



**NOTICE OF 2020 ANNUAL GENERAL MEETING OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**DATED AS OF MAY 11, 2020**



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

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### Meeting Information

Date: Wednesday, June 17, 2020  
Time: 10:00 a.m. (Pacific Time)  
Location: Suite 2000  
HSBC Building,  
885 West Georgia Street,  
Vancouver, British Columbia V6C 3E8

Fellow Shareholders,

You are invited to attend the Annual General Meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of NGEx Minerals Ltd. (the “**Corporation**”). The purpose of the Meeting is:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2019, together with the report of the auditors thereon;
2. to fix the number of directors at six;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint PricewaterhouseCoopers, LLP as auditor of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, to pass an ordinary resolution providing for the required annual approval of the Corporation’s incentive stock option plan, as more particularly described in the accompanying management information circular (the “**Information Circular**”); and
6. to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Your vote is important. If you held shares in the Corporation on May 8, 2020, you are entitled to receive notice of and vote at this Meeting or any postponement or adjournment of it.

The Corporation intends to hold its Meeting in person. However, in view of the current and rapidly evolving COVID-19 outbreak, the Corporation asks that, in considering whether to attend the Meeting in person, Shareholders follow the instructions of the Public Health Agency of Canada (PHAC) (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirusinfection.html>). The Corporation encourages Shareholders not to attend the Meeting in person, particularly if they are experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. Access to the Meeting will, subject to Corporation’s by-laws, be limited to essential personnel and registered shareholders and proxyholders entitled to attend and vote at the Meeting. The Corporation may take additional precautionary measures in relation to the Meeting in response to further developments with the COVID-19 outbreak. In the event it is not possible or advisable to hold the Meeting in person, the Corporation will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the meeting entirely by electronic means, telephone or other communication facilities. Please monitor our

website at [www.ngexminerals.com](http://www.ngexminerals.com) for updated information. If you are planning to attend the Meeting, please check the website one week prior to the meeting date. As always, the Corporation encourages Shareholders to vote their shares prior to the Meeting. No management presentation will be made at the Meeting.

This Notice is accompanied by the Information Circular, a proxy form or voting instruction form and a financial statement request form. The Corporation's financial statements are available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Corporation's website at [www.ngexminerals.com](http://www.ngexminerals.com). If you are not able to attend the Meeting, please vote by using the proxy form or voting instruction form included with the Information Circular and return it according to the instructions provided before 10:00 a.m. (Pacific Time) on June 15, 2020.

DATED at Vancouver, British Columbia the 11<sup>th</sup> day of May, 2020.

Yours truly,

/s/ "Wojtek Wodzicki"

Wojtek Wodzicki, President and Chief Executive Officer

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## MANAGEMENT INFORMATION CIRCULAR

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### **GENERAL INFORMATION**

This management information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management ("**Management**") of NGEx Minerals Ltd. (the "**Corporation**") for use at the annual general meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares in the capital of the Corporation (the "**Common Shares**") to be held on Wednesday, June 17, 2020 at the time and place and for the purposes set out in the accompanying Notice of Annual General Meeting of Shareholders (the "**Notice of Meeting**"). References in this Information Circular to the Meeting include any adjournment(s) or postponement(s) thereof.

You have received this Information Circular because you owned Common Shares on May 8, 2020, being the record date for the Meeting (the "**Record Date**"). Unless otherwise stated, the information contained in this Information Circular is as of May 11, 2020. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars, which is the Corporation's reporting currency.

The board of directors of the Corporation (the "**Board**") has approved the contents of this Information Circular and has directed management to make it available to you.

This Information Circular provides the information that you need to vote at the Meeting.

- If you are a Registered Shareholder (as defined below), you have been sent a proxy form that you can use if you choose not to vote at the Meeting.
- If you are a Non-Registered (or Beneficial) Shareholder (as defined below), you may receive either a proxy form or voting instruction form and should follow the instructions included.

### **YOUR VOTE IS IMPORTANT. PLEASE READ THIS INFORMATION CIRCULAR CAREFULLY AND THEN VOTE YOUR COMMON SHARES, EITHER BY PROXY OR IN PERSON AT THE MEETING.**

This Information Circular is being sent to both Registered Shareholders and Non-Registered (or Beneficial) Shareholders.

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as Non-Objecting Beneficial Owners ("**NOBOs**"). Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as Objecting Beneficial Owners ("**OBOs**").

The Corporation does not send proxy-related materials directly to Non-Registered Shareholders. In accordance with the requirements as set out in National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy to intermediaries for onward distribution to NOBOs and OBOs. The Corporation does not intend to pay for intermediaries to deliver the Meeting materials to OBOs. An OBO will therefore not receive the Meeting materials unless such OBO's intermediary assumes the cost of delivery.

The Corporation intends to hold its Meeting in person. However, in view of the current and rapidly evolving COVID-19 outbreak, the Corporation asks that, in considering whether to attend the Meeting in

person, Shareholders follow the instructions of the Public Health Agency of Canada (PHAC) (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirusinfection.html>). The Corporation encourages Shareholders not to attend the Meeting in person, particularly if they are experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. Access to the Meeting will, subject to Corporation's by-laws, be limited to essential personnel and registered shareholders and proxyholders entitled to attend and vote at the Meeting. The Corporation may take additional precautionary measures in relation to the Meeting in response to further developments with the COVID-19 outbreak. In the event it is not possible or advisable to hold the Meeting in person, the Corporation will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the meeting entirely by electronic means, telephone or other communication facilities. Please monitor our website at [www.ngexminerals.com](http://www.ngexminerals.com) for updated information. If you are planning to attend the Meeting, please check the website one week prior to the meeting date. As always, the Corporation encourages Shareholders to vote their shares prior to the Meeting.

## **GENERAL VOTING INFORMATION**

### **Request for Proxies**

Your proxy is being solicited on behalf of the Corporation's management in connection with the Meeting. Management will solicit proxies primarily by mail, but proxies may also be solicited personally by telephone by directors, officers and employees of the Corporation at a nominal cost. All costs of this solicitation will be borne by the Corporation.

### **Notice and Access**

The Corporation is not using "notice and access", as defined in National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer and is sending physical copies of the Meeting materials to Shareholders.

### **Voting Instructions**

**If you specify how you want to vote on your proxy form or voting instruction form, your proxyholder has to vote that way. If you do not indicate how you want to vote, your proxyholder will decide for you.**

The individuals named in the enclosed form of proxy are officers and/or directors of the Corporation (the "Management Proxyholders"). **They will vote your Common Shares for you, unless you appoint someone else to be your proxyholder. A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent such Shareholder at the Meeting, may do so, either by striking out the names of those persons named in the accompanying form of proxy and inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy. A proxy will not be valid unless the completed form of proxy is received by the Corporation's transfer agent, Computershare Investor Services Inc. ("Computershare"), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, or via fax to 1-866-249-7775, or via phone to 1-866-732-8683, or via Internet to [www.investorvote.com](http://www.investorvote.com), not less than 48 hours (excluding Saturdays, and holidays) before the time for holding the Meeting, or any adjournment or postponement thereof.**

### **Registered Shareholder**

You are a "**Registered Shareholder**" if your Common Shares are registered in your name and you have a share certificate.

### **Non-Registered Shareholder**

You are a "**Non-Registered (or Beneficial) Shareholder**" if your Common Shares are registered: (a) in the name of an intermediary that the Non-Registered Shareholder deals with in respect of the Common

Shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the intermediary is a participant. Non-Registered Shareholders do not appear on the list of Shareholders maintained by the transfer agent. Most shareholders are Non-Registered (or Beneficial) Shareholders.

**If you are unsure if you are a Registered Shareholder or a Non-Registered (or Beneficial) Shareholder, please contact Computershare at:**

Computershare Investor Services Inc.  
8th Floor, 100 University Avenue  
Toronto, Ontario, M5J 2Y1  
1-800-564-6253 (toll-free in Canada and U.S.)  
1-514-982-7555 (international)  
[service@computershare.com](mailto:service@computershare.com)

### **How to Vote if you are a Registered Shareholder**

- In Person      You should identify yourself to the representative from Computershare before entering the Meeting to register your attendance at the Meeting.
- By Mail        Complete, sign and date your proxy form and return it in the envelope provided. Please see "How to Use Your Proxy Form" below for more information.
- By Telephone:    Call 1-866-732-8683 (toll free in Canada and the United States) from a touch-tone telephone and follow the voting instructions. You will need your 15-digit control number which is noted on your proxy form. International holders wishing to vote by telephone can dial 312-588-4290 to place their vote. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder.
- On the Internet    Go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the screen. You will need your 15-digit control number which is noted on your proxy form.
- By Fax         Complete, sign and date your proxy form and send it by fax to 1-866-249-7775 (toll free in Canada and the United States) or 1-416-263-9524. Please see "How to Use Your Proxy Form" below for more information.

### **How to Use Your Proxy Form**

Complete your voting instructions, sign and date your proxy form and return it so that it is received before 10:00 a.m. (Pacific Time) on June 15, 2020 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the adjourned or postponed Meeting. **When you sign the proxy form (unless you appoint someone else, see below), you are authorizing the appointees, who are officers or directors of the Corporation, to vote your Common Shares for you at the Meeting. The Common Shares represented by a proxy form will be voted in favour or withheld from voting or voted against, as applicable, in accordance with your instructions on any ballot that may be called for at the Meeting.** If the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If you return your proxy form and do not indicate how you want to vote your Common Shares, your vote will be cast:

1. FOR the resolution fixing the number of directors at six (6);
2. FOR the election of each of the persons nominated for election as directors in this Information Circular;
3. FOR the appointment of PricewaterhouseCoopers LLP as auditor and authorizing the directors to fix its remuneration; and

4. FOR the ordinary resolution providing for the required annual approval of the Corporation's incentive stock option plan.

Your proxyholder will also vote your Common Shares as he or she sees fit on any other matter, including amendments or variations of matters identified in this Information Circular or that may properly come before the Meeting and in respect of which you are entitled to vote. As at the date of this Information Circular, the Board and Management do not know of any amendments or variations to the proposed items of business or any additional matters which may be presented for consideration at the Meeting.

If you are appointing someone else to vote your Common Shares at the Meeting, insert the name of the person you are appointing as your proxyholder in the space provided. Your proxyholder does not have to be a Shareholder. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting. At the Meeting, the person you appoint should register with the Computershare representative at the Meeting.

If you are an individual Shareholder, you or your authorized attorney must sign the proxy form. If the Shareholder is a corporation or other legal entity, an authorized officer or attorney must sign the proxy form.

If you need help completing your proxy form, please contact Computershare at the contact information listed above.

#### **How to Change or Revoke your Vote**

If you wish to change a vote you made by proxy:

- Complete a proxy form that is dated later than the proxy form you are changing and deposit it with Computershare so that it is received before 10:00 a.m. (Pacific Time) on June 15, 2020 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time set for the adjourned or postponed Meeting; or
- Vote again by telephone or on the internet before 10:00 a.m. (Pacific Time) on June 15, 2020 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time set for the adjourned or postponed Meeting.

If you have submitted a proxy form, you may revoke it at any time prior to the exercise of the proxy. If you wish to revoke a vote you made by proxy:

- Attend in person at the Meeting;
- Send a notice of revocation in writing from you or your authorized attorney to the registered office of the Corporation, at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, so that it is received by the close of business (Pacific Time) on June 16, 2020 or, in the case of any adjournment or postponement of the Meeting, by the close of business on the last business day before the day of the adjourned or postponed Meeting;
- Give a notice of revocation in writing from you or your authorized attorney to the Chair of the Meeting or the Corporate Secretary on the day of, but prior to the commencement of the Meeting; or
- In any other manner permitted by law.

