



MANAGEMENT INFORMATION CIRCULAR

(Containing information as at November 9, 2021 unless indicated otherwise)

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of **Pacific Imperial Mines Inc.** (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of its shareholders to be held on **Wednesday, December 15, 2021** at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our” refer to **Pacific Imperial Mines Inc.** “common shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold common shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

In order to comply with measures imposed by the federal and provincial governments related to the COVID-19 pandemic, and to mitigate risks to the health and safety of the Company’s shareholders and the community, unless we advise otherwise by way of a news release, the **Meeting will be held in virtual only format**, which will be conducted via telephone conference. Registered shareholders and validly appointed proxyholders may attend the Meeting by calling **1-888-299-2873** (toll free in Canada) and **1-888-585-9008** (toll-free in the United States) (**conference room #: 448-444-850**). **Dial in for any other countries, please contact the Company at 604.737.2303 prior to the Meeting date for dial in particulars.** Registered Shareholders who attend the Meeting will have an opportunity to participate at the Meeting, regardless of their geographic location.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of common shares held as of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

In order to comply with measures imposed by the federal and provincial governments related to the COVID-19 pandemic, and to mitigate risks to the health and safety of the Company’s shareholders and the community, unless we advise otherwise by way of a news release, the Meeting will be held in virtual only format, which will be conducted via telephone conference. Registered Shareholders who attend the Meeting will have an opportunity to participate at the Meeting, regardless of their geographic location.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

The only methods by which you may appoint a person as proxy are submitting a Proxy by mail, hand delivery or fax.

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the common shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your common shares will be voted accordingly. The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, or where both choices have been specified, in favour or all matters described herein, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.

Notice and Access

The Company is not sending this Circular to registered or beneficial shareholders using “notice-and-access” as defined under National Instrument 54-101 (“**NI 54-101**”).

Registered Shareholders

If you are a Registered Shareholder and wish to have your common shares voted at the Meeting, you will be required to submit your vote by proxy. **Due to the COVID-19 pandemic and issues related to the verification of shareholder identity via teleconference, in person voting will not be permitted at the Meeting.** Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet or by telephone as per the instructions provided on the Proxy.

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

Registered Shareholders electing to submit a Proxy may do so by:

- (a) **Internet.** Vote online at www.investorvote.com using the Proxy control number found in the enclosed Proxy.
- (b) **Telephone.** Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder’s account number and the Proxy Control Number.
- (c) **Mail.** Completing, dating and signing the enclosed Proxy and returning it to Computershare, by fax within North America at 1-866-249-7775, or by mail or hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada.

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

Should you wish to contact Computershare, please refer to the following:

General Shareholder Inquiries:

By phone:	1-800-564-6253
By fax:	1-866-249-7775
By email:	service@computershare.com
By regular mail:	Computershare Investor Services Inc. 100 University Avenue, 8 th Floor Toronto, Ontario, M5J 2Y1

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold common shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of common shares).

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

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of the Company. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for "**Objecting Beneficial Owners**") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "**Non-Objecting Beneficial Owners**").

Pursuant to National Instrument 54-101 of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and Internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form (the "**Broadridge VIF**") which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

Voting by Proxy Generally

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by 4:00 p.m. (Vancouver time) on **Monday, December 13, 2021** so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6. Proxies will not be accepted at the Meeting. **All Proxies must be submitted to Computershare by 11:00 a.m. (Vancouver time) on Monday, December 13, 2021 (the “Proxy Deadline”).**

As there will be no in person attendance or voting at the Meeting, votes received by the Proxy Deadline for each matter set out in the notice of meeting will be tabulated in advance of the Meeting by Computershare and compiled in a proxy report respecting Proxies held by the individuals named in the accompanying Proxy or voting instruction form and an appointee summary respecting proxies held by non-management proxyholders (collectively, the “**Proxy Report**”). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Since no in person voting will be permitted due to the COVID-19 pandemic and voting results respecting matters set out in the notice of meeting will be determined solely on the basis of the voting results set out in the Proxy Report, no ballots will be permitted at the Meeting. All results will be determined by reference to the Proxy Report. Management will advise at the Meeting the voting results for each matter set out in the Proxy Report and shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare or at the address of the head office of the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia, V6J 4M6, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder’s common shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed November 9, 2021 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

As at the Record Date, there were 79,077,468 common shares issued and outstanding, each carrying the right to one vote.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a Proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each 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.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company.

SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors be fixed at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the BC Business Corporations Act (the "BCBCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as a director (a "proposed director"), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment⁽¹⁾	Director Since	Common Shares Beneficially Owned or Controlled⁽¹⁾
Dr. Roman Shklanka⁽²⁾ British Columbia, Canada <i>Chairman and Director</i>	Independent geological consultant; current director of Dynasty Gold Corp., former Chairman and a director of Euro Manganese Inc. and Kobex Minerals Inc.	September 20, 2004	6,140,000 ⁽³⁾
Christopher McLeod, P.Eng., M.Eng.⁽²⁾ British Columbia, Canada <i>President, CEO and Director</i>	Professional Engineer and former President, CEO and Director of Gold Mountain Mining Corporation, director of ESGAI Technologies Inc.	July 10, 2014	650,000
Peter Holbek, MSc., P.Geo British Columbia, Canada <i>Director</i>	Vice-President, Exploration Copper Mountain Mining Corporation	September 29, 2020	Nil
Richard Gosse, P.Geo⁽²⁾ British Columbia, Canada <i>Director</i>	Vice-President Exploration Trilogy Minerals Inc.	November 3, 2020	100,000

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.

(2) Denotes member of Audit Committee.

(3) These common shares are held by Shklanka Holdings Ltd., a company owned and operated by Dr. Roman Shklanka.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

Bankruptcies, Orders and Management Cease Trade Orders

To the best of the Company's knowledge, as at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed nominee for election as a director of the Company (or any of their personal holding companies) was a director or executive officer of any company (including the Company) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

APPOINTMENT OF AUDITOR

Manning Elliott LLP, Chartered Professional Accountants, of Suite 1700, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, will be nominated at the Meeting for re-appointment as auditor of the Company. Manning Elliott LLP, Chartered Professional Accountants, have been the Company's auditors since 2010.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee's Charter

The Audit Committee has a charter. A copy of the Audit Committee charter is attached hereto as Schedule "A".

Composition of the Audit Committee

The members of the Audit Committee are Dr. Roman Shklanka (chair), Richard Gosse, Chris McLeod. Mr. Gosse is an independent member of the Audit Committee. Mr. Shklanka is the Chairman of the Company and Mr. McLeod is the President and CEO of the Company and are not considered to be an independent member of the Audit Committee.

All members of the Audit Committee are considered to be financially literate. The Company will reconstitute the Audit Committee at such time as an additional independent director is appointed to satisfy the independent director requirement of NI 52-110.

Relevant Education and Experience

Roman Shklanka

Dr. Shklanka is an explorationist with over 45 years of international experience in the mining industry which included positions as Chairman of Canico Resources Corp. (Onca-Puma laterite deposit, Brazil was purchased in 2005 by CVRD, now Vale, in a \$940 million takeover); Chairman of Sutton Resources Ltd. (Bulyanhulu deposit – Tanzania), which was acquired by Barrick Gold Corporation; founder and chairman of Polaris Minerals; and Vice President of Exploration for Placer Dome. With Placer, Dr. Shklanka was involved in the acquisition and exploration of numerous mines, among them the Australian Granny Smith gold mine, the Osbourne copper mine, and the Kidston gold mine, at that time the largest gold mine in Australia. He is the recipient of a number of achievement awards, and in 2009 was inducted into the Canadian Mining Hall of Fame.

Richard Gosse, P.Geo

Mr. Gosse is an exploration geologist with 35 years of experience, including 15 years at the Vice President level. Mr. Gosse earned his B.Sc. in Geology at Queens University and his M.Sc. in Mineral Exploration at Imperial College of Science and Technology, London.

Mr. Gosse is currently Vice President, Exploration at Trilogy Metals Inc. Previously, Mr. Gosse was the Senior Vice President Exploration at Dundee Precious Metals Inc. (“**Dundee**”) where he provided leadership, exploration strategy and oversight of initiatives to achieve corporate targets to replace mine reserves with near mine discoveries in Bulgaria, Serbia and Armenia. Prior to his time with Dundee, Mr. Gosse was the Vice President Exploration at Ivanhoe Mines Ltd. (now Turquoise Hill Resources Ltd.) where he led exploration at the world class Oyu Tolgoi copper-gold project in Mongolia.

Christopher McLeod, P.Eng, M.Eng.

Mr. McLeod has spent more than 30 years in senior management positions in Canada, USA, Russia, Europe and Asia. Previously, Mr. McLeod was the CEO, President and Director of Gold Mountain Corporation (“GMC”), a junior resources company based in British Columbia. Prior to GMC he was CEO and Director of Borets-Weatherford, a global oil services company. Before Borets-Weatherford Mr. McLeod spent 20 years with Schlumberger involved in mergers and acquisitions, business development, operations, and marketing. Mr. McLeod has start-up operations project experience as well as merger and acquisitions experience in a variety of geopolitical environments.

Mr. McLeod holds Bachelor’s and Master’s Degrees in Engineers from the University of British Columbia. He is a member of the Association of Professional Engineers and Geoscientists of British Columbia.

