2021	\$22,774	Nil	\$44,660 <sup>(1)</sup>	\$18,605 <sup>(2)</sup>
December 31, 2020	\$20,244	Nil	\$2,000 <sup>(1)</sup>	\$6,500

(1) Fees related the preparation of the Company's T-2 corporate income tax form.

(2) Fees relating to the review of the Company's Short-Form Prospectus.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Election of Directors

At the Meeting, shareholders will be asked to consider and, if thought appropriate, pass an ordinary resolution fixing the number of directors and electing directors for the ensuing year.

The shareholders of the Company last fixed the number of directors at eight. The Company currently has six directors and, at the Meeting, shareholders will be asked to fix the number of directors at six and elect six directors.

Each Director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a Director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following sets out the name of each of the persons proposed to be nominated for election as a director; all positions and offices in the Company presently held by him/her; his/her principal occupation, business or employment (over the past 5 years, if not a previously elected director), the period during which he/she has served as a director; and the number of common shares that he/she has advised are beneficially owned, or controlled or directed, directly or indirectly, as at the date of this Information Circular.

Name, Place of Residence and Positions with the Company	Principal Occupation, Business or Employment	Director Since	Common Shares Beneficially Owned or Controlled
<b>WILLIAM WILLOUGHBY, Ph.D.</b> <sup>(D)</sup> Idaho, USA <i>CEO, President and a Director</i>	CEO and President of the Company; Owner and Principal of Willoughby & Associates PLLC.	12Sep2017	1,995,580
<b>JAMES PETTIT</b> <sup>(T)</sup> British Columbia, Canada <i>Director</i>	Senior officer and a director of several TSXV-listed companies.	12Jun2000	605,100
<b>DONALD MYERS</b> <sup>(C)(T)</sup> British Columbia, Canada <i>Director</i>	Corporate communications professional and a director of several TSXV-listed companies.	20Sep2005	2,591,000
<b>BRYAN DISHER</b> <sup>(A)(C)(D)</sup> British Columbia, Canada <i>Director</i>	Director at Minds + Machines Group Limited., an internet domain company, since April 2019 and interim Chief Financial Officer since October 2020. Non-executive director at Registered Plan Private Investments Inc since 2016, non-executive director of Rubicon Organics Inc. from May 2018 through August 2022, non-executive director at Balmoral Resources Ltd., a mining company, from 2016 through to its sale in May 2020. Previously, Managing Partner at PricewaterhouseCoopers Ukraine from March 2011 to June 2015 and prior to that partner at PwC in Canada.	26Aug2021	10,000

Name, Place of Residence and Positions with the Company	Principal Occupation, Business or Employment	Director Since	Common Shares Beneficially Owned or Controlled
<b>CASSANDRA JOSEPH</b> <sup>(A)(C)(D)</sup> Nevada, USA <i>Director</i>	Senior Vice President and General Counsel at Nevada Copper Corp., a mining company, since May 2019. Non-executive Director at Bunker Hill Mining Corp. since November 2020. VP Associate General Counsel, Corporate Secretary and Chief Compliance Officer for Tahoe Resources Inc., from 2015 through to its sale in April 2019.	01Jun2021	Nil
<b>KEN OWEN</b> <sup>(A)(T)</sup> Johannesburg, South Africa <i>Director</i>	Independent consulting mining engineer. Served as non-executive director for Firestone Diamonds Plc from July 2015 to June 2020.	21Oct2021	Nil

(A) Audit Committee member.

(C) CCGCN Member.

(T) Technical Committee Member.

(D) Disclosure Committee Member.

The terms of office for those nominees who are presently Directors will expire as of the date of the Meeting. All of the Directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company.

Pursuant to the Advance Notice Policy of the Company adopted by the directors on April 23, 2013, approved by the shareholders on May 29, 2014 and still in effect as at the date hereof, any additional director nominations for the Meeting must be received by the Company on or before **September 28, 2022**, being a date not less than 30 and no more than 65 days prior to the date of the Meeting. As of the date hereof, there were no nominations received.

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

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more that 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by management of the Company.