#### **How to Vote if you are a Non-Registered Shareholder**

The information set forth in this section is of significant importance as a substantial number of Shareholders do not hold Common Shares in their own name and are Non-Registered Shareholders.



Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, intermediaries will use service companies to forward the Meeting materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive the Meeting materials will either: (a) be given a form of proxy which has already been signed by the Intermediary, which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed; or (b) be given a voting instruction form which is not signed by the intermediary, and which, when properly completed and signed by the Non-Registered Shareholder and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow.

#### By proxy/voting information form

Your intermediary (your broker, investment dealer, bank, trust company, trustee, nominee or other intermediary) is required to ask for your voting instructions before the Meeting. The intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed to ensure your Common Shares are voted at the Meeting. Please contact your intermediary if you did not receive a proxy or voting instruction form together with this Information Circular. You may change your voting instructions given to an intermediary by notifying such intermediary in accordance with the intermediary's instructions.

In person The Corporation does not have access to the names or holdings of our Non-Registered Shareholders. This means you can only vote your Common Shares in person at the Meeting if you have previously appointed yourself as the proxyholder for your Common Shares by inserting your name in the space provided on the proxy or voting instruction form which you received from your intermediary and submitting it as directed on the form. Non-Registered Shareholders should carefully follow the instructions of their intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

Only Registered Shareholders have the right to revoke a proxy. A Non-Registered Shareholder who wishes to change its vote must arrange for its intermediary to revoke its proxy on its behalf.

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

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee of Management for election as a director of the Corporation and, to the knowledge of the Corporation, 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 other than the election of directors. Directors and executive officers may also be interested in the approval of the Plan (as defined below) as detailed in this Information Circular, as such persons are entitled to participate in such Plan.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Common Shares are the only voting securities issued by the Corporation and entitled to be voted at the Meeting. Each Shareholder is entitled to one vote for each Common Share held as of the Record Date.

Every individual who is present and is entitled to vote as a Shareholder or as a representative of one or more corporate Shareholders will have one vote for each Common Share registered in that Shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at Computershare and will be available at the Meeting. **Shareholders represented by proxyholders are not entitled to vote on a show of hands.**

To the knowledge of the Corporation’s directors and executive officers, the only persons or companies who beneficially own or exercise control or direction over, directly or indirectly, more than 10% of the Common Shares as of May 8, 2020, being the date of this Information Circular were:

Name	Number of Common Shares	Percentage
Lorito Holdings S.à.r.l. (“ <b>Lorito</b> ”) <sup>(1)</sup>	12,250,000	9.82%
Zebra Holdings and Investments S.à.r.l.(“ <b>Zebra</b> ”) <sup>(1)</sup>	32,300,967	25.88%

*(1) Lorito and Zebra, who report their security holdings as joint actors, are private corporations owned by a trust whose settlor was the late Adolf H. Lundin. Together, Lorito and Zebra hold a total of 44,550,967 Common Shares, which represents approximately 35.7% of the current outstanding Common Shares*

This information was obtained from publicly disclosed information and has not been independently verified by the Corporation.

Computershare counts and tabulates the votes. It does this independently of the Corporation to make sure that the votes of individual Shareholders are confidential. Computershare refers proxy forms to the Corporation only when:

- it is clear that a Shareholder wants to communicate with management;
- the validity of the proxy is in question; or
- the law requires it.

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

The matters to be brought before the Shareholders at the Corporation's Meeting are:

to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2019, together with the report of the auditors thereon;

1. to fix the number of directors at six;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint PricewaterhouseCoopers, LLP as auditor of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
4. to consider and, if thought fit, to pass an ordinary resolution providing for the required annual approval of the Plan, as more particularly described in this Information Circular; and
5. to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

### **Annual Financial Statements**

The Corporation's Annual Financial Statements will be placed before the Meeting. These documents can also be found on the Corporation's website at [www.ngexminerals.com](http://www.ngexminerals.com) and are available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). No vote by the Shareholders is required to be taken with respect to the Annual Financial Statements.

### **Election of Directors**

The Board presently consists of six (6) directors and it is intended to elect six (6) directors for the ensuing year. The director nominees are:

- Wojtek A. Wodzicki
- William Rand
- Cheri L. Pedersen
- Adam Lundin
- Neil O'Brien
- David Mullen

According to its Articles of Incorporation, the Corporation may have a minimum of 1 and a maximum of 10 directors. The term of office of each of the present directors expires at the Meeting. The persons named above will be presented for election at the Meeting as Management's nominees and, unless otherwise instructed, the Management Proxyholders in the accompanying form of proxy intend to vote **FOR** the election of each of the nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Canada Business Corporations Act* (the "CBCA").

The Corporation's by-laws provide for an advance notice requirement for nominations of directors by shareholders. The Corporation did not receive notice of any director nominations in connection with the Meeting within the time periods prescribed by the by-laws. Accordingly, at the Meeting, the only persons eligible to be nominated for election to the Board are Management's nominees.

The following sets out information about each Management nominee to the Board as of May 11, 2020, including his or her background and experience, status of independence, committee memberships, meeting attendance record, main areas of expertise, other boards of which he or she is a member and his

or her equity holdings in the Corporation. Each director has provided the information about the Shares that he or she owns or over which he or she exercises control or direction.

## NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



**Wojtek A. Wodzicki**  
 British Columbia, Canada  
**President & Chief Executive Officer,**  
**Non-Independent Director**  
**Age:** 56  
**Director Since:** February 21, 2019  
**Common Shares Held:** 606,600

**Biography:** Wojtek Wodzicki has a doctorate in Geosciences from the University of Arizona and has over 30 years of experience in international mineral exploration and corporate management. Dr. Wodzicki is currently President and CEO of the Corporation. During his varied career he has led successful exploration teams throughout the world, and has managed large scale projects from the generative stage through to engineering studies. Teams led by Dr. Wodzicki are responsible for several significant discoveries including Los Helados, Josemaría, Filo del Sol, and El Limon-Guajes. Dr. Wodzicki was previously CEO of Josemaria Resources Inc., Filo Mining Corp. ("**Filo Mining**") and Sanu Resources, and has served as a director of several public companies. He was responsible for the spinout of Filo Mining from NGEx Resources Inc. (now called Josemaria Resources Inc.) and is currently a technical adviser to Filo Mining.

**Areas of Expertise:** Mining Industry; Mineral Exploration and Development; Project Management; Compensation; International Business

**Board and Committee Meeting Participation during 2019:**

Board of Directors: Two (2) of Two (2) 100%

**Other Public Board Directorships**

Josemaria Resources Inc. (TSX; Nasdaq Stockholm)  
 Filo Mining Corp. (TSXV; Nasdaq First North)



**Adam I. Lundin,**  
 British Columbia, Canada  
**Independent Director**  
**Age:** 33  
**Director Since:** July 17, 2019  
**Common Shares Held:** 145,000

**Biography:** Mr. Adam Lundin has many years of experience in capital markets and public company management across the natural resources sector. His background includes oil & gas and mining technology, investment advisory, international finance and executive management. He began his career working for several Lundin Group mining companies in various countries before moving into finance where he specialized in institutional equity sales, ultimately becoming co-head of the London office for an international securities firm. In addition to serving as a director of the Corporation, Mr. Lundin is President, CEO and a director of Josemaria Resources Inc., CEO and a director of Filo Mining, and a director of Africa Energy Corp.

**Areas of Expertise:** International Finance and Capital Markets; Mining and Exploration Industry; International Business; Compensation

**Board Meeting Participation during 2019:**

Board of Directors: Two (2) of Two (2) 100%

Compensation Committee: no meetings held

**Other Public Board Directorships**

Africa Energy Corp. (TSXV, Nasdaq First North)  
 Josemaria Resources Inc. (President & CEO) (TSX, Nasdaq Stockholm)  
 Filo Mining Corp. (CEO) (TSXV; Nasdaq First North)

**NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS**



**William A. Rand,**  
 British Columbia, Canada  
**Chairman, Independent Director**  
**Age:** 77  
**Director Since:** July 17, 2019  
**Common Shares Held:** 372,049

**Biography:** Mr. Rand is the President and a director of Rand Investments Ltd., a private investment company. Mr. Rand had practiced corporate and securities law for nearly 25 years before retiring from the practice of law in 1992 to co-found his investment company. Mr. Rand received a Bachelor of Commerce degree (Honours Economics) from McGill University, a law degree from Dalhousie University, a Master of Laws degree in international law from the London School of Economics and a Doctor of Laws honoris causa from Dalhousie University. Mr. Rand has been on boards and audit committees of numerous public mining, oil and gas and investment companies for over 30 years. Through his education and extensive experience in corporate finance, Mr. Rand has overseen and assessed the performance of many companies and public accountants with respect to the preparation, auditing and evaluation of financial statements, and with respect to compensation.

**Areas of Expertise:** Finance; Management; International Business; Compensation; Securities Law; Mining Industry; Corporate Governance

**Board Meeting Participation during 2019:**

Board of Directors:	Two (2) of Two (2) 100%
Audit Committee:	One (1) of One (1) 100%
Compensation Committee:	no meetings held

**Other Public Board Directorships**

Denison Mines Corp. (TSX; NYSE MKT)  
 New West Energy Services Inc. (TSXV)



**Cheri L. Pedersen**  
 British Columbia, Canada  
**Independent Director**  
**Age:** 64  
**Director Since:** July 17, 2019  
**Common Shares Held:** Nil

**Biography:** Ms. Pedersen practiced corporate, securities and natural resources law in Vancouver, British Columbia for over 30 years, with a focus on mining, corporate finance, mergers and acquisitions, and corporate governance, retiring from law practice in 2016. Ms. Pedersen holds a Bachelor of Commerce degree and a Bachelor of Laws degree, both from the University of British Columbia.

**Areas of Expertise:** Corporate, Securities and Natural Resources Law; Mining Industry; Corporate Finance; Mergers and Acquisitions; Corporate Governance

**Board Meeting Participation during 2019:**

Board of Directors:	Two (2) of Two (2) 100%
Audit Committee:	One (1) of One (1) 100%
Corporate Governance & Nominating Committee:	One (1) of One (1) 100%

**NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS**



**Neil O'Brien,**  
Ontario, Canada  
**Independent Director**  
**Age:** 59  
**Director Since:** July 17, 2019  
**Common Shares Held:** 323,250

**Biography:** Mr. O'Brien is a consulting economic geologist and former mining executive with three decades of industry service including Board of Director roles in public and private mineral exploration companies. Mr. O'Brien has international experience on five continents in all stages of mineral exploration and development of economic mineral resource projects, mining project evaluation and strategic corporate development activities. He retired in 2018 from Lundin Mining Corporation as Senior Vice President, Exploration & New Business Development. Currently, Mr. O'Brien is the Non-Executive Chairman of Element 29 Resources (private) and Empire Metals Ltd. (LSE-AIM); Director of Sociedad Minera Reliquias (private); and President of MOAR Consulting Inc.