Each member of the Audit Committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably expected to be raised by the issuer’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has the Audit Committee made any recommendations to the Board to nominate or compensate its auditor which were not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 *De Minimis Non-Audit Services* or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires that pre-approval by the Audit Committee of all audit and non-audit services provided by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Manning Elliott LLP, Chartered Professional Accountants, for the years ended June 30, 2021 and 2020 to the Company to ensure auditor independence. Fees billed for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended June 30, 2021	Fees Paid to Auditor in Year Ended June 30, 2020
Audit Fees ⁽¹⁾	\$9,000	\$9,500
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total:	\$9,000	\$9,500

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements, and fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the fiscal year ended March 31, 2021. This

exemption exempts a “venture issuer” from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the Board of a company whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by ensuring certain members of the Board are independent.

The current independent members of the Board are Peter Holbek and Richard Gosse. The non-independent members of the Board are Dr. Roman Shklanka, Chairman of the Company, and Christopher McLeod, President and CEO of the Company.

Directorships

Dr. Roman Shklanka is a director of Dynasty Gold Corp.

Christopher McLeod is a director of ESGAI Technologies Inc.

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company’s business and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors’ participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s

duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board as a whole determines compensation for the directors and the CEO.

Other Board Committees

At present, the only Board committee is the Audit Committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and the Board committee.

STATEMENT OF EXECUTIVE COMPENSATION

Executive Compensation

In this section “Named Executive Officer” (“NEO”) means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and the CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation exceeds \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end.

Christopher McLeod, President, CEO and a director of the Company, and Alia Khan, the CFO of the Company, are currently the NEOs of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

The Board has not yet appointed a Compensation Committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing director compensation, overseeing the Company’s base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally, all in light of the Company’s annual goals and objectives.

The Company intends to formalize its compensation policies and practices and will take into consideration the implications of any risks associated with the Company’s compensation program.

Philosophy and Objectives

The compensation program for the Company’s senior management is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives; and
- (b) motivating the short and long-term performance of these executives.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company’s stock option plan. Stock options are granted to executives and employees taking into account a number of factors,

including the amount and term of options previously granted and competitive factors. The amounts and terms of options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board will continue to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

At the annual general meeting of the Company held on December 15, 2020, the shareholders of the Company re-approved the Company's 10% rolling stock option plan (the "**Plan**").

The Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All stock option grants require approval of the Board.

The Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

See *Particulars of Matters to be Acted Upon – Re-approval of Stock Option Plan* for further information on the Company's Plan.

Summary Compensation Table

Name and principal position	Year ⁽¹⁾	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Christopher McLeod ⁽²⁾ President and CEO	2021	Nil	Nil	43,755	Nil	Nil	Nil	Nil	43,755
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alia Khan ⁽³⁾ CFO	2021	Nil	Nil	17,500	Nil	Nil	Nil	12,500	30,000
	2020	Nil	Nil	Nil	Nil	Nil	Nil	9,000	9,000
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Financial year ended June 30.

(2) Christopher McLeod has served as President and CEO of the Company since February 23, 2018.

(3) Alia Khan has served as CFO of the Company since February 23, 2018.

Outstanding Option-Based Awards

Pursuant to the Plan, the Company may grant up to 10% of the issued and outstanding common shares of the Company. As at the Record Date, there were no stock options granted and outstanding under the Plan.

The following table sets out all option-based awards outstanding as at June 30, 2021 for each NEO. There were no share-based awards granted to any of the NEOs:

Name	Number of Common Shares Under Option	Exercise Price Per Common Share (\$)	Expiry Date
Christopher McLeod	500,000	0.05	February 23, 2023
	500,000	0.05	September 29, 2025
	750,000	0.05	June 15, 2026
Alia Khan	200,000	0.05	February 23, 2023
	200,000	0.05	September 29, 2025
	300,000	0.05	June 15, 2026
Total:	2,450,000		

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested during the financial year ended June 30, 2021 for options awarded under the Plan for the NEO, as well as the value earned under non-equity incentive plans for the same period

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year (\$)
Christopher McLeod	43,755	Nil	Nil
Alia Khan	17,500	Nil	Nil
Total:	Nil	Nil	Nil

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control.

Director Compensation

There are no arrangements under which directors were compensated by the Company and its subsidiaries during the most recently completed financial year for their services in their capacity as directors or consultants.

Company compensates its directors through option grants. NEOs do not receive additional compensation for serving as directors.

Outstanding Option-based Awards

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended June 30, 2021, including awards granted before the most recently completed financial year.

