

PERUVIAN METALS CORP.

INFORMATION CIRCULAR

AND

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, DECEMBER 17, 2020**

NOTICE IS HEREBY GIVEN that an annual and special meeting of the shareholders of Peruvian Metals Corp. (the “Company”) will be held online at <https://global.gotomeeting.com/join/940692661> and at 250 Southridge, Suite 300, Edmonton, Alberta T6H 4M9 at 10:00 a.m. (Edmonton time) on December 17, 2020 (the “Meeting”) for the following purposes:

1. TO RECEIVE the consolidated financial statements of the Company for the fiscal year ended December 31, 2019, together with the report of auditors thereon;
2. TO ELECT the directors of the Company to hold office until the close of business of the next annual meeting of the Company’s shareholders;
3. TO APPOINT the auditors of the Company to hold office until the close of business of the next annual meeting of the Company’s shareholders and to authorize the board of directors of the Company to fix the auditors’ remuneration;
4. TO CONSIDER, and if deemed advisable, pass an ordinary resolution substantially in the form set out in Schedule “A” of the accompanying information circular, re-approving the Company’s stock option plan in accordance with the policies of the TSX Venture Exchange; and
5. TO TRANSACT such further and other business as may properly come before the Meeting or any adjournment(s) thereof.

We are committed to safeguarding the health and well-being of our employees, service providers, shareholders and the community. In light of the novel coronavirus outbreak (COVID-19) and consistent with the latest guidance from public health and government authorities, this year’s Meeting will be available to our shareholders in a virtual format, by way of a live webcast. While we will also be holding the Meeting at the address noted above, the Corporation strongly encourages all shareholders to vote their shares in advance of the Meeting and to attend the Meeting via videoconference at <https://global.gotomeeting.com/join/940692661> rather than attending in person. You can also dial in using the following numbers: In Canada dial 1 (647) 497-9391 and in the United States dial 1 (571) 317-3129 and use access code 940-692-661. The Board and management will address the Meeting and Shareholders will be able to listen and ask questions at the meeting in real time via the Internet. Voting in advance of the Meeting in accordance with the instructions set out on your form of proxy or voting instruction form will ensure your votes are counted at the Meeting, and participating via videoconference will help safeguard your health and the health of the Corporation’s personnel and the community generally.

We encourage you to make sure that your votes are represented at the Meeting. Additional information on how to attend the Meeting Virtually and to vote your shares in advance of the Meeting is enclosed. Please take the time to vote using the proxy form or voting instruction form sent to you in accordance with the instructions thereon so that your shares are voted according to your instructions and represented at the Meeting.

Information relating to the matters to be dealt with at the Meeting is set forth in the Information Circular which accompanies this notice of meeting.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Also accompanying this notice is a form of Proxy. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. Only shareholders of record at the close of business on August 9, 2019 will be entitled to receive notice of and vote at the Meeting.

It is important that your common shares are represented at the Meeting. A Shareholder may attend the Meeting in person or may be represented by proxy. If you are unable to attend in person, please fill in, sign and return the enclosed instrument of proxy in the envelope provided for that purpose.

Proxies, to be valid, must be deposited at the office of TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting.

DATED at Toronto, Ontario, this 13th day of November, 2020.

BY ORDER OF THE BOARD

(signed) "Jeffrey J. Reeder"

JEFFREY J. REEDER

Chief Executive Officer and Chairman

**PERUVIAN METALS CORP.
MANAGEMENT INFORMATION CIRCULAR
December 17, 2020**

PART I – GENERAL MEETING INFORMATION

SOLICITATION OF PROXIES

This management information circular (the “Information Circular”) is furnished in connection with the solicitation by the management of Peruvian Metals Corp. (the “Company”) of proxies to be used at the Annual and Special Meeting of Shareholders of the Company (the “Meeting”) to be held on Thursday, December 17, 2020 at 10:00 a.m. (Edmonton time) at 250 Southridge, Suite 300, Edmonton, Alberta T6H 4M9 and virtually on-line at <https://global.gotomeeting.com/join/940692661> for the purposes set out in the accompanying Notice of Annual and Special Meeting of Shareholders (the “Notice”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may be solicited personally or by telephone, facsimile or personal interview by directors and officers of the Company at a nominal cost. The cost of any such solicitation will be borne by the Company. Arrangements will also be made with brokerage houses and other custodians, fiduciaries and nominees to forward proxy solicitation material to the beneficial owners of the Company’s common shares. Unless otherwise specified, information contained in this Circular is as of November 13, 2020.

Registered shareholders are invited to complete the enclosed form of proxy and to send it to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Fax: (416) 361-0470, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting, or any adjournment of the Meeting.

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

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

COVID-19

The Corporation is committed to safeguarding the health and well-being of its employees, service providers, shareholders and the community. In light of the novel coronavirus outbreak (COVID-19) and consistent with the latest guidance from public health and government authorities, this year’s Meeting will be available to the Corporation’s shareholders in a virtual format, by way of a live webcast. While the Corporation will also be holding the Meeting at the address noted above, the Corporation strongly encourages all shareholders to vote their Common Shares (as defined below) in advance of the Meeting using the Form of Proxy (as defined below) and VIF (as defined below) sent to each shareholder as part of the Proxy-Related Materials (as defined below) sent to all shareholders, and (if so desired) to attend the Meeting via videoconference at <https://global.gotomeeting.com/join/940692661> rather than attending in person. You can also dial in using the following numbers: In Canada dial 1 (647) 497-9391 and in the United States dial 1 (571) 317-3129 and use access code 940-692-661. The Board and management will address the Meeting and Shareholders will be able to listen and ask questions at the meeting in real time via the Internet. Voting in advance of the Meeting using the Form of Proxy for Registered Holders (as defined below) and VIF for Beneficial Holders (as defined below) in accordance with the instructions set out on your Form of Proxy or VIF will ensure your votes are counted at the Meeting, and participating via videoconference will help safeguard your health and the health of the Corporation’s personnel and the community generally.

We encourage you to make sure that your votes are represented at the Meeting. Additional information on how to attend the Meeting virtually and to vote your shares in advance of the Meeting is enclosed. Please take the time to vote using the Form of Proxy or VIF sent to you in accordance with the instructions thereon so that your shares are voted according to your instructions and represented at the Meeting.