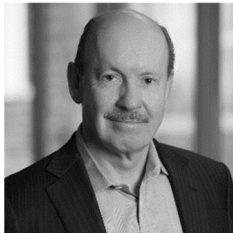
**Areas of Expertise:** Mining Industry; Mineral Exploration and Development; Project Management; Corporate Governance; Compensation

**Board Meeting Participation during 2019:**

Board of Directors:	Two (2) of Two (2) 100%
Compensation Committee:	no meetings held
Corporate Governance & Nominating Committee:	Nil of One (1) 0%

**Other Public Board Directorships**

Empire Metals Ltd. (LSE - AIM)



**David F. Mullen,**  
British Columbia, Canada  
**Independent Director**  
**Age:** 64  
**Director Since:** July 17, 2019  
**Common Shares Held:** 172,500

**Biography:** Mr. Mullen has more than 30 years' experience in the merchant banking and investment industry. He is a Managing Director of Graycliff Partners and Highland West Capital. He was formerly the Managing Partner and Chair of Fulcrum Capital Partners Inc. Both Graycliff and Fulcrum were previously the merchant banking subsidiaries of HSBC and were part of a management buyout in 2011 led by Mr. Mullen. Previously, Mr. Mullen was the CEO of HSBC Capital and managed merchant banking operations in Canada, US, and Latin America with capital commitments in excess of \$2 billion. Mr. Mullen served as a director to a number of public and private boards, including over 20 years in the resource-based sector with companies such as Eurozinc, Gold-Ore Resources, Lundin Mining, and NGEx Resources (now Josemaria Resources Inc.). Mr. Mullen received a Bachelor of Commerce degree from the University of British Columbia and an MBA from the Richard Ivey School of Business at the University of Western Ontario.

**Areas of Expertise:** Finance; Mining Industry; International Business; Corporate Governance; Compensation

**Board Meeting Participation during 2019:**

Board of Directors:	Two (2) of Two (2) 100%
Audit Committee:	One (1) of One (1) 100%
Corporate Governance & Nominating Committee:	One (1) of One (1) 100%

The information as to the province or state, as applicable, country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.

The information as to Common Shares beneficially owned or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.

Other than as disclosed below, none of the proposed directors (or any of their personal holding companies) of the Corporation:

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

None of the proposed directors (or any of their personal holding companies) has been subject to:

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

The following table sets out the current membership of the proposed Director nominees on the Corporation’s Committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
William Rand (Chair)	William Rand (Chair)	Cheri L. Pedersen (Chair)
Cheri L. Pedersen	Adam Lundin	David Mullen
David Mullen	Neil O’Brien	Neil O’Brien

### **Appointment of Auditor**

The Board proposes to re-appoint PricewaterhouseCoopers, LLP as the auditor of the Corporation to hold office until the close of the next annual general meeting of Shareholders. The resolution to approve the re-appointment of PricewaterhouseCoopers, LLP will also authorize the Board to fix its remuneration. PricewaterhouseCoopers, LLP was first appointed as the auditor of the Corporation on June 20, 2019.

Additional information on fees paid to PricewaterhouseCoopers, LLP can be found below under “Audit Committee”.

To be effective, the resolution to re-appoint PricewaterhouseCoopers, LLP must be approved by not less than a majority of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting.

**The Board recommends that Shareholders vote FOR the re-appointment of PricewaterhouseCoopers, LLP.** The Common Shares represented by the proxies solicited in respect of the Meeting on any ballot that may be called for, unless authority to do so is withheld, will be voted for the appointment of the firm of PricewaterhouseCoopers LLP as auditor of the Corporation, and to authorize the directors to fix the remuneration to be paid to the auditor for the ensuing year.

### **Annual Approval of 10% Rolling Stock Option Plan**

As noted below under “Securities Authorized for Issuance Under Equity Compensation Plan”, the Corporation’s current 10% rolling stock option plan (the “**Plan**”) governing the issuance of stock options (“**Options**”) was approved by Josemaria Resources Inc.’s (“**Josemaria**”) Shareholders on June 19, 2019, in connection with its plan of arrangement with the Corporation. See “Plan of Arrangement” below. See “Securities Authorized for Issuance Under Equity Compensation Plan” for a summary of the terms and conditions governing the Plan.

A copy of the Plan may be inspected at the head office of the Corporation, Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 during normal business hours and at the Meeting. In addition, a copy of the Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation, at its head office, to the attention of the Corporate Secretary.

The policies of the TSXV require that rolling plans be approved by shareholders on an annual basis. Accordingly, at the Meeting Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution to ratify and confirm the Plan as adopted by the Board which permits the issuance of up to 10% of the issued and outstanding Common Shares of the Corporation from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or represented by proxy at the Meeting.

At the Meeting, Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the Plan:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the 10% Rolling Stock Option Plan (the “**Plan**”) of NGEX Minerals Ltd. (the “**Corporation**”), as adopted by the Board of Directors, and as described in the Corporation’s management information circular dated May 11, 2020, be and is hereby approved and ratified, and the Corporation be and is hereby authorized to reserve for issuance pursuant to the Plan up to 10% of the issued and outstanding common shares of the Corporation from time to time;
2. the Board of Directors be and is hereby authorized on behalf of the Corporation to make any amendments to the Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the shareholders of the Corporation, in order to ensure the adoption and efficient function of the Plan; and
3. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect



to the foregoing resolutions, and to complete all transactions in connection with the implementation of the Plan.”

**The Board believe that the passing of the foregoing ordinary resolution is in the best interests of the Corporation and recommend that Shareholders vote in favor of the resolution.**

**The persons named as proxies in the enclosed Proxy intend to cast the votes represented by proxy in favor of the foregoing resolution unless the holder of Common Shares who has given such proxy has directed that the votes be otherwise cast.**

## **PLAN OF ARRANGEMENT**

The Corporation was incorporated under the CBCA on February 21, 2019 as a wholly owned subsidiary of Josemaria for the purposes of completing a plan of arrangement under the CBCA in accordance with the terms of the arrangement agreement entered into between Josemaria and the Corporation, and pursuant to the court approved plan of arrangement, whereby Josemaria transferred to the Corporation its wholly-owned subsidiaries that directly or indirectly hold the Los Helados project in Chile, the Nacimientos properties in Argentina and the La Rioja properties in Argentina, along with \$7.3 million in cash (the “**Arrangement**”). Under the terms of the Arrangement, which closed on July 17, 2019, Josemaria then distributed 100% of the Common Shares it received under the Arrangement to holders (the “**Josemaria Shareholders**”) of common shares of Josemaria (the “**Josemaria Common Shares**”) on a pro rata basis, such that Josemaria Shareholders received one Common Share for every two Josemaria Common Shares held as of July 24, 2019, for Josemaria Shareholders whose common shares were listed in Canada, or July 26, 2019 for those whose common shares were listed in Sweden. In addition, each outstanding stock option of Josemaria was deemed to be exchanged for a fully-vested replacement stock option of the Josemaria (a “**Josemaria Replacement Option**”) and one half of one fully-vested stock option of the Corporation (an “**Option**”) and the exercise prices for the Josemaria Replacement Options and the Options were adjusted to reflect the relative value of the shares. As Josemaria Shareholders received the Common Shares in their respective, pre-Arrangement proportionate interests, no change of control resulted in either the Corporation, or the underlying assets or business acquired.

## **AUDIT COMMITTEE**

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor.

The audit committee (the “**Audit Committee**”) oversees the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Corporation and its subsidiaries. All auditing services and non-audit services to be provided to the Corporation by the Corporation’s auditors are pre-approved by the Audit Committee. The Audit Committee reviews, on a continuous basis, any reports prepared by the Corporation’s external auditors relating to the Corporation’s accounting policies and procedures, as well as internal control procedures and systems. The Audit Committee is also responsible for examining all financial information, including annual and quarterly financial statements, prepared for securities commissions and similar regulatory bodies prior to filing or delivery of the same. The Audit Committee also oversees the annual audit process, quarterly review engagements, if any, the Corporation’s internal accounting controls, any complaints and concerns regarding accounting, internal controls or auditing matters and the resolution of issues identified by the Corporation’s external auditors. The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders and the compensation of the auditors. The Audit Committee shall meet a minimum of four times per fiscal year. The Audit Committee Charter is attached as Schedule “A” to this Information Circular.

The Audit Committee is currently comprised of William Rand, Cheri L. Pedersen and David Mullen, each of whom is independent and financially literate as such terms are defined under NI 52-110 and the education and experience as it relates to the performance of the duties as an Audit Committee member is detailed above under “Election of Directors”.

Since the commencement of the Corporation’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board. The Corporation is relying on the exemption in section 6.1 of NI 52-110 regarding reporting obligations.

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached hereto as Schedule “A”.

The following table discloses the fees billed to the Corporation by its external auditor during its most recently completed fiscal year ended December 31, 2019:

Financial Year	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees
December 31, 2019	50,087	11,000	Nil	Nil

(1) The aggregate fees billed for audit services.

(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not disclosed in the audit fees column.

(3) The aggregate fees billed for tax compliance, tax advice, tax return and tax planning services.

## **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of this Information Circular, a Named Executive Officer (a “**NEO**”) means each of the following individuals: (a) the Chief Executive Officer of the Corporation (“**CEO**”), (b) the Chief Financial Officer of the Corporation (“**CFO**”), (c) each of the three most highly compensated executive officers of the Corporation including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the year ended December 31, 2019; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Corporation or its subsidiary, nor acting in a similar capacity, as of December 31, 2019.

During the year ended December 31, 2019, the Corporation had four NEOs, as set out in the following table:

Name	Title
Wojtek Wodzicki	President & CEO
Jeff Yip	CFO
Joyce Ngo	Former CFO
Robert Carmichael	Vice President, Exploration

## **Compensation Discussion and Analysis**

### **Overview of Compensation Philosophy**

The administration of the Corporation’s compensation mechanism is handled by the compensation committee (the “**Compensation Committee**”) of the Board. On an annual basis, the Compensation Committee shall review the compensation of its NEOs to ensure that each is being compensated in accordance with the objectives of the Corporation’s compensation programs which are to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with Shareholder interests;
- pay for performance;
- support the Corporation’s vision, mission and values; and
- be flexible to recognize the needs of the Corporation in different business environments.

### **Role of the Compensation Committee**

As at December 31, 2019, the Compensation Committee was comprised William Rand, Adam Lundin and Neil O’Brien, all of whom are considered to be independent directors. All of these individuals have direct experience that is relevant to their responsibilities in determining executive compensation for the Corporation as they have been previously, and are currently, involved with compensation matters at other companies, both public and private, with which they are directors.

The Compensation Committee has the depth of knowledge and the diversity of skills necessary to make informed and independent decisions on compensation matters. In particular, the skills and experience of the members, as detailed above under “Election of Directors”, enables the Compensation Committee to think critically and to make decisions on the suitability of the Corporation’s compensation policies and practices.

The Compensation Committee is responsible for implementing and overseeing the Corporation’s compensation policies and programs as approved by the Board. The Compensation Committee’s responsibilities include:

- recommending compensation policies and guidelines to the Board;
- ensuring that the Corporation has in place programs to attract and develop executive officers of the highest caliber and a process to provide for the orderly succession of executive officers; and
- reviewing and approving corporate goals and objectives relevant to the compensation of executive officers and, in light of those goals and objectives, recommending to the Board the annual salary, bonus and other benefits, direct and indirect, of executive officers.

The Compensation Committee shall consider and evaluate executive compensation levels on an annual basis. When evaluating performance and executive compensation, the Compensation Committee considers and evaluates executive compensation levels against available information for “peer group” companies, which are principally comprised of “junior mineral exploration” companies, to ensure that the Corporation’s executive compensation levels are within the range of comparable norms. In selecting peer group companies, the Compensation Committee primarily looks for public companies that are comparable in terms of business and size.