### Appointment of Auditor

The shareholders will be asked to approve the appointment of PricewaterhouseCoopers LLP (“**PwC**”) of Vancouver, British Columbia, as auditor of the Company for the ensuing year, at a remuneration to be fixed by the Company’s Board.

### Approval of Long-Term Incentive Plan

The Board approved the Long-Term Incentive Plan (the “**Long-Term Incentive Plan**”) on September 28, 2021 (the “**Effective Date**”) and it was further ratified and approved by the shareholders on October 28, 2021. The Exchange requires that the Company obtain shareholder approval of the Long-Term Incentive Plan on an annual basis. The Board implemented the Long-Term Incentive Plan for the following reasons:

- Deferred share units (“**DSUs**”) and restricted share units (“**RSUs**”) that are settled in cash or in whole shares provide the board with additional long-term incentive mechanisms to align the interests of the directors, officers, employees or consultants of the Company with shareholder interests. By their nature, DSUs and RSUs are less dilutive than stock options.
- Performance share units (“**PSUs**”) that are settled in cash or in whole shares provide the board with an additional long-term incentive mechanism and they allow the board to establish performance vesting criteria.
- To make a number of other administrative amendments including enhancing clarity of intent, providing plan flexibility and increasing administrative efficiency.

An “**Award**” means a stock option (“**Option**”), PSU, RSU and DSU granted under the Long-Term Incentive Plan.

At the Meeting, shareholders will be asked to approve an ordinary resolution, with or without amendment (the “**Incentive Plan Resolution**”) approving the adoption of the Long-Term Incentive Plan. Upon obtaining such approval, the Company’s only compensation plan providing for the issuance of securities of the Company as compensation will be the Long-Term Incentive Plan.

The following table summarizes the key provisions of the Long-Term Incentive Plan. In some instances, a distinction is made between grants made before or after the Effective Date (the date of adoption of the Long-Term Incentive Plan). A copy of the Long-Term Incentive Plan can be requested from the Secretary of the Company by emailing [kpladson@sentinelmkt.com](mailto:kpladson@sentinelmkt.com).

<b>Eligible Participants</b>	For all Awards, any director, officer, employee or consultant of the Company or any subsidiary of the Company who is eligible to receive Awards under the Long-Term Incentive Plan.
<b>Types of Awards</b> <b>Number of Securities Issued and Issuable</b>	Options, PSUs, RSUs and DSUs. The aggregate number of common shares of the Company (the “ <b>Shares</b> ”) to be reserved and set aside for issue upon the exercise or redemption and settlement for all Awards granted under this Long-Term Incentive Plan, together with all other established security-based compensation arrangements of the Company, shall not exceed 10% of the Company’s issued and outstanding Shares as at the date of the applicable grant, of which up to a maximum of <b>2,000,000 (two million)</b> Shares may be set aside for issue upon the exercise or redemption and settlement of DSUs, PSUs and RSUs. In respect of PSUs, the maximum Shares issuable under the grant shall be included in the calculation for such purposes.
<b>Plan Limits</b>	When combined with all of the Company’s other previously established security-based compensation arrangements, including the limitation imposed on the maximum number of Shares which may be issued pursuant to the exercise or

redemption and settlement of DSUs, PSUs and RSUs set out above, the Long-Term Incentive Plan shall not result in the grant:

- in any 12 month period, of a number of Shares issued or granted to Insiders exceeding 10% of the issued and outstanding shares of the Company, calculated as at the date any Awards are granted or issued to any Insider;
- where the aggregate number of Shares issuable to Insiders at any time exceeds 10% of the issued and outstanding Shares;
- to any one person in any 12 month period which could, when exercised, result in the issuance of Shares exceeding five percent (5%) of the issued and outstanding Shares of the Company, calculated at the date of grant, unless the Company has obtained the requisite disinterested shareholder approval to the grant;
- to any one consultant in any 12 month period which could, when exercised, result in the issuance of Shares exceeding 2% of the issued and outstanding Shares of the Company, calculated at the date of grant; or
- in any 12 month period, to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding Shares of the Company, calculated at the date of grant, provided that for so long as the Shares are listed and posted for trading on the Exchange, persons employed or engaged by the Company to perform Investor Relations Activities may not receive any Award other than Options.