APPOINTMENT, REVOCATION AND DEPOSIT OF PROXIES

The following information is of significant importance to registered shareholders. The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A shareholder has the right to appoint a person (who need not be a shareholder) other than one of the proxyholders to represent the shareholder at the Meeting.**

Such right may be exercised by inserting in the space provided for that purpose on the form of proxy the name of the person to be designated and deleting therefrom the names of each proxyholder, or by completing another form of proxy, and delivering the same to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Fax: (416) 361-0470. In all cases, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney has executed the form of proxy. If a form of proxy is not dated, it will be deemed to bear the date it was mailed, the postmark being sufficient proof of the date.

To be valid, a form of proxy must be signed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, it must be signed by an officer of said corporation or by an attorney duly authorized by a certified resolution authorizing the execution. The form of proxy must be delivered to TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Fax: (416) 361-0470, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by either executing a form of proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or by such shareholder's authorized attorney in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized by a certified resolution authorizing the revocation, and by filing the form of proxy bearing a later date or the revocation of proxy either at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or by filing the form of proxy with TSX Trust Company, Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Fax: (416) 361-0470 not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting, or by filing the revocation of proxy with the chairman of the Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting.

VOTING OF PROXIES

Each shareholder may instruct his or her proxy how to vote his or her common shares by marking the form of proxy. All common shares represented at the Meeting by a properly executed form of proxy will be voted, or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the common shares represented by the proxy will be voted in accordance with such specification. **In the absence of any instructions as to voting on the form of proxy, the proxyholder will vote in favour of the matters set out in the accompanying Notice.**

The enclosed form of proxy confers discretionary authority upon the proxyholder, or other person named as proxy, with respect to amendments to or modifications of matters identified in the accompanying Notice and any other matters that may properly come before the Meeting. As of the date hereof, management of the Company is not aware of any amendments to, variations of or other matters that may come before the Meeting. In the event that other matters do come before the Meeting then the proxyholder intends to vote in accordance with his or her own judgment.

NOTICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders as a substantial number of them do not hold common shares in their own name and are therefore not "registered" shareholders. Only registered holders of common shares of the Company or the persons they validly appoint as their proxies are permitted to vote at the Meeting. In many cases, common shares beneficially owned by a person (a **"Non-Registered Holder"**) are registered either: (i) in the name of an intermediary (an **"Intermediary"**) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to NOBOs

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, "Communication with Beneficial Owners of Securities of a Reporting Issuer" (**"NI 54-101"**), the Company will have caused its agent to distribute copies of the Notice and this Circular (collectively, the **"meeting materials"**) as well as a voting instruction form directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner (**"Non-Objecting Beneficial Owner"** or **"NOBO"**). The Company is not relying on the notice-and-access delivery procedures set out in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting.

The meeting materials distributed by the Company's agent to NOBOs include a voting instruction form. Please carefully review the instructions on the voting instruction form for completion and deposit.

Distribution to OBOs

In addition, the Company will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Holders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner ("**Objecting Beneficial Owner**" or "**OBO**").

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge Proxy Services to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

- (a) be given a form of proxy which has already been signed by the intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust Company in the manner set out above in this Information Circular, with respect to the common shares beneficially owned by such OBO; or
- (b) more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions which the Intermediary must follow; this form is also typically referred to as a voting instruction form. Typically, the voting instruction form will consist of a one page pre-printed form. The purpose of this procedure is to permit the OBO to direct the voting of the common shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or voting instruction form is to be delivered.

QUORUM

A quorum of shareholders shall be present at the Meeting if two or more shareholders are present in person or represented by proxy representing not less than one-tenth (10%) of the outstanding shares entitled to vote at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS

The authorized share capital of the Company consists of unlimited common shares without par value and 100,000,000 preferred shares without par value. As at the Record Date (as defined below), 93,642,521 common shares were issued and outstanding, each of which carries the right to one vote on all matters that may come before the Meeting, and no preferred shares were issued and outstanding.

To the knowledge of the directors and officers of the Company, the following person owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to all outstanding voting securities of the Company as at the Record Date:

Name of shareholder	Number of Common shares ⁽¹⁾	Percentage of issued and outstanding Common Shares ⁽¹⁾
William R. Brown	11,039,000	11.78%
Jeffrey R. Reeder	9,454,869	10.10%

Note: (1) This information, not being within the knowledge of the Company, has been taken from public filings.

The Company has fixed November 16, 2020 as the record date (the "**Record Date**") for the purpose of determining shareholders entitled to receive notice of the Meeting and as the record date for the purpose of determining shareholders entitled to vote at the Meeting. The Company will prepare a list of shareholders as at the close of business on the Record Date and each shareholder named in the list will be entitled to vote the shares shown opposite his name on the said list at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an executive officer of the Company at any time since the beginning of its last completed financial year, or who is a proposed nominee for election as a director of the Company, or any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Information Circular.

ANNUAL AND SPECIAL BUSINESS

Election of Directors

The articles of the Company provide for a minimum of 1 and a maximum of 10 directors. The Board has determined that the number of directors to be elected at the Meeting is six. The six persons named below will be presented for election at the Meeting as management's nominees (collectively, the "**Nominees**"). **Unless the shareholder directs that his or her common shares be otherwise voted or withheld from voting in connection with the election of directors, the persons named in the enclosed form of proxy will vote FOR the election of Steve Brunelle, Oscar Pezo, John Thompson, William R. Brown, Jeffrey Reeder and Daniel Hamilton.**

Each proposed Nominee elected will hold office until the next annual meeting of the shareholders of the Company or until his successor is duly elected or appointed, as the case may be, unless his office is earlier vacated in accordance with the by-laws of the Company or the provisions of the *Canada Business Corporations Act* to which the Company is subject or any similar corporate legislation to which the Company becomes subject.

The following table sets out the names of the nominees, the province or state and country in which each is ordinarily resident, all offices of the Company now held by each of them, their principal occupations, the period of time for 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 control or direction is exercised, as at the date hereof. The Company has an Audit Committee, a Nominating and Compensation Committee and a Corporate Governance Committee, the members of which are also identified below.