#### **Role of Management in Determining Compensation**

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but Management has a key role in helping support the Compensation Committee in fulfilling its obligations. For example, the CEO makes recommendations to the Compensation Committee regarding executive officer base salary adjustments, Option grants and discretionary bonuses, other than with respect to the CEO’s own remuneration. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The Board can also exercise discretion to increase or decrease amounts prior to making its final determination. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package, which is determined by the Compensation Committee for recommendation and approval by the Board.

#### **Elements of NEO Compensation**

NEO compensation for the year ended December 31, 2019, was comprised of three components:

- Base salaries – The NEO’s base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive’s performance over time. Base salaries are reviewed using a comparator group, thereby enabling the Corporation to compete for and retain executives critical to the Corporation’s long-term success and are also used as the basis to determine other elements of compensation and benefits. As payment of base salaries does not depend on the performance of any specific targets or goals, it is not viewed as “at risk” compensation.
- Performance-based Bonuses – Discretionary performance-based bonuses are considered from time to time to reward those who have achieved exceptional performance and meet the objectives of the Corporation’s compensation program by rewarding pay for performance.
- Stock Options – The stock option component of executive compensation, which includes a vesting element to ensure retention, meets the objectives of the Corporation’s compensation program

by both motivating the executive towards increasing share value and enabling the executive to share in the future success of the Corporation. The vesting provisions also reduce the risk of short-term decision making. See “Incentive Plan Awards”.

Other benefits do not form a significant part of the remuneration package of any of our NEOs.

A number of factors are considered by the Compensation Committee and the Board when determining NEO compensation, including:

- the NEO’s individual contribution to the benefit of the Corporation and the assessment of each NEO’s individual performance;
- the long-term interests of the Corporation and its Shareholders including exploration success;
- the NEO’s responsibilities, length of service and levels of compensation provided by industry competitors; and
- the operational performance and the Corporation’s financial position.

### **Base Salary**

Base salaries are a fixed component of compensation to ensure that the Corporation remains competitive and continues to attract and retain qualified and experienced executives. The annual base salaries of the NEOs are paid pursuant to respective employment agreements between each individual and the Corporation.

Base salaries are reviewed and, if appropriate, adjusted annually. The Corporation endeavours to pay the salaries of its NEOs at the mid-range level of industry standards while providing NEOs with additional performance-based compensation such as discretionary performance-based bonuses and Options, as further discussed below. There will, however, be occasions when the Corporation pays salaries above or below this level depending on the individual skills and experience of the executive.

### **Performance-based Bonuses**

The Compensation Committee may provide recommendations on discretionary cash bonuses from time to time. Bonuses are a variable, or “at-risk”, component of compensation designed to pay for performance and support the Corporation’s vision, mission and values. To determine the amount of discretionary cash bonuses to award to an NEO the Compensation Committee will consider the performance factors described above in the section under the heading “Elements of NEO Compensation” as well as taking into consideration both individual and corporate performance measures, including financials, budgetary, projects and other initiatives. Such performance measures are based on a subjective assessment by the Compensation Committee in light of overall performance achieved during that year and are not based on objectively defined targets. The Compensation Committee may review bonuses paid by other “peer group” companies, which are principally comprised of “junior mineral exploration”; however, the Compensation Committee may not formally benchmark bonuses.

As of the date of this Information Circular, no payments of bonuses to the NEOs for their performance in 2019, nor decisions with respect thereto, have been made by the Board. Notwithstanding the foregoing, this does not preclude the Board from awarding an incentive bonus subsequent to this date, if so recommended by the Compensation Committee, pursuant to the guidelines and considerations outlined herein.

### **Stock Options**

The Corporation provides long-term incentives through Option grants pursuant to the Plan. Options are a variable, or “at-risk”, component of compensation which are considered to be an effective vehicle for deepening a sense of ownership amongst executives and increasing alignment with the interests of Shareholders, as they vest over time and provide an incentive to create long-term growth.

The purpose of the Plan is to promote the interests of the Corporation by:

- providing its directors, officers, employees, management company employees and consultants (the “**Eligible Persons**”) with additional incentive;
- encouraging stock ownership by such Eligible Persons;
- increasing proprietary interest of Eligible Persons in the success of the Corporation;
- encouraging Eligible Persons to remain with the Corporation or its affiliates; and
- attracting new employees, directors and officers.

All NEOs are eligible to participate in the Plan. Reference is made to the heading “Securities Authorized for Issuance under Equity Compensation Plan” for a description of the Plan.

Options are generally awarded to Eligible Persons at the commencement of employment and periodically thereafter. In making a determination as to whether a grant of Options is appropriate, and if so, the number of Options that should be granted, consideration is given to: in addition to the performance factors referred to under “Elements of NEO Compensation”; the number and terms of outstanding Options held by the NEO; past and expected future performance of the NEO; the potential dilution to Shareholders; general industry standards; and the limits imposed by the terms of the Plan and the TSXV. The Corporation considers the granting of Options to be a particularly important element of compensation as it allows the Corporation to reward each NEO’s efforts to increase value for Shareholders without requiring the Corporation to use cash from its treasury. Options also allow the Corporation to be flexible to recognize the needs of the Corporation in different business environments. The terms and conditions of the Corporation’s Option grants, including vesting provisions and exercise prices, are governed by the terms of the Plan, which are described under “Incentive Plan Awards” and “Securities Authorized for Issuance under Equity Compensation Plan”. Although the Compensation Committee reviews Options granted by the peer group noted above, the Compensation Committee does not formally benchmark Option grants.

Taking into account the factors described above, the Compensation Committee recommended, and the Board approved, the following Option grants to the NEOs during the year ended December 31, 2019:

Name	Options Granted <sup>(1)</sup> (#)	Option Exercise Price (\$)	Option Expiration Date
Wojtek Wodzicki, President & CEO	750,000	0.475	September 26, 2024
Jeff Yip, CFO	300,000	0.475	September 26, 2024
Joyce Ngo, former CFO	Nil	N/A	N/A
Robert Carmichael, VP Exploration	300,000	0.475	September 26, 2024

(1) Options granted vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. See “Incentive Plan Awards”.

### Benefits and Perquisites

Benefits do not form a significant part of the remuneration package of any of the NEOs. In most cases, employment benefits, health care and life insurance are provided in a manner which is in keeping with industry standards. During the year ended December 31, 2019, none of the NEOs received any perquisites which in the aggregate were greater than \$50,000 or 10% of the respective NEO’s salary.

### Risks Associated with Corporation’s Compensation Policies and Practices

Given the current stage of development of the Corporation, neither the Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Corporation’s compensation policies and practices; however, risk management is a consideration of the Board generally when implementing its compensation program. The Board and the Compensation Committee do not believe that the Corporation’s compensation program results in unnecessary or inappropriate risk taking and the Board and the Compensation Committee have not identified any risks

arising from the compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

The Corporation's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### Summary Compensation Table

Pursuant to the Arrangement, the Corporation became a reporting issuer on July 17, 2019. Prior to that date, the Corporation was a private company and no compensation was paid to or earned by the Corporation's NEOs. The following table sets forth the total compensation paid to or earned by the NEOs, during the period from completion of the Arrangement on July 17, 2019 up to December 31, 2019 ("Post Arrangement").

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-equity Incentive Plan Compensation (\$)		Pension value (\$) <sup>(2)</sup>	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
<b>Wojtek Wodzicki</b> <sup>(3)</sup> President & CEO	2019	92,188	Nil	182,535	Nil	Nil	Nil	Nil	274,723
<b>Jeff Yip</b> <sup>(4)</sup> CFO	2019	30,625	Nil	73,014	Nil	Nil	Nil	Nil	103,639
<b>Joyce Ngo</b> <sup>(5)</sup> former CFO	2019	6,250	Nil	Nil	Nil	Nil	Nil	Nil	6,250
<b>Robert Carmichael</b> <sup>(6)</sup> VP Exploration	2019	33,583	Nil	73,014	Nil	Nil	Nil	Nil	106,597

- (1) The Corporation used the Black-Scholes option pricing model for determining the fair value of Options issued at grant date. The Corporation selected the Black-Scholes model given its prevalence of use within North America. The key assumptions used for this determination for 2019 were: a) average risk-free rate of 1.23%; b) expected life of 5 years; c) the price of the Common Shares on the grant date; d) expected volatility of 59.88%; and e) no expected dividend payments. The amount presented in the table represents the fair value of the Options granted in the period. It should be recognized that the actual future value will be based on the difference between the market value of the Common Shares at time of exercise and the exercise price of the Options. Therefore, the value attributed to the Options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized.
- (2) The Corporation does not have any pension, retirement or deferred compensation plans, including defined contribution plans.
- (3) From closing of the Arrangement on July 17, 2019 to September 16, 2019, Dr. Wodzicki was concurrently the President and Chief Executive Officer of the Corporation and Josemaria. Effective September 16, 2019, Dr. Wodzicki resigned as the President and Chief Executive Officer of Josemaria. In addition, from July 17, 2019 to December 31, 2019, Dr. Wodzicki also served as a technical advisor to Filo Mining. Post Arrangement, Dr. Wodzicki's services to the Corporation were carried out pursuant to an employment agreement with the Corporation, and a services agreement between the Corporation, Josemaria, and Filo Mining dated July 17, 2019, as amended thereafter from time to time (the "Services Agreement"). Post Arrangement, a base salary of \$162,250 was paid to Dr. Wodzicki for his services to Josemaria, Filo Mining and the Corporation, and pursuant to the Services Agreement, the Corporation has been allocated \$92,188, which represents 57% of Dr. Wodzicki's total base salary Post Arrangement. Of the remainder of Dr. Wodzicki's total base salary Post Arrangement, 18% has been charged to Josemaria and 25% has been charged to Filo Mining. Only the amounts attributable to Dr. Wodzicki's service to the Corporation are provided in the table above. See "Services Agreement between Josemaria, Filo Mining and the Corporation" below. Dr. Wodzicki is also a director of the Corporation and does not receive any additional compensation in his role as a director.
- (4) On September 16, 2019, Mr. Yip was appointed Chief Financial Officer of the Corporation. From September 16, 2019 to December 31, 2019, Mr. Yip was also the Chief Financial Officer of Filo Mining. Mr. Yip's services to the Corporation were carried out pursuant to an employment agreement with the Corporation, and the Services Agreement. From September 16, 2019 to December 31, 2019, a total base salary of \$61,250 was paid to Mr. Yip for his services to Filo Mining and the Corporation, and pursuant to the Services Agreement, the Corporation has been allocated \$30,625, which represents 50% of Mr. Yip's total base salary for the period. The remaining 50% of Mr. Yip's total base salary over the period has been charged to Filo Mining. Only the amounts attributable to Mr. Yip's service to the Corporation are provided in the table above. See "Services Agreement between Josemaria, Filo Mining and the Corporation" below.
- (5) From closing of the Arrangement on July 17, 2019 to September 16, 2019, Ms. Ngo was concurrently the Chief Financial Officer of the Corporation and Josemaria. Effective September 16, 2019, Ms. Ngo resigned as the Chief Financial Officer of the Corporation. During this period, Ms. Ngo's services to the Corporation were carried out pursuant to an employment agreement with the Corporation, and the Services Agreement. During this period, a base salary of \$25,000 was paid to Ms. Ngo for her services to Josemaria and the Corporation, and pursuant to the Services

Agreement, the Corporation has been allocated \$6,250, which represents 25% of Ms. Ngo total base salary for this period. The remaining 75% of Ms. Ngo total base salary over the period has been charged to Josemaria. Only the amounts attributable to Ms. Ngo's service to the Corporation are provided in the table above. See "Services Agreement between Josemaria, Filo Mining and the Corporation" below.