**Definition of Market Price**

“**Market Price**” means at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the Exchange, for the five (5) trading days immediately preceding the Grant Date (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Market Price shall not be less than the Market Price as defined in Policy 1.1; and provided, further, that with respect to an Option granted to a U.S. Taxpayer, such Participant and the number of Shares subject to such Award shall be identified by the Board or a committee of the Board prior to the start of the applicable five (5) trading day period. In the event that such Shares are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the United States Internal Revenue Code of 1986, as amended from time to time, including any regulations promulgated thereunder.

**Non-Assignability and Non-Transferability of Awards**

Except as permitted by the Board and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Award pass to a beneficiary or legal representative upon death of a Participant, the period in which such Award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant’s death.

**Amending Procedures**

**Discretion to Amend the Plan and Awards.** The Board may, subject to any rules of the Exchange and approval rights of the Exchange, amend the Plan or Awards at any time without obtaining shareholder approval, *provided, however*, that no such amendment may materially and adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent required by applicable law (including Exchange requirements). Any amendment under this

Section shall be subject to all necessary regulatory approvals. Without limiting the generality of the foregoing, but subject to such matters that require shareholder approval as set out under **Amendments Requiring Shareholder Approval**, the Board may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to add covenants of the Company for the protection of Participants, as the case may be, provided that the Board shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (c) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Board shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and directors; or
- (d) making such changes or corrections which, on the advice of counsel to the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Board shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

**Amendments Requiring Shareholder Approval.** Notwithstanding the above, and subject to any rules of the Exchange and approval rights of the Exchange, no amendments to the Plan or Awards to:

- (a) increases the percentage of the Company's issued and outstanding Shares from time to time that can be reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders;
- (c) reduces the exercise price of an Award (for this purpose, a cancellation or termination of an Award of a Participant prior to its expiry date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option Award) except pursuant to the provisions in the Plan which permit the Board to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (d) extends the term of an Award beyond the original expiry date (except where an expiry date would have fallen within a Blackout Period applicable to the Participant or within five (5) business days following the expiry of such a Blackout Period);

- (e) permits an Award to be exercisable beyond 10 years from its Grant Date (except where an expiry date would have fallen within a Blackout Period of the Company);
- (f) increases or removes the limits on the participation of directors;
- (g) permits Awards to be transferred to a Person;
- (h) changes the eligible participants of the Plan;
- (i) is a matter expressly subject to approval of the holders of Shares pursuant to the applicable rules of the Exchange; or
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

shall be made without obtaining approval of the shareholders or Disinterested Shareholders, of the Company, as applicable, in accordance with the requirements of the Exchange.

**Financial Assistance**

The Company will not provide financial assistance to participants under the Long-Term Incentive Plan.

**Other**

In the event of a change in control, the Board shall have the right, but not the obligation, to permit each participant to exercise all of the participant's outstanding Options and to settle all of the participant's outstanding PSUs, RSUs and DSUs, subject to any required approval of the Exchange and subject to completion of the change in control, and has the discretion to accelerate vesting

The Long-Term Incentive Plan further provides that if the expiry date or vesting date of Options is (i) during a blackout period, or (ii) within ten trading days following the end of a blackout period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the blackout period, subject to certain requirements of the Exchange, as set out in the Long-Term Incentive Plan. In the case of PSUs, RSUs and DSUs, any settlement that is effected during a blackout period shall be in the form of a cash payment.

<b>Description of Awards</b>	
<b>A. Stock Options</b>	
<b>Stock Option Terms and Exercise Price</b>	The number of shares subject to each Option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price shall in no event be lower than the Market Price of the shares at the date of grant, less any allowable discounts.
<b>Term</b>	Options shall be for a fixed term and exercisable as determined by the Board, provided that no Option shall have a term exceeding ten years.
<b>Vesting</b>	All Options granted pursuant to the Long-Term Incentive Plan will be subject to such vesting requirements as may be imposed by the Board, with all Options issued to consultants performing investor relations activities vesting in stages over at least 12 months with no more than 1/4 of the Options vesting in any three-month period.
<b>Exercise of Option</b>	The participant may exercise Options by payment of the exercise price per share subject to each Option.
<b>Circumstances Involving</b>	<b>Reasons for Vesting</b> <span style="float: right;"><b>Expiry of Vested Options</b></span>
	<b>Termination</b>