Name and Municipality of Residence ⁽¹⁾	Office or Position Held	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or under Direction or Control ⁽¹⁾	Principal Occupation During the Past Five Years ⁽¹⁾
Steven Brunelle ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Toronto, Ontario, Canada	Director	July 9, 2010	1,437,452	Corporate director since January 2015; CEO of Amerix Precious Metals Corporation January 2011 to December 2014.
Oscar Pezo ⁽³⁾ Lima, Peru	Director	April 18, 2012	492,857	Business consultant since June 2018; Vice President, Corporate Development of the Company from April 2012 to May 2018;

John P. Thompson ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Oakville, Ontario, Canada	Director	June 30, 2006	170,714	President and CEO of Sona Resources Corporation from December 2009 to September 2016.
William R. Brown ⁽⁴⁾⁽⁵⁾ Medellin, Colombia	Director	November 27, 2015	11,039,000	General Manager of Nubian Resources since March 2018; Vice President of Business Development of Amarillo Gold Corporation, February 2005 to January 2018; Director of Leo Acquisitions Corp., since November 2010.
Jeffrey J. Reeder Mississauga, Ontario, Canada	Director, Chief Executive Officer and President	July 31, 2006	9,454,869	Chief Executive Officer and Chairman of the Company since July 2017; Chief Executive Officer and President of the Company from September 2009 to July 2017.
Daniel Hamilton ⁽²⁾ Toronto, Ontario Canada	Director	June 26, 2019	3,875,424	Chief Financial Officer of the Company from September 2009 to July 2019.

Notes:

- (1) The information as to province or state, country of residence, principal occupation and number of the Company common shares beneficially owned by the nominees (directly or indirectly or over which control or discretion is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective Nominees.
- (2) Member of the Audit Committee. Mr. Hamilton is the Chair of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Nominating Committee
- (5) Member of the Corporate Governance Committee.

The board of directors of the Company (the “**Board**”) recommends that shareholders vote FOR the election of the above-named Nominees.

Proxies received in favour of management will be voted FOR the election of the above-named Nominees, unless the shareholder has specified in the proxy that his or her common shares are to be withheld from voting in respect thereof. Management has no reason to believe that any of the Nominees will be unable to serve as a director but, if a Nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining Nominees and may be voted for a substitute nominee unless the shareholder has specified in the proxy that his or her common shares are to be withheld from voting in respect of the election of directors.

Re-Appointment of Auditor

Shareholders will be asked to approve the re-appointment of UHY McGovern Hurley LLP, Chartered Accountants, as the auditors of the Company to hold office until the next annual meeting of shareholders at a remuneration to be fixed by the directors. UHY McGovern Hurley LLP was first appointed auditor of the Company in June, 2004. **Unless the shareholder directs that his or her common shares are to be withheld from voting in connection with the re-appointment of auditors, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of UHY McGovern Hurley LLP, Chartered Accountants, as the auditor of the Company until the next annual meeting of shareholders and to authorize the Board to fix the auditor’s remuneration.**

The Board recommends that shareholders vote FOR the appointment of UHY McGovern Hurley LLP, Chartered Accountants as auditors of the Company and to authorize the Board of Directors to fix the auditor’s remuneration.

Confirmation of Rolling Stock Option Plan

TSX Venture Exchange (“**TSXV**”) policy requires that rolling stock option plans that set the number of shares issuable under such plan at a maximum of 10% of the issued and outstanding shares must be approved and ratified by the shareholders and the TSXV on an annual basis. The Company has previously adopted a stock option plan (the “**Stock Option Plan**”). The purpose of the Stock Option Plan is to attract, retain and motivate persons of training, experience and leadership as key service providers to the Company and its subsidiaries and to advance the interests of the Company by providing such persons with the opportunity to acquire an increased proprietary interest in the Company. Directors, officers, employees, and consultants are eligible to be granted stock options under the Stock Option Plan. Options under the Stock Option Plan are recommended by the Compensation Committee and granted by the Board. The term of an option granted under the Stock Option Plan may not exceed five years. An option is personal to the optionee and may not be assigned except as provided in the plan in the case of death. The maximum number of options

approved by shareholders that may be issued under the Stock Option Plan is 10% of the number of common shares issued and outstanding. There are 1,475,000 options granted and outstanding and 7,889,252 options available for grant as of November 13, 2020. Options which expire unexercised become available for re-issue. The Company does not provide financial assistance to optionees to facilitate the exercise of options. The following table sets forth certain information regarding the options granted to directors, officers and employees that were outstanding as of December 31, 2019.

Position	Number of Securities Under Option Granted	Exercise Price \$	Expiration Date
Directors	1,300,000	0.05	June 27, 2021
Named Executive Officers	400,000	0.05	August 13, 2020
	700,000	0.05	June 27, 2021
Consultants/Employees	700,000	0.05	August 13, 2020
	100,000	0.05	August 28, 2020
	625,000	0.10	April 27, 2022
	100,000	0.10	June 28, 2022
	250,000	0.05	August 1, 2020
	200,000	0.05	June 27, 2021

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution, substantially in the form set out in Schedule “A” (the “**Stock Option Resolution**”), approving and ratifying the Stock Option Plan. **The persons designated as proxy holders in the accompanying form of proxy will vote the common shares represented by such form of proxy FOR the Stock Option Resolution, unless a shareholder has specified in the proxy that such shares are to be voted against the Stock Option Resolution.**

The Board recommends that shareholders vote FOR the adoption of the Stock Option Resolution. In order to be approved, this resolution must be approved by not less than a majority of the votes cast at the Meeting.

PART II - STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Company’s management team. The main objectives the Company hopes to achieve through its compensation are:

- to attract and retain executives critical to the Company’s success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value;
- to motivate the Company’s management team to meet or exceed targets;
- to recognize the contribution of the Company’s executive officers to the overall success and strategic growth of the Company; and
- to align the interests of management and the Company’s shareholders by providing performance-based compensation in addition to salary.

It is one of the aims of the compensation strategy to ensure that executives of the Company are paid reasonably and consistent with the level of responsibility and authority which they assume and taking into account the role they play in advancing the strategic objectives of the Company.