Name	Number of Common Shares Under Option	Exercise Price Per Common Share (\$)	Expiry Date
Dr. Roman Shklanka	500,000	0.05	February 23, 2023
	500,000	0.05	September 29, 2025
	750,000	0.05	June 15, 2026
Peter Holbek	500,000	0.05	September 29, 2025
	750,000	0.05	June 15, 2026
Richard Gosse	100,000	0.05	November 3, 2025
	750,000	0.05	June 15, 2026
Total:	3,850,000		

Aggregated Options – Value Vested or Earned during the Most Recently Completed Financial Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year ended June 30, 2021:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation Value earned during the year⁽¹⁾ (\$)
Dr. Roman Shklanka	43,755	Nil	Nil
Peter Holbek	43,755	Nil	Nil
Richard Gosse	26,940	Nil	Nil
Total:	114,450	Nil	Nil

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has only one equity compensation plan in place being the Plan. See disclosure under the heading “Particulars of Matters to be Acted Upon – Re-approval of Stock Option Plan” below. The following table sets out equity compensation plan information as at the Company’s financial year ended June 30, 2021.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the stock option plan)	7,800,000	\$0.05	107,747
Equity compensation plans not approved by securityholders	N/A	N/A	
Total:	7,800,000		107,747

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company's management, no informed person (a director, officer or holder of 10% or more of the common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial year ended June 30, 2021, or has any interest in any material transaction in the current year.

MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and directors of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Re-Approval of Stock Option Plan

The TSX Venture Exchange ("TSXV") policy requires all of its listed companies to have a stock option plan if the company intends to grant options. The Board approved the adoption of the Plan of the Company in order to comply with regulatory requirements of the TSXV. The Plan is a 10% maximum rolling plan.

Under TSXV policy, the approval of the Plan requires annual shareholder approval at each annual meeting of the Company by ordinary resolution. The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in compensation with other companies in the industry.

The Plan is subject to the following restrictions (with defined terms as defined under the Plan):

- (a) The maximum number of Options which may be granted to any one Person under the Plan within any 12-month period shall be 5% of the Outstanding Issue, on a non-diluted basis (unless otherwise approved by disinterested shareholders of the Company;
- (b) The maximum number of Options which may be granted to any one Consultant within any 12-month period must not exceed 2% of the Outstanding Issue on a non-diluted basis; and
- (c) The maximum number of Options which may be granted within any 12-month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue on a non-diluted basis, which Options must be bested in stages as set out in section 3.2(d) of the Plan.

Material Terms of the Plan

The following is a summary of the material terms of the Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of Options under the Plan;
- (b) Options granted under the Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;
- (c) For options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) The exercise price of an Option may not be set at less than the Discounted Market Price;
- (e) For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be; and

- (f) Options granted to any Optionee who is a Director, Employee, Consultant or Management Company Employee must expire within a reasonable period following the date the Optionee ceases to be in that role (in general, the TSXV considers anything not exceeding 12 months to be a reasonable period for these purposes).

Shareholder Approval

At the Meeting, shareholders will be asked to pass the following resolution:

“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Stock Option Plan (the “**Plan**”), as approved by the Company’s board of directors, as more particularly described in the information circular of the Company dated November 9, 2021, be ratified and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.
3. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board recommends that you vote in favour of the above ordinary resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the resolution.

The Board is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry. A copy of the Plan will be available for inspection at the Meeting. A shareholder may also obtain a copy of the Plan by contacting the Corporate Secretary of the Company at telephone number (604) 737-2303.

ADDITIONAL INFORMATION

The audited financial statements of the Company for the year ended June 30, 2021 and the related management discussion and analysis (the “**Financial Materials**”) were filed on SEDAR on October 28, 2021 at www.sedar.com and will be placed before the Meeting.

Shareholders may request copies of the Financial Materials without charge from the Corporate Secretary of the Company at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6, telephone: 604.737.2303; fax 604.737.1140.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Circular.

PACIFIC IMPERIAL MINES INC.
(the "Company")
AUDIT COMMITTEE CHARTER

Audit Committee Charter

1. Purpose of the Committee

- 1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

2. Members of the Audit Committee

- 2.1 At least one member must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- 2.2 The Audit Committee shall consist of no less than three Directors.
- 2.3 At least one member of the Audit Committee must be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.

3. Relationship with External Auditors

- 3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.
- 3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.
- 3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.
- 3.4 The Audit Committee will have direct communications access at all times with the external auditors.

4. Non-Audit Services

- 4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.
- 4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:
- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
 - (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5. Appointment of Auditors

- 5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.
- 5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6. Evaluation of Auditors

- 6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7. Remuneration of the Auditors

- 7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.
- 7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8. Termination of the Auditors

- 8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9. Funding of Auditing and Consulting Services

- 9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10. Role and Responsibilities of the Internal Auditor

- 10.1 At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11. Oversight of Internal Controls

- 11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12. Continuous Disclosure Requirements

- 12.1 At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13. Other Auditing Matters

13.1 The Audit Committee may meet with the Auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14. Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15. Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.