<b>Cessation of Entitlement to Participate</b>	Death	Unvested Options automatically vest as of the date of death.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death.
	Disability	Unvested Options automatically vest on the date the holder is determined to be disabled.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of disability.
	Retirement	Unvested Options automatically vest on the date of retirement.	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of retirement.
	Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited.	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of resignation.  Options granted to Persons engaged primarily to provide investor relations activities expire on the scheduled expiry date of the Option and 30 days following the date of resignation, or as otherwise allowed by the Board.
	Termination without Cause/Constructive Dismissal (No Change in Control)	Unvested Options automatically vest as of the termination date.	Options expire on the earlier of scheduled expiry date of the Option and 90 days following the termination date, or as otherwise allowed by the Board.
	Change in Control	Options granted prior to the Effective Date shall vest and become immediately exercisable.	Expiry Date will be at the discretion of the Board.
	Termination with Cause	Options whether vested or unvested as of the termination date, automatically terminate and shall be forfeited.	Options whether vested or unvested as of the termination date, automatically terminate and shall be forfeited.

#### **B. Performance Share Units**

<b>PSU Terms</b>	A PSU is a notional security but, unlike other equity-based incentives, vesting is contingent upon achieving certain performance criteria, thus ensuring greater alignment with the long-term interests of shareholders. The terms applicable to PSUs under the Long-Term Incentive Plan (including the performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a participant's PSU account) are determined by the Board at the time of the grant.
<b>Vesting</b>	PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle. The performance cycle shall in no case end later than December 31 of the calendar year that is three years after the grant date and provided that in all cases, no PSUs may vest before the date that is one year following the Grant Date.

<b>Settlement</b>	At the grant date, the Board shall stipulate whether the PSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the PSUs in the holders' account.
<b>C. Restricted Share Units</b>	
<b>RSU Terms</b>	An RSU is a notional security that entitles the recipient to receive cash or shares at the end of a vesting period. The terms applicable to RSUs under the Long-Term Incentive Plan (including the vesting schedule and whether dividend equivalents will be credited to a participant's RSU account) are determined by the Board at the time of the grant.
<b>Credit to RSU Account</b>	As dividends are declared, additional RSUs may be credited to RSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one share on such record date.
<b>Vesting</b>	RSUs vest upon lapse of the applicable restricted period. For employees, vesting generally occurs in three equal instalments on the first three anniversaries of the grant date. For directors, one third of the Award may be immediately vesting, with the balance vesting equally over the first two anniversaries of the grant date, provided that no RSUs may vest before the date that is one year following the Grant Date.
<b>Settlement</b>	At the grant date, the Board shall stipulate whether the RSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the RSUs in the holders' account.
<b>D. Deferred Share Units</b>	
<b>DSU Terms</b>	A DSU is a notional security that entitles the recipient to receive cash or shares upon resignation from the Board (in the case of directors) or at the end of employment. The terms applicable to DSUs under the Long-Term Incentive Plan (including whether dividend equivalents will be credited to a participant's DSU account) are determined by the Board at the time of the grant.  Typically, DSUs have been granted (i) as a component of a director's annual retainer, or (ii) as a component of an officer's annual incentive grant. The deferral feature strengthens alignment with the long-term interests of shareholders.
<b>Credit to DSU Account</b>	As dividends are declared, additional DSUs may be credited to DSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one share on such record date.
<b>Vesting</b>	DSUs vest either in accordance with the DSU Award Agreement, or immediately at the time it is credited to the Participant's DSU Account, as applicable, provided that no DSU may vest before the date that is one year following the Grant Date.
<b>Settlement</b>	DSUs may only be settled after the date on which the holder ceases to be a director, officer or employee of the Company. At the grant date, the Board shall stipulate whether the DSUs are paid in cash, shares, or a combination of both, in an amount equal to the Market Value of the notional shares represented by the DSUs in the holders' account.
<b>E. PSUs, RSUs and DSUs</b>	