It is the role of the Compensation Committee to undertake periodic, independent reviews of market conditions to ensure that the executive officers of the Company are paid competitively relative to other comparable participants in the industry. When deemed necessary, the Committee may call upon outside resources to assist with these reviews and to ensure that the compensation packages available to executives are adequate to retain the existing compliment of executives and recruit others into this group as an integral part of facilitating and sustaining the continued growth of the Company. The Committee did not call upon outside resources during the year ended December 31, 2019 to assist in its review of the compensation of executive officers.

Neither the Board nor the Compensation Committee has formally considered the implications of the risks associated with the Company’s compensation practices or policies. However, the Company’s compensation practices and policies, as approved by the Compensation Committee, are generally designed to mitigate against excessive risk taking behaviour or situations that could encourage an executive officer to expose the Company to inappropriate or excessive risk. For example, the compensation policies and practices of the Company: (i) are structured uniformly all executive officers (including NEOs (as hereinafter defined)); (ii) do not vary significantly from the overall compensation structure of the Company; (iii) do not reward the accomplishment of a task while the risk to the Company from that task extends

over a significantly longer period; (iv) do not reward performance goals or similar conditions that are heavily weighed to short-term rather than long-term objectives; and (v) provide a maximum benefit or payout limit to executive officers (including NEOs).

The Company has not adopted a formal policy with respect to the purchase of 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 NEOs or directors; however, the Board would strongly discourage such practice by any NEO or director and the Board is not aware of any such instrument having ever been purchased by a NEO or director.

The basic elements of the compensation strategy are base salary, annual incentives and long-term incentives.

Base Salary

On an individual basis, base salaries are reviewed for each executive officer, including the CEO and CFO, and where it is deemed necessary, changes are made. Considerations taken into account when examining base salaries include years of experience, the potential contribution which the individual can make to the success of the Company and the level of responsibility and authority inherent in the job and the importance of maintaining internal equity within the organization.

For the year ended December 31, 2019, the Company paid consulting fees to Jeffrey Reeder in the amount of \$180,000 for his services as Chief Executive Officer and President of the Company and to Daniel Hamilton in the amount of \$80,000 for his services as Chief Financial Officer of the Company. On July 1, 2019 Dan Hamilton resigned as CFO and Justin Bourassa was appointed to the position. The Company paid consulting fees to Justin Bourassa for his services as Chief Financial Officer in the amount of \$20,000.

For the period of January 1, 2019 to December 31, 2019, Mr. Reeder received a management fee of \$15,000 per month. For the period from January 1, 2019 to March 31, 2018, Mr. Reeder received a management fee of \$12,500 per month and for the period from April 1, 2018 to December 31, 2018, Mr. Reeder's management fee was increased to \$15,000 per month. Effective July 1, 2017 Mr. Reeder amended his existing management and consulting contract to eliminate certain contingent events such as a change of control. As part of the amendments Mr. Reeder reduced his contractual monthly fee from \$18,750 to \$12,500 per month. As consideration for these amendments Mr. Reeder was entitled to a one-time termination fee of \$200,000 provided that Mr. Reeder remained with the Company at least until January 1, 2018. Mr. Reeder subsequently voluntarily waived his entitlement to this one-time termination fee. Consequently, the termination fee is not included in the summary compensation table below.

For the period of January 1, 2019 to June 30, 2019, Mr. Hamilton received management fees of \$7,500 per month. For the period of July 1, 2019 to August 30, 2019 in the amount of \$10,000 per month. For the period from January 1, 2018 to March 31, 2018, Mr. Hamilton received a management fee of \$7,500 per month and for the period from April 1, 2018 to December 31, 2018, Mr. Hamilton's management fee was increased to \$10,000 per month. Effective July 1, 2017 Mr. Hamilton amended his existing management and consulting contract to eliminate certain contingent events such as a change of control. As part of the amendments Mr. Hamilton reduced his contractual monthly fee from \$10,833 to \$7,500 per month. As consideration for these amendments Mr. Hamilton was entitled to a one-time termination fee of \$100,000, provided that Mr. Hamilton remained with the Company at least until January 1, 2018. Mr. Hamilton subsequently voluntarily waived his entitlement to this one-time termination fee. Consequently, the termination fee is not included in the summary compensation table below.

The management fees of the executive officers of the Company were determined by the Compensation Committee of the Company. The Compensation Committee relies on its industry knowledge and experience to set appropriate levels of compensation for senior officers. The Compensation Committee did not establish any formal quantifiable criteria in fiscal 2019 with respect to base salaries payable or the amount of equity compensation granted to executive officers and did not formally benchmark against a peer group of companies.

Discretionary Bonus

A discretionary bonus is intended to provide incentives to executive officers to enhance the growth and development of the Company, to encourage and motivate executive officers to achieve short-term goals, and to reward individual contribution to the achievement of corporate objectives. The bonus can be based as a percentage of annual base compensation or a fixed dollar amount and is awarded at the discretion of the Board as recommended by the Compensation Committee. Dan Hamilton was paid a \$5,000 bonus and Jeffrey Reeder was paid a \$15,000 bonus as agreed by the Compensation committee.

Long-term Incentives

Options to purchase the common shares of the Company encourage executive officers to own and hold the Company's common shares and are a method of linking the performance of the Company and the appreciation of share value to the compensation of the executive officer. When determining the number of options granted to an executive officer, items such as the relative position of the individual officer, the contribution made by that officer during the review period, the number of options granted previously would be taken into consideration.

The Compensation Committee recommends option grants to the Board. Pursuant to the Stock Option Plan, the Board, in its discretion, grants options to directors, executive officers, other employees and consultants as incentives. The level of stock options awarded to a Named Executive Officer is determined by his position and his potential future contributions to the Company.

See "Confirmation of Rolling Stock Option Plan" for a description of the Stock Option Plan.

Director Compensation

The Company compensates the directors for their services through the payment of directors fees (on an annual retainer, committee chair, and per meeting attendance basis) and through the grant of incentive stock options. The purpose of granting options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders. The non-executive directors did not receive any compensation for the year ended December 31, 2019. Directors are also reimbursed for out-of-pocket expenses incurred in attending meetings and otherwise carrying out their duties as directors of the Company.

SUMMARY COMPENSATION TABLE

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers"):

Named Executive Officers of a company include:

- the chief executive officer (the "CEO");
- the chief financial officer (the "CFO");
- each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose salary and bonus exceeded \$150,000 per year; and
- any additional individuals for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an officer at the end of the most recently completed fiscal year.