- (6) Post Arrangement, Mr. Carmichael was concurrently the Vice President, Exploration of the Corporation, Josemaria, and Filo Mining. Mr. Carmichael's services to the Corporation were carried out pursuant to an employment agreement with the Corporation and the Services Agreement. Post Arrangement, a base salary of \$119,167 was paid to Mr. Carmichael for his services to Josemaria, Filo Mining and the Corporation, and pursuant to the Services Agreement, the Corporation has been allocated \$33,583, which represents 28% of Mr. Carmichael's total base salary Post Arrangement. Of the remainder of Mr. Carmichael's total base salary Post Arrangement, 15% has been charged to Josemaria and 56% has been charged to Filo Mining. Only the amounts attributable to Mr. Carmichael's service to the Corporation are provided in the table above. See "Services Agreement between Josemaria, Filo Mining and the Corporation" below.

## **Services, Employment and Consulting Agreements**

### **Services Agreement between Josemaria, Filo Mining and the Corporation**

The Corporation has a cost sharing arrangement with Josemaria and Filo Mining. Under the terms of the Services Agreement, Josemaria, Filo Mining and the Corporation provide each other with various skilled management, technical, business and corporate development, corporate secretarial, administrative and/or financial services (the "**Services**"). In consideration of the Services, the Corporation may pay Josemaria and Filo Mining a monthly fee as reimbursement for the Services.

### **Employment Agreements**

Dr. Wodzicki's services are provided pursuant to an employment agreement with the Corporation dated September 16, 2019 (the "**Wodzicki Employment Agreement**"). Pursuant to the Wodzicki Employment Agreement, Dr. Wodzicki is paid an annual base salary of \$354,000 for his services as President and Chief Executive Officer of the Corporation. The Corporation also reimburses Dr. Wodzicki for any reasonable travelling and other direct expenses incurred by Dr. Wodzicki in connection with his services. The Wodzicki Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause (as defined below)) on 18 months' written notice or by Dr. Wodzicki (voluntarily) on 90 days written notice. Pursuant to the Services Agreement, Dr. Wodzicki receives standard employment benefits, including medical, extended health, and, where applicable, life insurance. With effect from April 1, 2020, Dr. Wodzicki has voluntarily reduced his annual base salary to \$250,000 (30%) on a temporary basis.

Mr. Yip's services are provided pursuant to an employment agreement with the Corporation dated September 16, 2019 (the "**Yip Employment Agreement**") and the Services Agreement. Pursuant to the Yip Employment Agreement and the Services Agreement, Mr. Yip is paid a cumulative annual salary of \$210,000 for his services as the Chief Financial Officer of the Corporation and Filo Mining. The Corporation also reimburses Mr. Yip for any reasonable travelling and other direct expenses incurred by Mr. Yip in connection with his services. The Yip Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 14 months' written notice or by Mr. Yip (voluntarily) on 90 days written notice. Pursuant to the Yip Employment Agreement, Mr. Yip receives standard employment benefits, including medical, extended health, and, where applicable, life insurance. With effect from April 1, 2020, Mr. Yip has voluntarily reduced his cumulative annual salary to \$189,000 on a temporary basis.

Mr. Carmichael's services are provided pursuant to an employment agreement with the Corporation dated September 16, 2019 (the "**Carmichael Employment Agreement**") and the Services Agreement. Pursuant to the Carmichael Employment Agreement and the Services Agreement, Mr. Carmichael is paid a cumulative annual salary of \$260,000 for his services as the Vice President, Exploration of the Corporation and for his services as the Vice President, Exploration of Josemaria and Filo Mining. The Corporation also reimburses Mr. Carmichael for any reasonable travelling and other direct expenses incurred by Mr. Carmichael in connection with his services. The Carmichael Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 14 months' written notice or by Mr. Carmichael (voluntarily) on 90 days written notice.



Pursuant to the Carmichael Employment Agreement, Mr. Carmichael receives standard employment benefits, including medical, extended health, and where applicable, life insurance. With effect from April 1, 2020, Mr. Carmichael has voluntarily reduced his cumulative annual salary to \$234,000 on a temporary basis.

See “Termination and Change of Control Benefits” below for details regarding termination and change of control benefits payable to the NEOs.

## **INCENTIVE PLAN AWARDS**

### **Outstanding Option-Based Awards**

The following table sets forth for the NEOs, the Options outstanding pursuant to the Plan as at December 31, 2019. The Corporation does not grant any share-based awards.

Name and Position	Number of Securities Underlying Unexercised Options (#) and percentage of class	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-money Options (\$) <sup>(1)</sup>	
				Exercisable	Unexercisable
Wojtek Wodzicki President & CEO	750,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
	250,000 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	225,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	175,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil
Jeff Yip <sup>(4)</sup> CFO	300,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
Joyce Ngo <sup>(5)</sup> Former CFO	100,000 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	100,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	50,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil
Robert Carmichael VP Exploration	300,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
	75,000 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	50,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	75,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil

(1) Calculated using the closing price of the Common Shares on the TSXV on December 31, 2019 (being the last trading day of 2019) of \$0.385 and subtracting the exercise price of in-the-money Options. These Options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

(2) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2019, one-third have vested. See “Incentive Plan Awards”.

(3) Pursuant to the Arrangement, each outstanding stock option of Josemaria was exchanged for a fully-vested Josemaria Replacement Option and one half of one fully-vested Option, and the exercise prices for the Josemaria Replacement Options and the Options were adjusted to reflect the relative value of the shares. The amounts reflected here represent the Options that were received pursuant to the Arrangement. See “Plan of Arrangement” above for further details.

(4) Mr. Yip was appointed as Chief Financial Officer of the Corporation on September 16, 2019.

(5) Ms. Ngo was the Corporation’s Chief Financial Officer from closing of the Arrangement until September 16, 2019.

## **Incentive Plan Awards – Value Vested or Earning During the Year**

The following table sets forth for the NEOs, the value of all incentive plan awards vested during the year ended December 31, 2019. The Corporation does not grant any share-based awards.

<b>Name</b>	<b>Option-based awards – Value vested during the year<sup>(1)</sup> (\$)</b>	<b>Share -based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Wojtek Wodzicki President CEO	Nil	N/A	N/A
Jeff Yip <sup>(2)</sup> CFO	Nil	N/A	N/A
Joyce Ngo <sup>(3)</sup> former CFO	Nil	N/A	N/A
Robert Carmichael VP Exploration	Nil	N/A	N/A

(1) The value of vested Options has been calculated using the closing price of the Common Shares on the TSXV on the dates on which Options vested during the year ended December 31, 2019 and subtracting the exercise price of in-the-money Options.

(2) Mr. Yip was appointed as Chief Financial Officer of the Corporation on September 16, 2019.

(3) Ms. Ngo was the Corporation's Chief Financial Officer from closing of the Arrangement until September 16, 2019.

## **TERMINATION AND CHANGE OF CONTROL BENEFITS**

Other than as set forth below, the Corporation does not have any contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the NEO's responsibilities.

Any payments to an NEO following or in connection with any termination are subject to the terms of the NEO's employment agreement and the Services Agreement, as applicable. See "Services Agreement between Josemaria, Filo Mining and the Corporation" and "Employment Agreements" above for further details.

### *Dr. Wodzicki, President and Chief Executive Officer*

Pursuant to the Wodzicki Employment Agreement, Dr. Wodzicki, at any time, may terminate the Wodzicki Employment Agreement voluntarily, by giving 90 days written notice to the Corporation. Dr. Wodzicki may also terminate the Wodzicki Employment Agreement for "Good Reason" (see definition below), at any time, and the Corporation may terminate the Wodzicki Employment Agreement, without Cause (see definition below), by giving 18 months' notice, or payment and benefits in lieu of notice, to Dr. Wodzicki, whereupon the Corporation will pay Dr. Wodzicki a lump sum amount equal to the compensation earned up to the termination date plus 18 months' base salary at the rate being paid at the time of termination (this amount does not apply if Dr. Wodzicki is transferred or retained full-time by another entity affiliated with the Lundin group of companies within one month of termination). Pursuant to the Wodzicki Employment Agreement, within six months following a "Change of Control" (see definition below), Dr. Wodzicki shall be entitled to resign and the Corporation will pay Dr. Wodzicki a lump sum amount equal to the compensation earned up to the termination date plus 18 months' base salary at the rate being paid at the time of termination and all the stock options held by Dr. Wodzicki will vest immediately.

The Corporation may terminate the Wodzicki Employment Agreement without notice "for Cause" whereupon Dr. Wodzicki would not be entitled to any severance payment other than compensation earned by Dr. Wodzicki before the date of termination.

*Mr. Yip, Chief Financial Officer*

Pursuant to the Yip Employment Agreement, Mr. Yip, at any time, may terminate the Yip Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Yip may also terminate the Yip Employment Agreement for Good Reason at any time, and the Corporation may terminate the Yip Employment Agreement at any time without Cause, by giving 14 months' written notice, or payment and benefits in lieu of notice, to Mr. Yip, whereupon the Corporation will pay Mr. Yip a lump sum amount equal to the pro rata compensation earned up to the termination date plus 14 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Yip is transferred or retained full-time by another entity affiliated with the Lundin group of companies, within one month of termination). Pursuant to the Yip Employment Agreement, within six months following a Change of Control, Mr. Yip shall be entitled to resign and the Corporation will pay Mr. Yip a lump sum amount equal to 14 months' base salary at the rate being paid at the time of termination and any Options held by Mr. Yip will vest immediately.

The Corporation may terminate the Yip Employment Agreement without notice for Cause, whereupon Mr. Yip would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Yip up to the date of termination.

*Mr. Carmichael, Vice President, Exploration*

Pursuant to the Carmichael Employment Agreement, Mr. Carmichael, at any time, may terminate the Carmichael Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Carmichael may also terminate the Carmichael Employment Agreement for Good Reason at any time, and the Corporation may terminate the agreement at any time without Cause, by giving 14 months' written notice, or payment and benefits in lieu of notice, to Mr. Carmichael, whereupon the Corporation will pay Mr. Carmichael a lump sum amount equal to the pro rata compensation earned up to the termination date plus 14 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Carmichael is transferred or retained full-time by another entity affiliated with the Lundin group of companies within one month of termination). This amount shall be in respect of the provision of his services to the Corporation only and shall be prescribed pursuant to the Services Agreement. Pursuant to the Carmichael Employment Agreement, within six months following a Change of Control, Mr. Carmichael shall be entitled to resign and the Corporation will pay Mr. Carmichael a lump sum amount equal to the pro rata compensation earned up to the termination date plus 14 months base salary at the rate being paid at the time of termination and any Options held by Mr. Carmichael will vest immediately.

The Corporation may terminate the Carmichael Employment Agreement without notice for Cause, whereupon Mr. Carmichael would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Carmichael up to the date of termination.

*Definitions*

"Good Reason" shall mean (i) a material reduction in the executive's responsibilities, title or reporting; (ii) a reduction of the executive's base salary or vacation; (iii) a material change in the place of employment from which the executive works; or (iv) any other circumstances that would otherwise constitute a constructive dismissal at common law.