Circumstances Involving Cessation of Entitlement to Participate	Reason for Treatment of Awards	
	Termination	
	Death	All outstanding PSUs, RSUs and DSUs shall vest as of the date of death and be available for settlement.
	Retirement	All outstanding PSUs, RSUs and DSUs shall vest as of the date of retirement and be available for settlement.
	Disability	All outstanding PSUs, RSUs and DSUs shall vest as of the date of disability and be available for settlement.
	Resignation	Outstanding PSUs, RSUs and DSUs that were vested on or before the date of resignation shall be available for settlement as of the date of resignation, after which time all remaining PSUs, RSUs and DSUs shall in all respects terminate.
	Termination without Cause/Constructive Dismissal (No Change in Control)	Outstanding PSUs, RSUs and DSUs that were vested on or before the termination date shall be available for settlement as of the termination date. Outstanding PSUs, RSUs and DSUs that would have vested on the next vesting date following the termination date shall be available for settlement as of such vesting date. Subject to the foregoing, any remaining PSUs, RSUs and DSUs shall in all respects terminate as of the termination date.
	Change in Control	PSUs, RSUs and DSUs vest immediately prior to Change in Control.
	Termination with Cause	Outstanding PSUs, RSUs and DSUs (whether vested or unvested) shall automatically terminate on the termination date and be forfeited.

Any shares subject to an Award which for any reason expires without having been exercised or is forfeited or terminated shall again be available for future Awards under the Long-Term Incentive Plan and any shares subject to an Award that is settled in cash and not shares shall again be available for future Awards under the Long-Term Incentive Plan.

The above summary is subject to the full text of the Long-Term Incentive Plan which will be available for review at the Meeting. If the Long-Term Incentive Plan is approved by shareholders, up to 10% of the Company's issued common shares at the time of any grant will be reserved for issuance pursuant to the exercise of Awards to be granted pursuant to the Long-Term Incentive Plan, of which up to a maximum of 2,000,000 Shares may be set aside for issue upon the exercise or redemption and settlement of DSUs, PSUs and RSUs. A total of 6,835,000 Options are currently outstanding and as of the date of this Circular and a total of 7,817,814 Awards are available to be granted, subject to the maximum number of shares that may be issued pursuant to the issue or upon the exercise or redemption and settlement of the DSUs, PSUs and RSUs.

All Options to acquire shares of the Company previously issued by the Company to directors, officers, employees and consultants of the Company and currently outstanding shall be deemed to have been granted and issued under the Long-Term Incentive Plan and otherwise be governed by the terms and conditions of the Long-Term Incentive Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such Options.

#### Shareholder and Regulatory Approval

The Company believes that the Long-Term Incentive Plan complies with the policies of the Exchange as they exist at the date of this Circular. In accordance with the policies of the Exchange, the Long-Term Incentive Plan must be approved by an ordinary resolution of shareholders, being a majority of the votes cast by shareholders present in person or by proxy at the Meeting.

The Long-Term Incentive Plan is also subject to the approval of the Exchange.

#### Incentive Plan Resolution

Shareholders will be asked to consider, and if deemed appropriate, to approve the Incentive Plan Resolution. The full text of the Incentive Plan Resolution approving the Long-Term Incentive Plan is as follows:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:**

1. The long-term incentive plan (the **“Incentive Plan”**) of the Company as described in the Company’s Management Proxy Circular for the Annual General Meeting of the Company dated September 29, 2022, is hereby approved and confirmed and the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute and deliver on behalf of the Company all such documents, agreements and other writings as may be required, which in his or her opinion he or she deems necessary and in the best interest of the Company, in order to give effect to the true intent of this resolution and notwithstanding the foregoing, the directors of the Company are hereby authorized, without further approval of or notice to the shareholders of the Company, to revoke this ordinary resolution at any time prior to giving effect to the Incentive Plan;
2. The form of the Incentive Plan may be amended in order to satisfy the requirements or requests of any regulatory authority or stock exchange without requiring further approval of the shareholders of the Company.