The following table is a summary of the compensation paid to the Named Executive Officers for the two most recently completed fiscal years.

Table of Compensation Excluding Compensation Securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeffrey J. Reeder ⁽¹⁾ Chief Executive Officer and Director	2019	180,000	15,000	Nil	Nil	15,358	195,358
	2018	172,500	Nil	Nil	Nil	16,051	172,500
Justin Bourrassa ⁽²⁾ Chief Financial Officer	2019	20,000	Nil	Nil	Nil	4,067	24,067
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Daniel Hamilton ⁽³⁾ Chief Financial Officer	2019	80,000	5,000	Nil	Nil	15,358	100,358
	2018	112,500	Nil	Nil	Nil	16,051	112,500
Oscar Pezo ⁽⁴⁾ Vice President, Corporate Development and Director	2019	Nil	Nil	Nil	Nil	4,067	4,067
	2018	19,052	Nil	Nil	Nil	6,420	19,052

William R. Brown <i>Director</i>	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	4,067 3,210	4,067 3,210
John P. Thompson <i>Director</i>	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	4,067 3,210	4,067 3,210
Steven Brunelle <i>Director</i>	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	4,067 3,210	4,067 3,210

Notes:

- (1) Mr. Reeder earns fees through Single Jack Research & Exploration Ltd., a private company owned by Mr. Reeder. The information noted herein relates to Mr. Reeder's services as a Named Executive Officer. Mr. Reeder did not receive any additional compensation for his role as a director of the Company.
- (2) Justin Bourassa was appointed CFO effective July 1, 2019.
- (3) As at December 31, 2019 a total of \$189,947 of the 2016, 2017 and 2018 compensation earned by Mr. Hamilton was accrued but not yet paid out by the Company. Mr. Hamilton resigned his position as CFO effective July 1, 2019. Justin Bourassa was appointed CFO effective July 1, 2019.
- (4) Mr. Pezo resigned as Vice President, Corporate Development of the Company in May 2018. As at December 31, 2019 a total of \$85,134 of the 2016 and 2017 compensation earned by Mr. Pezo was accrued but not yet paid out by the Company. The information noted herein relates to Mr. Pezo's services as a Named Executive Officer. Mr. Pezo did not receive any additional compensation for his role as a director of the Company.

INCENTIVE PLAN AWARDS

Stock Options and other Compensation Securities

The following table provides information for each Name Executive Officer for all awards outstanding at the end of the most recently completed financial year. This includes awards granted before the most recently completed financial year.

Compensation Securities							
Name and Position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities	Date of issue or grant	Issue, conversion or exercise price \$	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$) ⁽³⁾	Expiry date
Jeffrey J. Reeder <i>Chief Executive Officer and Director</i>	Stock options	200,000 500,000	August 13, 2019 June 27, 2019	0.05 0.05	0.04 0.04	0.03 0.03	August 13, 2020 June 27, 2021
Justin Bourassa ⁽³⁾ <i>Chief Financial Officer</i>	Stock options	200,000	June 27, 2019	0.05	0.04	0.03	June 27, 2021
Daniel Hamilton ⁽³⁾ <i>Chief Financial Officer</i>	Stock options	200,000 500,000	August 13, 2019 June 27, 2019	0.05 0.05	0.04 0.04	0.03 0.03	August 13, 2020 June 27, 2021
Oscar Pezo <i>Director</i>	Stock options	200,000	June 27, 2019	0.05	0.04	0.03	June 27, 2021
William R. Brown <i>Director</i>	Stock options	200,000	June 27, 2019	0.05	0.04	0.03	June 27, 2021
John P. Thompson <i>Director</i>	Stock options	200,000	June 27, 2019	0.05	0.04	0.03	June 27, 2021
Steven Brunelle <i>Director</i>	Stock options	200,000	June 27, 2019	0.05	0.04	0.03	June 27, 2021

Notes:

- (1) Represents options granted under the terms of the Stock Option Plan.
- (2) "In-the-money" options are those where the market value of the underlying securities as at the most recent fiscal year end exceeds the option exercise price. The closing price of the Company's common shares on the TSXV on December 31, 2019 was \$0.03 per share.
- (3) Justin Bourassa was appointed CFO effective July 1, 2019. Mr. Hamilton resigned his position as CFO effective July 1, 2019.

The following table sets forth information concerning all awards exercised during the most recently completed financial year ended December 31, 2019, for each named executive officer.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security or underlying security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Jeffrey J. Reeder <i>Chief Executive Officer and Director</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Justin Bourassa <i>Chief Financial Officer</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Daniel Hamilton <i>Chief Financial Officer</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Oscar Pezo <i>Director</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
William R. Brown <i>Director</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
John P. Thompson <i>Director</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Steven Brunelle <i>Director</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) Justin Bourassa was appointed CFO effective July 1, 2019.
- (2) Mr. Hamilton resigned his position as CFO effective July 1, 2019.

PENSION PLAN BENEFITS

The Company does not have any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with, retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company entered into a consulting agreement dated January 1, 2015 with Jeffrey Reeder that provides that he will serve as the Chief Executive Officer of the Company. For the period of January 2019 to December 2019, Mr. Reeder's management fee was 15,000 per month. For the period from January 1, 2018 to March 31, 2018, Mr. Reeder received a management fee of \$12,500 per month and for the period from April 1, 2018 to December 31, 2018, Mr. Reeder's management fee was increased to \$15,000 per month. For the period from January 1, 2017 to June 30, 2017, Mr. Reeder voluntarily reduced his monthly management fee to \$10,000 per month. Effective July 1, 2017 Mr. Reeder amended his existing management and consulting contract to eliminate certain contingent events such as a change of control. As part of the amendments Mr. Reeder reduced his contractual monthly fee from \$18,750 to \$12,500 per month. As consideration for these amendments Mr. Reeder was entitled to a one-time termination fee of \$200,000 provided that Mr. Reeder remained with the Company at least until January 1, 2018. Mr. Reeder subsequently voluntarily waived his entitlement to this one-time termination fee. Consequently, the termination fee is not included in the aggregate compensation amounts shown above. Under the terms of the consulting agreement Mr. Reeder is not entitled to any payment for (i) termination with cause, (ii) termination without cause, and (iii) in the event of a change in control.