"Cause" shall mean any one of the following: (i) if there is a repeated and demonstrated failure to perform the material duties of the executive's position in a competent manner or to observe the policies, codes and mandates of the Corporation and where the executive fails to substantially remedy the failure within a reasonable period of time after receiving written notice of such failure from the Corporation; (ii) if the executive is convicted of a criminal offence; (iii) if the executive is sanctioned or otherwise penalized by the TSXV and/or any regulatory authorities having jurisdiction for an offence involving fraud or dishonesty; (iv) if the executive fails to honour his/her fiduciary duties to the Corporation, including the duty to act in the best interests of the Corporation and its associates and affiliates or is in breach of any provision of

their respective employment agreement; or (v) if the executive disobeys reasonable and lawful instructions given in the course of employment by the CEO or the Board, as applicable, that are not remedied by such executive within a reasonable period of time after receiving written notice of such disobedience.

“Change of Control” shall mean any one of the following: (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its affiliates and another corporation or other entity, as a result of which the holders of Common Shares prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction; (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets rights or properties of the Corporation and/or any of its subsidiaries, which have an aggregate book value greater than 50% off the book value of the assets, rights and properties of the Corporation and its subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a majority-owned subsidiary of the Corporation in the course of a reorganization of the Corporation’s assets and its subsidiaries; (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation; (iv) any person, entity or group of persons or entities acting jointly or in concert acquires or acquires control of 40% or more of the outstanding Common Shares, unless a majority of the Board as constituted immediately prior to such acquisition determines that the circumstances are such that a Change of Control should be deemed not have occurred; (v) as a result of or in connection with a contested election of directors or a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation, where the incumbent directors no longer constitute a majority of the Board; or (vi) the Board adopts a resolution to the effect that a Change of Control has occurred or is imminent.

#### *Severance Triggering Event Payments*

Pursuant to the applicable employment agreement and the Services Agreement, if a severance payment triggering event had occurred on December 31, 2019, the severance payments, comprised of payments in lieu of contractual notice periods and severance, if any, that would be payable to Messrs. Wodzicki, Yip, and Carmichael, would have been as follows:

Name	Termination by the Corporation for any reason other than Cause and unrelated to Change of Control of the Corporation (estimated) (\$)	Termination by the Corporation without Cause after a Change of Control of the Corporation (estimated) (\$)
Wojtek Wodzicki	531,000	531,000
Jeff Yip	245,000	245,000
Robert Carmichael	303,333	303,333

#### **DIRECTOR COMPENSATION**

The objectives of the compensation program for directors are to attract, retain and inspire performance of members of the Board of a quality and nature that will enhance the Corporation’s growth. The compensation is intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The philosophy and market comparisons and review with respect to director compensation, is the same as for executive compensation. The Compensation Committee reviews director compensation annually. See “Compensation Discussion and Analysis”.

#### **Director Compensation Table**

Each non-executive director is paid a retainer of \$15,000 per year, an additional amount of up to \$5,000 per year for the Chair of the Audit Committee, and an additional amount of up to \$1,000 per year for the Chair of each of the Compensation Committee and the corporate governance and nominating committee (the “**Corporate Governance and Nominating Committee**”).

The following table sets forth the compensation provided to each non-executive director during the year ended December 31, 2019:

Name	Fees Earned (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based Awards <sup>(2)</sup> (\$)	Pension value (\$)	All Other Compensation (\$)	Total (\$)
William Rand	11,083 <sup>(3)(4)</sup>	Nil	54,761	Nil	Nil	65,844
Cheri L. Pedersen	8,444 <sup>(5)</sup>	Nil	54,761	Nil	Nil	63,205
Adam Lundin	7,917	Nil	54,761	Nil	Nil	62,678
Neil O'Brien <sup>(6)</sup>	7,917	Nil	54,761	Nil	Nil	62,678
David Mullen	7,917	Nil	54,761	Nil	Nil	62,678

(1) The annual retainer fee is prorated to reflect the term of the directorship.

(2) The Corporation used the Black-Scholes option pricing model for determining the fair value of Options issued at grant date. See "Summary Compensation Table" for the assumptions underlying the Black-Scholes option pricing model. These amounts do not represent actual amounts received by the directors as any gain, if any, will depend on the market value of the Common Shares on the date that the Option is exercised.

(3) Fees earned include an additional \$1,000 in fees for service as the Chair of the Compensation Committee.

(4) Fees earned include an additional \$5,000 in fees for serving as the Chair of the Audit Committee.

(5) Fees earned include an additional \$1,000 in fees for serving as the Chair of the Corporate Governance and Nominating Committee.

(6) Following the Arrangement up to December 31, 2019, the Company incurred consulting fees of approximately \$15,625 with an exploration consulting firm, of which Mr. O'Brien is the President and sole employee. This amount has not been included in the table above, as these amounts are not related to his directorship.

### Outstanding Option-Based Awards

The following table sets forth for each non-executive director the Options outstanding pursuant to the Plan as at December 31, 2019, including awards granted before the most recently completed financial year. The Corporation does not grant any share-based awards.

Name	Number of Securities Underlying Unexercised Options (#) and percentage of class	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-money Options (\$) <sup>(1)</sup>	
				Exercisable	Unexercisable
William Rand	225,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
	62,500 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	50,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	50,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil
Cheri L. Pedersen	225,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
	62,500 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	50,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	50,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil
Adam Lundin	225,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
Neil O'Brien	225,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
David Mullen	225,000 <sup>(2)</sup>	0.475	Sep 26, 2024	Nil	Nil
	62,500 <sup>(3)</sup>	0.68	Feb 25, 2024	Nil	Nil
	50,000 <sup>(3)</sup>	0.85	Feb 26, 2021	Nil	Nil
	50,000 <sup>(3)</sup>	0.93	Feb 23, 2020	Nil	Nil

(1) Calculated using the closing price of the Common Shares on the TSXV on December 31, 2019 (being the last trading day of 2019) of \$0.385 and subtracting the exercise price of in-the-money Options. These Options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

(2) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2019, one-third have vested. See "Incentive Plan Awards".

- (3) Pursuant to the Arrangement, each outstanding stock option of Josemaria was exchanged for a fully-vested Josemaria Replacement Option and one half of one fully-vested Option, and the exercise prices for the Josemaria Replacement Options and the Options were adjusted to reflect the relative value of the shares. The amounts reflected here represent the Options that were received pursuant to the Arrangement. See "Plan of Arrangement" above for further details.

### **Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth for each non-executive director of the Corporation the value of all incentive plan awards vested during the year ended December 31, 2019. The Corporation does not grant any share-based awards.

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)<sup>(1)</sup></b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
William Rand	Nil	N/A	N/A
Cheri L. Pedersen	Nil	N/A	N/A
Adam Lundin	Nil	N/A	N/A
Neil O'Brien	Nil	N/A	N/A
David Mullen	Nil	N/A	N/A

(1) The value of vested Options has been calculated using the closing price of the Common Shares on the TSXV on the dates on which Options vested during the year ended December 31, 2019 and subtracting the exercise price of in-the-money Options.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At no time during the Corporation's last completed financial year or as of May 11, 2020 was any director, executive officer, employee, Management's nominee for election as a director of the Corporation, nor any associate of any such director, executive officer or proposed management nominee of the Corporation, or any former director, executive officer or employee of the Corporation or any of its subsidiaries, indebted to the Corporation, or any of its subsidiaries, or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

### **DIRECTORS' AND OFFICER'S LIABILITY INSURANCE**

The Corporation has purchased and maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of US\$20 million, against liabilities incurred by such persons as directors and officers of the Corporation, and its subsidiaries, except where the liability relates to such person's failure to act honestly and in good faith with a view to the best interests of the Corporation. The annual premium paid by the Corporation for this insurance in respect of the directors and officers as a group is approximately \$68,000. No premium for this insurance is paid by the individual directors and officers. The insurance contract underlying this insurance does not expose the Corporation to any liability in addition to the payment of the required premium.

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

The following table provides information regarding compensation plans under which securities of the Corporation are authorized for issuance to directors, officers, employees and consultants in effect as of December 31, 2019, the Corporation's most recently completed fiscal year end:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	6,657,500	\$0.64	5,821,865
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>6,657,500</b>	<b>\$0.64</b>	<b>5,821,865</b>

The Plan was approved by the Shareholders on June 19, 2019 as part of the Arrangement. The Plan is a rolling stock option plan which sets the number of Options available for grant by the Corporation at an amount equal to 10% of the issued and outstanding Common Shares from time to time. Under TSXV policy, the Plan must be approved and ratified by Shareholders on an annual basis.

The purpose of the Plan is to allow the Corporation to grant Options to Eligible Persons, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such Options is intended to align the interests of such persons with that of the Shareholders.

The Plan authorizes the Board, or a committee appointed for such purposes, to grant Options to purchase Common Shares to Eligible Persons, to determine the terms, including the limitations, restrictions and conditions, if any, upon such grants, to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules relating to the Plan as it may from time to time deem advisable, subject to required prior approval by any applicable regulatory authority, and without further Shareholder approval.

Pursuant to the Plan, the Board may from time to time authorize the issuance of Options to directors, officers, employees and consultants of the Corporation and its affiliated entities. The Board will establish the exercise price of an Option at the time each Option is granted, provided that such price shall not be less than the “Discounted Market Price” (as defined in the policies of the TSXV) and provided that the exercise price shall not be less than \$0.05 per Common Share, with the Market Price being the closing price of the Common Shares on the TSXV on the last business day immediately preceding the day the Option is granted.

The maximum number of Common Shares which may be issued pursuant to Options granted under the Plan, and any other security-based compensation plan of the Corporation, may not exceed 10% of the issued and outstanding Common Shares at the time of the grant. In addition, the number of Common Shares which may be reserved for issuance within a 12-month period to any one individual may not exceed 5% of the aggregate number of Common Shares issued and outstanding as at the date of grant or 2% of the aggregate number of Common Shares issued and outstanding if the optionee is engaged in investor relations activities or is a consultant. The total number of Common Shares which may be i) reserved for issuance to insiders at any time, or ii) issued within any 12-month period may not exceed 10% of the aggregate number of Common Shares issued and outstanding as at the date of grant.

Options will be exercisable over periods of up to 10 years as determined by the Board, except in the event that any Option expires during, or within 48 hours after, a self-imposed blackout period on trading securities of the Corporation, such expiry date will become the 10<sup>th</sup> day following the end of such blackout period. The Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion, provided that if required by any stock exchange on which the Common Shares trade, Options issued to a person engaged in investor relations activities must vest in stages over not less than 12 months with no more than one-quarter of the Options vesting in any three-month period. The Plan also provides that if Change of Control (as defined in the Plan) occurs, all Options shall immediately become vested and may thereupon be exercised in whole or in part by the Optionholder. The acceleration

of any TSXV-imposed vesting conditions will be subject to the prior written approval of the TSXV. If there is any change in the outstanding Common Shares by reason of a stock dividend or split, recapitalization, consolidation, combination or exchange of Common Shares, or other fundamental corporate change, the Board will make, subject to stock exchange approval or the approval of other applicable regulatory authorities, if any, an appropriate substitution or adjustment to (i) the exercise price of unexercised Options under the Plan, (ii) the number and kind of shares or other securities reserved for issuance pursuant to the Plan, or (iii) the number and kind of shares subject to unexercised Options under the Plan. In the event of the reorganization of the Corporation or the amalgamation or consolidation of the Corporation with another corporation, the Board may make such provision for the protection of the rights of participants as the Board in its discretion deems appropriate. The determination of the Board, as to any adjustment or as to there being no need for adjustment, will be final and binding on all parties.