**The Board has determined that the Long-Term Incentive Plan is in the best interests of the Shareholders and unanimously recommends that Shareholders vote FOR the Incentive Plan Resolution to approve the Long-Term Incentive Plan.**

**Unless instructed otherwise, the persons named in the accompanying proxy intend to vote FOR the approval of the Long-Term Incentive Plan.**

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

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

#### **ADDITIONAL INFORMATION**

Additional Information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial Information concerning the Company is provided in the Company’s comparative financial statements and management’s discussion and analysis for the fiscal year ended December 31, 2021.

Shareholders wishing to obtain a copy of the Company’s financial statements and management’s discussion and analysis may contact the Company as follows:

CYPRESS DEVELOPMENT CORP.  
1610-777 Dunsmuir Street, Vancouver, BC, V7Y 1K4  
Telephone: (604) 687-3376 Fax: (604) 687-3119  
E-mail: [info@cyressdevelopmentcorp.com](mailto:info@cyressdevelopmentcorp.com)

**BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the Directors of the Company.

DATED at Vancouver, British Columbia, as at September 29, 2022.

**ON BEHALF OF THE BOARD**

/s/ "William Willoughby"  
**William Willoughby,**  
President & CEO



**Cypress**  
DEVELOPMENT CORP.

**Schedule A**

**CYPRESS DEVELOPMENT CORP.**  
(the "Company")

**AUDIT COMMITTEE CHARTER**

The Audit Committee is appointed by the Board of Directors to assist the Board of Directors in its oversight and evaluation of:

- the quality and integrity of the financial statements of the Company,
- the compliance by the Company with legal and regulatory requirements in respect of financial disclosure,
- the qualification, independence and performance of the Company's independent auditor
- the performance of the Company's internal auditor (if applicable),
- the assessment, monitoring and management of the strategic, operational, reporting and compliance risks of the Company's business (the "Risks"), and
- the performance of the Company's Chief Financial Officer.

In addition, the Audit Committee provides an avenue for communication between the independent auditor, the internal auditors, the Company's Chief Financial Officer and other financial senior management, other employees and the Board of Directors concerning accounting, auditing and Risk management matters.

The Audit Committee is directly responsible for the recommendation of the appointment and retention (and termination) and for the compensation and the oversight of the work of the independent auditor (including oversight of the resolution of any disagreements between senior management and the independent auditor regarding financial reporting) for the purpose of preparing audit reports or performing other audit, review or attest services for the Company.

The Audit Committee is not responsible for:

- planning or conducting audits,
- certifying or determining the completeness or accuracy of the Company's financial statements or that those financial statements are in accordance with generally accepted accounting principles. Each member of the Audit Committee shall be entitled to rely in good faith upon:
- financial statements of the Company represented to him or her by senior management of the Company or in a written report of the independent auditor to present fairly the financial position of the Company in accordance with generally accepted accounting principles; and
- any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

"Good faith reliance" means that the Audit Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by senior management or the expert is reasonable. Generally, good faith reliance does not require that the member question the honesty, competence and integrity of senior management or the expert unless there is a reason to doubt their honesty, competency and integrity.

The fundamental responsibility for the Company's financial statements and disclosure rests with senior management. It is not the duty of the Audit Committee to conduct investigations, to itself resolve disagreements (if any) between senior management and the independent auditor or to assure compliance with applicable legal and regulatory requirements.

In discharging its obligations under this Charter, the Audit Committee shall act in accordance with its fiduciary duties.

## **REPORTS**

The Audit Committee shall report to the Board of Directors on a regular basis and, in any event, before the public disclosure by the Company of its annual financial results. The reports of the Audit Committee shall include any issues of which the Audit Committee is aware with respect to the quality or integrity of the Company's financial statements, its compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor and changes in Risks.

The Audit Committee also shall prepare, as required by applicable law, any audit committee report required for inclusion in the Company's publicly filed documents.