The Company entered into a consulting agreement dated January 1, 2015 with Daniel Hamilton that provides that he will serve as the Chief Financial Officer of the Company. For the period of January 1, 2019 to June 30, 2019 Mr. Hamilton's management fee was \$7,500. Mr. Hamilton was paid \$20,000 for the period of July 1, 2019 to September 30, 2019. For the period from January 1, 2018 to March 31, 2018, Mr. Hamilton received a management fee of \$7,500 per month and for the period from April 1, 2018 to December 31, 2018, Mr. Hamilton's management fee was increased to \$10,000 per month. For the period from January 1, 2017 to June 30, 2017, Mr. Hamilton voluntarily reduced his monthly management fee to \$6,000 per month. Effective July 1, 2017 Mr. Hamilton amended his existing management and consulting contract to eliminate certain contingent events such as a change of control. As part of the amendments Mr. Hamilton reduced his contractual monthly fee from \$10,833 to \$7,500 per month. As consideration for these amendments Mr. Hamilton was entitled to a one-time termination fee of \$100,000, provided that Mr. Hamilton remained with the Company at least until January 1, 2018. Mr. Hamilton subsequently voluntarily waived his entitlement to this one-time termination fee. Consequently, the termination fee is not included in the aggregate compensation amounts shown above. Under the terms of the consulting agreement Mr. Hamilton is not entitled to any payment for (i) termination

with cause, (ii) termination without cause, and (iii) in the event of a change in control. Mr. Hamilton resigned as CFO on July 1, 2109 but stayed on as a Director of the Company.

PART III – OTHER MATTERS

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as at the year ended December 31, 2019 the number of securities authorized for issuance under the Stock Option Plan. See “Confirmation of Rolling Stock Option Plan” for a description of the Stock Option Plan.

Plan Category	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
Equity compensation plans approved by security holders	4,375,000	0.05	4,194,252
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Totals	4,375,000	0.05	4,194,252

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No person who is now, or was at any time since the beginning of the most recently completed financial year of the Company has been, a director or officer of the Company, or associate thereof, been indebted to the Company, or had indebtedness during that period which was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors or senior officers of the Company, nor any proposed director of the Company, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed fiscal year or in any proposed transaction which, in either case, has or will materially affect the Company, except as disclosed herein.

During the year ended December 31, 2019, management and consulting fees of \$335,000 were paid to officers and directors or companies controlled by them. At December 31, 2019 a total of \$411,752 in unpaid fees was due to these related parties.

The above transactions were in the normal course of business and were measured at the exchange amount which is the amount agreed to by the related parties.

MANAGEMENT CONTRACTS

Management functions of the Company are substantially performed by senior officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

PENALTIES AND SANCTIONS AND PERSONAL BANKRUPTCIES

No proposed director of the Company is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company that, (i) was subject to an order that was issued while the proposed director 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 proposed director 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) a director or executive officer of any company (including the Company) 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) subject to bankruptcy, 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 director, executive officer or shareholder.

No proposed director of the Company has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended December 31, 2019 (the “**Financial Statements**”), together with the Report of the Auditors thereon, will be presented to Shareholders at the Meeting. Copies of the Company’s Financial Statements and MD&A are available upon request from the Company or can be accessed at www.sedar.com under the Company’s profile. Receipt at the Meeting of the Financial Statements, and the Report of the Auditors thereon, will not constitute approval or disapproval of any matters referred to therein.

CORPORATE GOVERNANCE PRACTICES

In June 2005, National Policy 58-201 *Corporate Governance Guidelines* (the “**Governance Guidelines**”) and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (the “**Governance Disclosure Rule**”) were adopted by the securities regulatory authorities in Canada. The Governance Guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance practices. The Governance Disclosure Rule requires that, if management of an issuer solicits proxies from its security holders for the purpose of electing directors, specified disclosure of its corporate governance practices must be included in its management information circular.

The Company and the Board recognize the importance of corporate governance to the effective management of the company and to the protection of its employees and shareholders. The Company’s approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company’s affairs and in light of opportunities or risks, which the Company faces. The Board is kept informed of the Company’s operations at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

The Company’s corporate governance practices have been and continue to be in compliance with applicable Canadian requirements. The Company continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

The following is the Company’s corporate governance information as required to be disclosed by venture issuers pursuant to National Instrument 58-101F2:

Board of Directors

Independence of the Board

The Board is comprised of three directors who are considered independent within the meaning of the Governance Guidelines, and three directors who are currently not considered independent.

The Board considers Messrs. Brunelle, Brown and Thompson to be independent directors within the meaning of NI 58-101. Mr. Reeder is the Chief Executive Officer of the Company, Mr. Pezo was the Vice President of Corporate Development up to May 2018 and Mr. Hamilton was the Chief Financial Officer of the Company until July 1, 2019, and as such, are not currently considered to be independent.

Other Reporting Issuer Experience The following table sets out the directors of the Company that are currently directors of reporting issuers (or the equivalent) in any jurisdiction:

Name	Name of Reporting Issuer	Exchange	Position	Period
Steven Brunelle	Rio Silver Inc. Eagle Graphite Incorporated Klondike Gold Corp.	TSXV TSXV TSXV	Director Director Director	April 2006 to present February 2011 to present February 2014 to present

Name	Name of Reporting Issuer	Exchange	Position	Period
	Bold Ventures Inc. Imperial Mining Group Ltd.	TSXV TSXV	Director Director	August 2017 to present December 2017 to present
Jeffrey Reeder	Rio Silver Inc.	TSXV	Director	May 2011 to present
William R. Brown	Leo Acquisitions Corp.	NEX	Director	November 2010 to present

Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. The Board's continuing education is typically derived from correspondence with the Company's executive officers, other directors, and legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, Board members have historically been nominated who are familiar with the Company and the nature of its business.

Ethical Business Conduct

The Board has adopted guidelines to encourage and promote a culture of ethical business conduct and does promote ethical business conduct through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having its Board members independent of corporate matters.

Nomination of Directors

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the Board. Prior to standing for election, new nominees to the Board are reviewed by the entire Board.