Notwithstanding any other provision of the Plan, if the Board at any time by resolution declares it advisable to do so in connection with any proposed sale or conveyance of all or substantially all of the property and assets of the Corporation or any proposed merger, consolidation, amalgamation or offer to acquire all of the outstanding Common Shares (collectively, a “**Proposed Transaction**”), the Corporation may give written notice to all participants advising that their respective Options, may be exercised only within 90 days after the date of the notice and not thereafter, and that all rights of the participants under any Options not exercised will terminate at the expiration of the 90-day period; provided that the Proposed Transaction is completed within 180 days after the date of the notice. If the Proposed Transaction is not completed within the 180-day period, no right under any Option will be affected by the notice, except that the Option may not be exercised between the date of expiration of the 90-day period and the day after the expiration of the 180-day period.

If a participant ceases to be an Eligible Person for any reason, other than death, each Option held will cease to be exercisable 90 days after such termination date or any such longer period as determined by the Board, provided that in no event shall such longer period extend beyond one year from the date of termination. If such person ceases to be an Eligible Person due to termination for cause, the Options shall cease to be exercisable immediately. If a participant dies, the legal representative of such participant may exercise the Options within a period after the date of the participant’s death determined by the Board, provided that no Options shall remain outstanding for any period which exceeds the earlier of (i) the expiry date of such Option; and (ii) 12 months after the date of death, but only to the extent the Options were exercisable on the date of death. The Options are non-assignable and non-transferrable.

The Board may make the following types of amendments to the Plan, subject to receipt of requisite regulatory approval where required, without obtaining Shareholder approval: (i) changes to termination provisions of an Option or the Plan that do not entail an extension beyond the original expiry date of an Option; (ii) amendments to comply with applicable laws or regulatory requirements; and (iii) any other change not requiring shareholder approval under the rules of the TSXV or applicable legislation, including amendments of a “clerical” or “housekeeping” nature. Any other amendments to the Plan require Shareholder approval in accordance with the terms of the Plan and TSXV policy, including:

- (i) any amendment to increase the number of securities issuable under the Plan, including, if applicable, an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage. A change to a fixed maximum percentage which was previously approved by Shareholders will not require additional Shareholder approval;
- (ii) any amendment to the insider participation limits in Section 1.4 of the Plan which result in the securityholder approval to be required on a disinterested basis;
- (iii) any change to the definition of “Eligible Person” which would have the potential of broadening or increasing insider participation;
- (iv) any amendment to Section 3.5 of the Plan relating to the amending provisions of the Plan;



- (v) any amendment to Section 3.2 of the Plan that would permit Options to be assigned or transferred, other than for normal estate settlement purposes;
- (vi) any amendment to the exercise price of any Option issued under the Plan where such amendment reduces the exercise price of such Option (for this purpose, a cancellation or termination of an Option of a participant prior to its expiry for the purpose of re-issuing Options to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option);
- (vii) any amendment of the Plan that would permit an extension beyond the original expiry date of outstanding Options;
- (viii) a discontinuance of the Plan; and
- (ix) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide additional benefits to eligible participants, especially insiders of the Corporation, at the expense of the Corporation and its existing Shareholders.

There are no stock appreciation rights associated with Options granted under the Plan and there is no provision under the Plan to transform Options into stock appreciation rights.

The Corporation does not provide any financial assistance to participants in order to facilitate the purchase of Common Shares under the Plan.

As at the date of this Information Circular, there are Options to purchase 5,800,000 Common Shares outstanding (representing approximately 4.6% of the issued and outstanding Common Shares) and 6,679,365 Common Shares are available for future Option awards (representing approximately 5.4% of the issued and outstanding Common Shares).

#### **CORPORATE GOVERNANCE PRACTICES**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires reporting issuers to disclose the corporate governance practices on an annual basis. Attached as Schedule “B” to this Information Circular is the disclosure required by NI 58-101, which has been prepared by the Corporate Governance and Nominating Committee and approved by the Board. The Corporate Governance and Nominating Committee is currently comprised of Cheri L. Pedersen (Chair), David Mullen and Neil O’Brien.

#### **Diversity**

The Corporate Governance and Nominating Committee recognizes the benefits of a diversity of views on the Board, achieved through a diversity of knowledge, skills, competencies, experiences, race, gender, ethnicity, age, and culture. The Board, as currently comprised, includes a diversity of skills and experience in multiple areas, including mining, geology, finance, law and engineering.

Recommendations concerning director nominees are, foremost, based on merit, qualifications and performance, but diversity is also a consideration. Recognizing the potential benefits of diversity, where Board renewal or expansion of the Board is being considered, the Corporate Governance and Nominating Committee will place an emphasis on identifying qualified candidates, and will prioritize gender diversity as well as others diverse in ethnicity, race, age, and culture, within the context of the knowledge, skills, competencies and experiences the Board requires. The Board currently has one woman member.

The Board also recognizes the potential benefits of diversity, at the level of executive management, having direct responsibility for the day-to-day management of the Corporation. While diverse individuals are evaluated, directors, executive officers and employees will be recruited and/or promoted based upon merit, their respective abilities and contributions. Currently none of the three executive management

positions in the Corporation are held by women. While merit, qualifications and performance are fundamental considerations in recruitment and appointment, the Board considers the level of gender diversity, together with the level of overall diversity in the Corporation, in executive management when making or approving appointments.

The Corporation's commitment to diversity generally, including gender diversity in the workforce, permeates from the Board down to local sites of operations. The Board acknowledges that having a diverse board and executive management structure may provide for improved employee retention and may better reflect the diversity of the communities the Corporation operates in.

### **Board and Executive Officer Diversity Policy**

The Board has adopted a formal, written diversity policy relating to diversity, including gender diversity, among the Board, executive management and the general organization of the Corporation. The purpose of such policy is to promote an environment for the consideration of diversity of the Board and the composition of management. Under the policy, the potential benefits of a diverse leadership to the sustained success of the Corporation are recognized and the Corporate Governance and Nominating Committee is tasked to consider, in its director nomination recommendations, an appropriate level of diversity, including gender diversity. Under the policy, the Corporate Governance and Nominating Committee is responsible for identifying individuals qualified to become new Board members and makes recommendations to the Board of the director nominees for election based on the "Guidelines for the Composition of the Board of Directors". These Guidelines shall include a commitment for the Corporate Governance and Nominating Committee to seek out highly qualified individuals diverse in gender, ethnicity, race, age, and culture to include in the pool from which board nominees are evaluated and chosen as and when required for board expansion or the normal renewal process of change.

The Corporate Governance and Nominating Committee may consider setting targets, and making recommendations related thereto for consideration and approval of the Board, with respect to the diversity of the Board and executive management as and when determined appropriate given the size and stage of the Corporation.

### **Canada Business Corporations Act Requirements**

The provisions of Bill C-25 regarding diversity on boards of directors and among senior management, as well as the associated regulations, were approved by Order in Council of the Government of Canada. These provisions set out a requirement that all distributing corporations, as defined under the CBCA, which the Corporation is, for all annual meetings held on or after January 1, 2020, shall report on the representation of, at minimum, the following four groups:

- women;
- Indigenous peoples (First Nations, Inuit and Métis);
- persons with disabilities<sup>(1)</sup>; and
- members of visible minorities<sup>(1)</sup> (collectively, know as the "**Designated Group**").

(1) These terms are defined in the *Employment Equity Act* S.C. 1995, c. 44.

If all nominees proposed for election at the Meeting are elected, there will be one woman on the Board, being 16.67% of the directors. The Corporation has three executive officers, of whom one is a person of a visible minority, being 33.33% of the executive officers. There are no other director nominees or executive officers who are part of the Designated Group.

## **MANAGEMENT CONTRACTS**

The management functions of the Corporation are performed by the directors and officers of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted, except as set forth below.

The Corporation has a cost sharing arrangement with Josemaria and Filo Mining. Under the terms of the Services Agreement, Josemaria, Filo Mining and the Corporation provide each other with the Services. In consideration of the Services, the Corporation pays Josemaria a monthly fee as reimbursement for the Services.

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

No director or executive officers of the Corporation, nor any nominee, nor any associate or affiliate of any of them has, since January 1, 2019 (being the commencement of the Corporation's last completed financial year), any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

## **OTHER BUSINESS**

Pursuant to the CBCA, proposals intended to be presented by Shareholders for action at the Meeting must comply with the provisions of the CBCA and be deposited at the Corporation's head office not later than February 8, 2020 in order to be included in this Information Circular and the form of proxy relating to the Meeting.

Other than the matters referred to in the Notice of Meeting, Management is not aware of any other matters to come before the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the Common Shares represented by proxies in favour of Management nominees will be voted on such matters as the proxy nominee sees fit.

## **ADDITIONAL INFORMATION**

The Corporation's annual audited financial statements and annual management's discussion and analysis ("MD&A") for the most recently completed financial year as well as other prescribed documents are available on SEDAR at [www.sedar.com](http://www.sedar.com). The Corporation has also established and maintains a corporate website at [www.ngexminerals.com](http://www.ngexminerals.com) that includes, among other things, an investor section containing the most recent and past annual and quarterly financial statements and related MD&A and press releases. The Corporation will provide, without charge to a Shareholder, a copy of its annual financial statements and annual MD&A for the period ended December 31, 2019, interim financial statements for subsequent periods, and this Information Circular upon request to the Corporation as follows:

E-mail: [info@ngexminerals.com](mailto:info@ngexminerals.com)  
Telephone: 604-689-7842  
Mail: NGEx Minerals Ltd.  
Suite 2000 - 885 West Georgia Street  
Vancouver, B.C. V6C 3E8  
Attn: Investor Relations

**DIRECTORS' APPROVAL**

The contents and the sending of this Information Circular have been approved by the Board of Directors of the Corporation.

DATED at Vancouver, British Columbia the 11th day of May, 2020.

BY ORDER OF THE BOARD

*/s/ "Wojtek Wodzicki"*

Wojtek Wodzicki

President, Chief Executive Officer and Director



## SCHEDULE "A"

### CHARTER OF THE AUDIT COMMITTEE

#### 1. Purpose of the Audit Committee

The Audit Committee oversees the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Corporation and its subsidiaries.

#### 2. Composition and Procedures of the Audit Committee

2.1 The Audit Committee shall be appointed annually by the Board and shall be composed of at least three members, each of whom must be a director of the Corporation.

2.2 Each member of the Audit Committee shall hold office as such until the next annual meeting of shareholders after his or her appointment, provided that any member of the Audit Committee may be removed or replaced at any time by the Board and shall at any time cease to be a member of the Audit Committee on ceasing to be a director.

2.3 At least one member of the Audit Committee shall be independent and the Board and the Audit Committee shall endeavour to appoint a majority of independent directors to the Audit Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Audit Committee members' independent judgment.

2.4 At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

#### 3. Meeting Requirements

3.1 The times of and the places where meetings of the Audit Committee will be held and the calling of and the procedure at those meetings shall be determined from time to time by the Audit Committee, but in any event, the Audit Committee will meet on a regular basis at least once every quarter; provided that notice of every such meeting shall be given to the Auditor (as defined in paragraph 4.1.1 below) of the Corporation and that meetings shall be convened whenever requested by the Auditor or any member of the Audit Committee in accordance with the Canada Business Corporations Act.