## **COMPOSITION**

The members of the Audit Committee shall be three or more individuals who are appointed (and may be replaced) by the Board of Directors on the recommendation of the Company's Compensation, Corporate Governance and Nominating Committee. The appointment of members of the Audit Committee shall take place annually at the first meeting of the Board of Directors after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Audit Committee is not so made, the directors who are then serving as members of the Audit Committee shall continue as members of the Audit Committee until their successors are appointed. The Board of Directors may appoint a member to fill a vacancy that occurs in the Audit Committee between annual elections of directors. Any member of the Audit Committee may be removed from the Audit Committee by a resolution of the Board of Directors. Unless the Chair is elected by the Board of Directors, the members of the Audit Committee may designate a Chair by majority vote of the members of the Audit Committee.

Each of the members of the Audit Committee shall meet the Company's Categorical Standards for Determining Independence of Directors and shall be financially literate (or acquire that familiarity within a reasonable period after appointment) in accordance with applicable legislation and stock exchange requirements. No member of the Audit Committee shall:

- accept (directly or indirectly) any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries<sup>1</sup> (other than remuneration for acting in his or her capacity as a director or committee member) or be an "affiliated person" of the Company or any of its subsidiaries, or
- concurrently serve on the audit committee of more than three other public companies without the prior approval of the Board of Directors and their determination that such simultaneous service would not impair the ability of the member to effectively serve on the Audit Committee (which determination shall be disclosed in the Company's annual management information circular).

1 A company is a subsidiary of another company if it is controlled, directly or indirectly, by that other company (through one or more intermediaries or otherwise).

2 An "affiliate" of a person is a person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the first person.

## **RESPONSIBILITIES**

### **Independent Auditor**

The Audit Committee shall:

- Recommend the appointment and the compensation of, and, if appropriate, the termination of the independent auditor, subject to such Board of Directors and shareholder approval as is required under applicable legislation and stock exchange requirements.
- Obtain confirmation from the independent auditor that it ultimately is accountable, and will report directly, to the Audit Committee and the Board of Directors.
- Oversee the work of the independent auditor, including the resolution of any disagreements between senior management and the independent auditor regarding financial reporting.

- Pre-approve all audit and non-audit services (including any internal control-related services) provided by the independent auditor (subject to any restrictions on such non-audit services imposed by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators).
- Adopt such policies and procedures as it determines appropriate for the pre-approval of the retention of the independent auditor by the Company and any of its subsidiaries for any audit or non-audit services, including procedures for the delegation of authority to provide such approval to one or more members of the Audit Committee.
- Provide notice to the independent auditor of every meeting of the Audit Committee.
- Approve all engagements for accounting advice prepared to be provided by an accounting firm other than independent auditor.
- Review quarterly reports from senior management on tax advisory services provided by accounting firms other than the independent auditor.

### **Internal Auditor (if applicable)**

The Audit Committee shall:

- Review and approve the internal auditor's audit plan and all major changes to the plan.
- Review and discuss with the internal auditors the scope, progress and results of executing the internal audit plan.
- Review the charter, reporting relationship, activities, staffing, organizational structure and credentials of the internal auditors.
- Review and concur on the appointment, replacement, reassignment or dismissal of the personnel responsible for the internal audit function.
- Review the annual performance of the internal auditors.

### **The Audit Process, Financial Statements and Related Disclosure**

The Audit Committee shall:

- Meet separately and periodically with senior management, the internal auditor and/or the independent auditor to review and discuss,
  - the planning and staffing of the audit by the independent auditor,
  - before public disclosure, the Company's annual audited financial statements and quarterly financial statements, the Company's accompanying disclosure of Management's Discussion and Analysis and earnings press releases and make recommendations to the Board of Directors as to their approval and dissemination of the annual financial statements and accompanying disclosure,
  - financial information provided to analysts and rating agencies: this review need not be done on a case by case basis but may be done generally (consisting of a discussion of the types of information disclosed and the types of presentations made) and need not take place in advance of the disclosure,
  - any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the selection or application of accounting principles, any major issues regarding auditing principles and practices, and the adequacy of internal controls that could significantly affect the Company's financial statements,
  - all critical accounting policies and practices used,
  - all alternative treatments of financial information within GAAP or IFRS, as applicable that have been discussed with senior management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor,
  - the use of "pro forma" or "adjusted" non-GAAP or non-IFRS, as applicable information,
  - the effect of new regulatory and accounting pronouncements,
  - the effect of any material off-balance sheet structures, transactions, arrangements and obligations (contingent or otherwise) on the Company's financial statements,
  - any disclosures concerning any weaknesses or any deficiencies in the design or operation of internal controls or disclosure controls made to the Audit Committee in connection with certification of forms by the Chief Executive Officer and/or the Chief Financial Officer for filing with applicable securities regulators, and