Audit Committee

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a TSXV Issuer, to disclose annually in its Information Circular the disclosure required by Form NI 52-110F2 with respect to the Company's Audit Committee, its auditors and certain other matters.

Audit Committee Charter

The text of the Audit Committee's charter is attached hereto as Schedule "B".

Composition of the Audit Committee

The Audit Committee meets with the Company's auditors as necessary and before submission of audited annual financial statements to the Board. The Audit Committee is responsible for assessing the performance of the Company's auditors and for reviewing the Company's financial reporting and internal controls. The Audit Committee met quarterly during the fiscal year ended December 31, 2019. The Audit Committee members are Steven Brunelle, John Thompson and Dan Hamilton, each whom is considered financially literate. Messrs. Brunelle and Thompson are independent in accordance with sections 1.4 and 1.5 of NI 52-110. Mr. Hamilton was the Chief Financial Officer up to July 1, 2019, and as such, is not considered to be independent.

Relevant Education and Experience

Collectively, the members of the Audit Committee have considerable skill and professional experience in accounting, business and finance.

Mr. Brunelle was the CEO of Amerix Precious Metals Corporation (now, Eagle Graphite Incorporated) from January 2011 to December 2014. He served as a Director of Stingray Copper Inc. from January 2003 to December 2009. He is currently a director of several TSXV listed companies.

Mr. Thompson is a Geological Engineer. He is the President of John P. Thompson & Associates from 1984 to present. He has served as the President & CEO of Unigold Inc. from January 2003 to January 2006; as the President of Ontex Resources Ltd. from August 2008 to July 2009; and as the President and CEO of Sona Resources Corporation from December 2009 to September 2016.

Mr. Hamilton was the Chief Financial Officer of the Company up until July 1, 2019.

Each of the current members of the Audit Committee acts, or has acted, as a director, officer and/or audit committee member of other public issuers and as such has obtained experience in the analysis and evaluation of financial statements generally and an understanding of the internal controls and procedures for financial reporting.

Reliance on Certain Exemptions

The Company has not relied on any of the exemptions listed in Parts 4, 5 or 6 of Form NI 52-110F2.

Audit Committee Oversight

The Board has not determined not to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor at any time since the commencement of the most recently completed financial year.

Pre-Approval Policy and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Disclosure

The auditor of the Company is currently UHY McGovern Hurley LLP, Chartered Accountants of Toronto, Ontario.

Audit Fees

The following table provides detail in respect of audit, audit related, tax and other fees payable by the Company to the external auditors for professional services:

	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
Year ended December 31, 2019	\$34,000	Nil	\$5,000	Nil
Year ended December 31, 2018	\$34,000	Nil	\$5,000	Nil

Audit Fees – payable for professional services rendered by the auditors for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings, which included the review of quarterly financial statements and related documents.

Audit-Related Fees – payable for other professional services rendered by the auditors.

Tax Fees – payable for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – payable for professional services which are not reported under the "Audit Fees", "Audit-Related Fees" and "Tax Fees" categories.

Board Committees

In addition to the Audit Committee, the Board has the following committees: Nominating Committee, Compensation Committee, and Corporate Governance Committee.

Compensation Committee

The Compensation Committee members are Steven Brunelle, John Thompson and Oscar Pezo. Messrs. Brunelle and Thompson are considered to be independent. Mr. Pezo was the Vice President of Corporate Development up to May 2018, and as such, is not considered to be independent. The Committee's mandate includes responsibility for reviewing and fixing the compensation packages for the Company's executive officers and senior management and employees and recommending stock option grants. The Committee is responsible for reviewing the performance of the Company's executive officers and its senior management and employees and the performance of the Company.

For relevant education and experience of Compensation Committee members please see above “*Audit Committee – Relevant Experience and Education*”.

Nominating Committee

The Nominating Committee members are Steven Brunelle, John Thompson and William (R) Brown, each of whom are considered to be independent. The Committee’s mandate includes nominating and considering new members to the Board. The Committee is responsible for assessing the size, composition and dynamics of the Board and reporting to the Board with respect to appropriate candidates for nomination to the Board.

For relevant education and experience of Messrs. Brunelle and Thompson please see above “*Audit Committee – Relevant Experience and Education*”. Mr. Brown is a geologist with nearly 40 years of experience in both mineral and petroleum exploration. Since the mid-1990s, he has lived in South America, principally working as country manager for TSX Venture Exchange-listed and Australian Securities Exchange-listed companies,

Corporate Governance Committee

The Corporate Governance Committee members are Steve Brunelle, John Thompson and William (R) Brown, each of whom are considered to be independent. The Committee is responsible for the formulation of formal guidelines on corporate governance to provide appropriate guidance to the Board as to their duties.

Assessments

Currently the Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its committees, including reviewing the Board’s decision-making processes and the quality of information provided by management, and among other things:

- overseeing strategic planning;
- monitoring the performance of the Company assets;
- evaluating the principal risks and opportunities associated with the Company’s business and overseeing the implementation of appropriate systems to manage these risks;
- approving specific acquisitions and divestitures;
- evaluating senior management; and
- overseeing the Company’s internal control and management information systems.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management knows of no matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters, which are not known to management, should properly come before the Meeting, the persons named in the enclosed form of proxy are authorized to vote the shares represented thereby in accordance with their best judgment.**

REGISTRAR AND TRANSFER AGENT

The Registrar and Transfer Agent for the Company is TSX Trust Company located at Suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Copies of the Company’s audited comparative financial statements and accompanying management’s discussion and analysis for the financial year ended December 31, 2019 are available on SEDAR, or shareholders may request that copies be sent to them upon written request to Duran Ventures Inc., 40 University Avenue, Suite 603, Toronto, Ontario, M5J 1T1, facsimile (416) 777-6674

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and sending of this Circular to the shareholders, the directors and the auditors of the Company have been approved by the Board.