3.2 Two members of the Audit Committee shall constitute a quorum.

#### 4. Duties and Responsibilities

4.1 *Appointment, Oversight and Compensation of Auditor*

(a) The Audit Committee shall recommend to the Board:

- (i) the auditor (the “**Auditor**”) to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation; and
  - (ii) the compensation of the Auditor.
- (b) In making such recommendations, the Audit Committee shall evaluate the Auditor’s performance and review the Auditor’s fees for the preceding year.
  - (c) The Auditor shall report directly to the Audit Committee.
  - (d) The Audit Committee shall be directly responsible for overseeing the work of the Auditor, including the resolution of disagreements between management and the Auditor regarding financial reporting.
  - (e) The Audit Committee shall review information, including written statements from the Auditor, concerning any relationships between the Auditor and the Corporation or any other relationships that may adversely affect the independence of the Auditor and assess the independence of the Auditor.

#### 4.2 *Non-Audit Services*

- (a) All auditing services and non-audit services provided to the Corporation or the Corporation’s subsidiaries by the Auditor shall, to the extent and in the manner required by applicable law or regulation, be pre-approved by the Audit Committee. In no circumstances shall the Auditor provide any non-audit services to the Corporation that are prohibited by applicable law or regulation.

#### 4.3 *Review of Financial Statements etc.*

- (a) The Audit Committee shall review the Corporation’s:
  - (i) interim and annual financial statements and Management’s Discussion and Analysis (“**MD&A**”), intended for circulation among shareholders; and
  - (ii) Annual Information Form only to the extent that it contains financial information or projections, and shall report on them to the Board.
- (b) The Audit Committee shall satisfy itself that the audited financial statements and interim financial statements present fairly the financial position and results of operations in accordance with generally accepted accounting principles and that the auditors have no reservations about such statements.
- (c) The Audit Committee shall review changes in the accounting policies of the Corporation and accounting and financial reporting proposals that are provided by the Auditor that may have a significant impact on the Corporation’s financial reports, and report on them to the Board.

#### 4.4 *Review of Public Disclosure of Financial Information*

- (a) The Audit Committee shall review the Corporation’s annual and interim press releases relating to financial results before the Corporation publicly discloses this information.
- (b) The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, other than the public disclosure referred to in subsection 4.4.1, and must periodically assess the adequacy of those procedures.

#### 4.5 *Review of Annual Audit*

- (a) The Audit Committee shall review the nature and scope of the annual audit, and the results of the annual audit examination by the Auditor, including any reports of the Auditor prepared in connection with the annual audit.
- (b) The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect the audited financial statements.
- (c) The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.
- (d) The Audit Committee shall satisfy itself that there is generally a good working relationship between management and the Auditor.

#### 4.6 *Review of Quarterly Review Engagements*

- (a) The Audit Committee shall review the nature and scope of any review engagements for interim financial statements, and the results of such review engagements by the Auditor, including any reports of the Auditor prepared in connection with such review engagements.
- (b) The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect any interim financial statements.
- (c) The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect any interim financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

#### 4.7 *Internal Controls*

- (a) The Audit Committee shall have responsibility for oversight of management reporting and internal control for the Corporation and its subsidiaries.
- (b) The Audit Committee shall satisfy itself that there are adequate procedures for review of interim statements and other financial information prior to distribution to shareholders.

#### 4.8 *Complaints and Concerns*

- (a) The Audit Committee shall establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

#### 4.9 *Hiring Practices*

- (a) The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former Auditors of the Corporation.

#### 4.10 *Other Matters*

- (a) The Audit Committee shall be responsible for oversight of the effectiveness of management's interaction with and responsiveness to the Board.

- (b) The Audit Committee shall review and monitor all related party transactions which may be entered into by the Corporation.
- (c) The Audit Committee shall approve, or disapprove, material contracts where the Board determines it has a conflict.
- (d) The Audit Committee shall satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulations relating to insider trading, continuous disclosure and financial reporting.
- (e) The Audit Committee shall periodically review the adequacy of this Charter and recommend any changes to the Board.
- (f) The Board may refer to the Audit Committee such matters and questions relating to the financial position of the Corporation and its affiliates as the Board from time to time may see fit.

## **5. Rights and Authority of the Audit Committee and the Members Thereof**

5.1 The Audit Committee has the authority:

- (a) To engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) To set and require the Corporation to pay the compensation for any advisors employed by the Audit Committee; and
- (c) To communicate directly with the Auditor and, if applicable, the Corporation's internal auditor.

5.2 The members of the Audit Committee shall have the right, for the purpose of performing their duties, to inspect all the books and records of the Corporation and its affiliates and to discuss those accounts and records and any matters relating to the financial position of the Corporation with the officers and Auditor of the Corporation and its affiliates, and any member of the Audit Committee may require the Auditor to attend any or every meeting of the Audit Committee.

## **6. Miscellaneous**

Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Corporation or members of the Audit Committee. The purposes, responsibilities, duties and authorities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.



## SCHEDULE “B”

### Corporate Governance Disclosure

The following is the disclosure required for Venture Issuers under National Instrument 58-101 Disclosure of Corporate Governance Practices (“NI 58-101”).

Required Disclosure of Corporate Governance Practices	Response
<b>1. Board of Directors</b>	
(a) Disclose how the board of directors facilitates its exercise of independent supervision over management.	The Board has functioned and is of the view that it can continue to function independently of management, as required. The Board and its committees meet independent of management where needed, but do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. In addition to the standing committees of the Board, independent committees are appointed from time to time, when appropriate. At each meeting of the Board a determination is made as to whether an in-camera session, without management and non-independent directors present, is required.
(b) Disclose the identity of directors who are independent.	The Corporation’s Board of Directors (the “ <b>Board</b> ”) is currently comprised of six directors; namely, Messrs. Adam I. Lundin, William Rand, Wojtek Wodzicki, Neil O’Brien, David Mullen and Ms. Cheri Pedersen. With the assistance of the Corporate Governance and Nominating Committee, the Board has considered the relationship to the Corporation of each of the directors and has determined that five of the six directors; namely, Messrs. Mullen, Rand, Lundin and O’Brien and Ms. Pedersen are independent for the purposes of Board membership.
(c) Disclose the identity of directors who are not independent and describe the basis for that determination.	The non-independent director of the Board is Dr. Wojtek Wodzicki. Dr. Wodzicki is not considered to be independent as he is President and Chief Executive Officer of the Corporation.
<b>2. Directorships</b> – If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Certain of the directors of the Corporation are directors and/or officers of other reporting issuers in the Information Circular to which this Schedule “B” is attached under the section entitled <i>Nominees for Election to the Board of Directors</i> .
<b>3. Orientation and Continuing Education</b>	
(a) Describe what steps, if any, the board takes to orient new directors.	The Corporate Governance and Nominating Committee is responsible for ensuring that new directors are provided with an orientation package that includes, among other things, information about the duties and obligations of directors the business and operations of the Corporation and documents from recent Board meetings. All directors are provided with a comprehensive Board orientation manual which includes board and committee mandates, corporate policies, and other corporate information. Directors have full access to officers and employees of the Corporation and may arrange meetings either directly or through the President and CEO. Management provides briefings to directors with respect to the business and operations of the Corporation at every regularly scheduled Board meeting.

Required Disclosure of Corporate Governance Practices	Response
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors.	<p>All directors are expected to pursue educational opportunities as appropriate to enable them to perform their duties as directors. The Corporation will make available appropriate funding to directors to attend seminars or conferences relevant to their position as directors of the Corporation. Included in the Corporate Governance and Nominating Committee mandate is the requirement to develop, with the assistance of management, an orientation and education program for new recruits to the Board, where necessary. The Corporation's outside legal counsel also provides directors and senior officers with summary updates of any developments relating to the duties and responsibilities of directors and officers and corporate governance matters.</p>
<p>4. <b>Ethical Business Conduct</b> – Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board has adopted a written Code of Business Conduct and Ethics (the "<b>Code</b>") for directors, officers and employees of the Corporation and its subsidiaries. The Code is available on the Corporation's website and has been filed on and is accessible through SEDAR at <a href="http://www.sedar.com">www.sedar.com</a>.</p> <p>Directors, officers or employees who have concerns or questions about violations of laws, rules or regulations, or of the Code, are required to report them to the Corporate Secretary or to the chair of the Corporation's Audit Committee. Following receipt of any complaints, the Corporate Secretary or chair of the Audit Committee, as the case may be, will investigate each matter so reported and report to the Audit Committee. The Board is ultimately responsible, acting through the Audit Committee, for the Code and monitoring compliance with the Code. The Corporation encourages all directors, officers and employees to report promptly any suspected violation of the Code to the Corporate Secretary or chair of the Audit Committee.</p> <p>The Audit Committee has also established a Policy and Procedures for the Receipt, Retention and Treatment of Complaints Regarding Accounting or Auditing Matters (the "<b>Whistleblower Policy</b>") to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment. In addition to the general complaint procedure set out in the Whistleblower Policy, a confidential complaint regarding a questionable accounting or auditing matter may be forwarded directly to the chair of the Audit Committee.</p>

Required Disclosure of Corporate Governance Practices	Response
<p>5. <b>Nomination of Directors</b> – Disclose what steps, if any, are taken to identify new candidates for board nomination, including (i) who identifies new candidates, and (ii) the process of identifying new candidates.</p>	<p>The Board has established a Corporate Governance and Nominating Committee, which has the primary responsibility for identifying prospective Board members, to establish criteria for Board committee membership, to recommend composition of the Board and its committees and, as circumstances arise, assess directors’ performance. (See “Other Board Committees” for a full description of the responsibilities and operation of the Corporate Governance and Nominating Committee.).</p> <p>The Corporate Governance and Nominating Committee coordinates the search for qualified candidates with input from management and other Board members, giving careful consideration to the competencies and skills that the Board as a whole should possess, the skills and experience of existing Board members and diversity of the Board. Other factors are considered which may include the ability of the individual candidate to contribute on an overall basis, the ability of the individual to contribute sufficient time and resources to the Board, as well as the individual’s direct experience with public companies in general and mining companies, in particular. The Corporate Governance and Nominating Committee will recommend a nominee and seek full Board endorsement of the selected candidate.</p>
<p>6. <b>Compensation</b> – Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation, and (ii) the process of determining compensation.</p>	<p>Reference is made to the disclosure contained in the Information Circular to which this Schedule “B” is attached under the section entitled “Compensation Discussion and Analysis”.</p>
<p>7. <b>Other Board Committees</b> – If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>In addition to the Audit Committee and the Compensation Committee, the Board has established the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee is comprised of three directors, a majority of whom are independent.</p> <p>The Corporate Governance and Nominating Committee is responsible for developing and monitoring the Corporation’s approach to corporate governance issues and has primary responsibility for identifying prospective Board members. The Corporate Governance and Nominating Committee, among other things, oversees the effective functioning of the Board and oversees the relationship between the Board and management. The Corporate Governance and Nominating Committee has been mandated to annually review and make recommendations to the Board with respect to: (i) the size and composition of the Board; (ii) the appropriateness of the committees of the Board; and (iii) the contribution of individual directors. The Corporate Governance and Nominating Committee is required to meet at least annually and to report to the Board following its meetings. The Corporate Governance and Nominating Committee has the authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.</p>

Required Disclosure of Corporate Governance Practices	Response
<p>8. <b>Assessments</b> – Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The Corporate Governance and Nominating Committee is responsible for reviewing director performance and the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board and identifying any perceived needs on an annual basis. The Corporate Governance and Nominating Committee prepares and delivers an annual Board Effectiveness Assessment questionnaire to each member of the Board for completion. The questionnaire is divided into four parts dealing with board responsibility, board operations, board effectiveness and individual assessment. The Corporate Governance and Nominating Committee reviews and considers the responses received and makes a final report, with recommendations, if any, to the Board.</p>