- the adequacy of the Company's internal accounting controls and management information systems and its financial, auditing and accounting organizations and personnel (including any fraud involving an individual with a significant role in internal controls or management information systems) and any special steps adopted in light of any material control deficiencies.
- Review disclosure of financial information extracted or derived from the Company's financial statements.
- Review with the independent auditor,
  - the quality, as well as the acceptability of the accounting principles that have been applied,
  - any problems or difficulties the independent auditor may have encountered during the provision of its audit services, including any restrictions on the scope of activities or access to requested information and any significant disagreements with senior management, any management letter provided by the independent auditor or other material communication (including any schedules of unadjusted differences) to senior management and the Company's response to that letter or communication, and
  - any changes to the Company's significant auditing and accounting principles and practices suggested by the independent auditor or other members of senior management.

### **Enterprise Risk Management**

The Audit Committee will oversee management's identification and monitoring of risks related to financial systems and reporting and recommending strategies to mitigate against such risks.

### **Compliance**

The Audit Committee shall:

- Review with senior management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Company's financial statements or accounting policies.
- Review senior management's written representations to the independent auditor.
- Review with the Company's General Counsel (or, if the Company does not have a General Counsel, its principal external legal advisors) legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
- Establish procedures for
  - the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and
  - the confidential, anonymous submission by employees of the Company with concerns regarding any accounting or auditing matters.

### **Delegation**

To avoid any confusion, the Audit Committee responsibilities identified above are the sole responsibility of the Audit Committee and may not be allocated by the Board of Directors to a different committee without revisions to this Charter.

### **MEETINGS**

The Audit Committee shall meet at least quarterly and more frequently as circumstances require. All members of the Audit Committee should strive to be at all meetings. The Audit Committee shall meet separately, periodically, with senior management, the internal auditor and the independent auditor and may request any member of the Company's senior management or the Company's outside counsel or independent auditor to attend meetings of the Audit Committee or with any members of, or advisors to, the Audit Committee. The Audit Committee will also meet *in camera* at each of its regularly scheduled meetings.

Quorum for the transaction of business at any meeting of the Audit Committee shall be a majority of the number of members of the Audit Committee or such greater number as the Audit Committee shall by resolution determine. The powers of the Audit Committee may be exercised at a meeting at which a quorum of the Audit 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 Audit Committee. Each member (including the Chair) is entitled to one (but only one) vote in Audit Committee proceedings.

Meetings of the Audit Committee shall be held from time to time and at such place as a member of the Audit Committee may request upon 48 hours prior notice. The notice period may be waived by a quorum of the Audit Committee.

Except as otherwise provided in this Charter, the Audit Committee may form and delegate authority to individual members and subcommittees of the Audit Committee where the Audit Committee determines it is appropriate to do so.

### **INDEPENDENT ADVICE**

In discharging its mandate, the Audit Committee shall have the authority to retain (and authorize the payment by the Company of) and receive advice from special legal, accounting or other advisors as the Audit Committee determines to be necessary to permit it to carry out its duties.

### **ANNUAL EVALUATION**

Annually, or more frequently at the request of the Chief Executive Officer as a result of legislative or regulator changes, the Audit Committee shall, in a manner it determines to be appropriate:

- Conduct a review and evaluation of the performance of the Audit Committee and its members, including the compliance of the Audit Committee with this Charter.
- Review and assess the adequacy of its Charter and recommend to the Board of Directors any improvements to this Charter or the position description that the Audit Committee determines to be appropriate, except for minor technical amendments to this Charter, authority for which is delegated to the Chief Executive Officer, who will report any such amendments to the Board of Directors at its next regular meeting.