DATED at Toronto, Ontario as of the 13th day of November, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Jeffrey J. Reeder"

JEFFREY J. REEDER
Chief Executive Officer

SCHEDULE "A"
STOCK OPTION RESOLUTION

**ORDINARY RESOLUTION OF THE SHAREHOLDERS OF DURAN VENTURES INC. (THE "COMPANY") RE:
APPROVAL OF THE COMPANY'S STOCK OPTION PLAN**

"NOW THEREFORE BE IT RESOLVED THAT:

1. the use of the Company's 10% "rolling" stock option plan, including the reservation for issuance thereunder at any time of a maximum of 10% of the then-issued and outstanding common shares of the Company, all as more particularly described in the management information circular of the Company dated November 13, 2020 and in accordance with the policies of the TSX Venture Exchange, is hereby ratified and approved, subject to regulatory approval and such changes, additions or alterations thereto as the directors of the Company may approve on advice of counsel; and
2. any one director or officer of the Company be authorized for and on behalf of the Company to execute and deliver such documents and instruments and to take all such other actions as such director or officer may determine necessary or desirable to implement the foregoing resolutions and the matters authorized herein, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions."

SCHEDULE "B"**CHARTER OF THE AUDIT COMMITTEE****1. Overall Purpose and Objectives**

The audit committee (the "Committee") will assist the directors (the "Directors") of Duran Ventures Inc. (the "Corporation") in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Committee or as required by applicable legal or regulatory requirements, the Committee will review the financial reporting process of the Corporation, the system of internal controls and management of the financial risks of the Corporation and the audit process of the financial information of the Corporation. In fulfilling its responsibilities, the Committee should maintain an effective working relationship with the Directors, management of the Corporation and the external auditor of the Corporation as well as monitor the independence of the external auditor.

2. Authority

- (a) The Committee shall have the authority to:
 - (i) engage independent counsel and other advisors as the Committee determines necessary to carry out its duties;
 - (ii) set and pay the compensation for any advisors employed by the Committee;
 - (iii) communicate directly with the internal and external auditor of the Corporation and require that the external auditor of the Corporation report directly to the Committee; and
 - (iv) seek any information considered appropriate by the Committee from any employee of the Corporation.
- (b) The Committee shall have unrestricted and unfettered access to all personnel and documents of the Corporation and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. Membership and Organization

- (a) The Committee will be composed of at least three members. The members of the Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. Every member of the Committee must be a Director who is independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements ("Applicable Laws"). In this Charter, the terms "independent" and "financially literate" have the meaning ascribed to such terms by Applicable Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term "independent" the terms "outside" and "unrelated" to the extent such latter terms are applicable under Applicable Laws.
- (b) The chairman of the Committee will be appointed by the Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgement.
- (c) The secretary of the Committee will be the Secretary of the Corporation or such other person as is chosen by the Committee.
- (d) The Committee may invite such persons to meetings of the Committee as the Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.
- (e) The Committee may invite the external auditor of the Corporation to be present at any meeting of the Committee and to comment on any financial statements, or on any of the financial aspects, of the Corporation.
- (f) The Committee will meet as considered appropriate or desirable by the Committee. Any member of the Committee or the external auditor of the Corporation may call a meeting of the Committee at any time upon 48 hours prior written notice.
- (g) All decisions of the Committee shall be by simple majority and the chairman of the Committee shall not have a deciding or casting vote.
- (h) Minutes shall be kept in respect of the proceedings of all meetings of the Committee.

- (i) No business shall be transacted by the Committee except at a meeting of the members thereof at which a majority of the members thereof is present.
- (j) The Committee may transact its business by a resolution in writing signed by all the members of the Committee in lieu of a meeting of the Committee.

4. Role and Responsibilities

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Committee shall:

- (a) recommend to the Directors
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation, and
 - (ii) the compensation to be paid to the external auditor of the Corporation;
- (b) review the proposed audit scope and approach of the external auditor of the Corporation and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;
- (c) meet separately and periodically with the management of the Corporation, the external auditor of the Corporation and the internal auditor (or other personnel responsible for the internal audit function of the Corporation) of the Corporation to discuss any matters that the Committee, the external auditor of the Corporation or the internal auditor of the Corporation, respectively, believes should be discussed privately;
- (d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management of the Corporation and the external auditor of the Corporation regarding any financial reporting matter and review the performance of the external auditor of the Corporation;
- (e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Corporation;
- (f) review audit issues related to the material associated and affiliated entities of the Corporation that may have a significant impact on the equity investment therein of the Corporation;
- (g) meet with management and the external auditor of the Corporation to review the annual financial statements of the Corporation and the results of the audit thereof;
- (h) review and determine if internal control recommendations made by the external auditor of the Corporation have been implemented by management of the Corporation;
- (i) pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation and, to the extent considered appropriate: (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or (ii) delegate to one or more independent members of the Committee the authority to pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation provided that the other members of the Committee are informed of each such non-audit service;
- (j) consider the qualification and independence of the external auditor of the Corporation, including reviewing the range of services provided by the external auditor of the Corporation in the context of all consulting services obtained by the Corporation;
- (k) consider the fairness of the interim financial statements and financial disclosure of the Corporation and review with management of the Corporation whether,
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results,
 - (ii) generally accepted accounting principles have been consistently applied,

- (iii) there are any actual or proposed changes in accounting or financial reporting practices of the Corporation, and
 - (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;
- (l) review the financial statements of the Corporation, management's discussion and analysis and any annual and interim earnings press releases of the Corporation before the Corporation publicly discloses such information and discuss these documents with the external auditor and with management of the Corporation, as appropriate;
- (m) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Corporation of financial information extracted or derived from the financial statements of the Corporation, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;
- (n) 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 relating to the Corporation;
- (o) review and approve the hiring policies of the Corporation regarding partners, employees and former partners and employees of the present and any former external auditor of the Corporation;
- (p) review the areas of greatest financial risk to the Corporation and whether management of the Corporation is managing these risks effectively;
- (q) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Corporation;
- (r) review any legal matters which could significantly impact the financial statements of the Corporation as reported on by counsel and meet with counsel to the Corporation whenever deemed appropriate;
- (s) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;
- (t) at least annually, obtain and review a report prepared by the external auditor of the Corporation describing: the firm's quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the Corporation;
- (u) review with the external auditor of the Corporation any audit problems or difficulties and management's response to such problems or difficulties;
- (v) discuss the Corporation's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and
- (w) review this charter and recommend changes to this charter to the Directors from time to time.

5. Communication with the Directors

- (a) The Committee shall produce and provide the Directors with a written summary of all actions taken at each Committee meeting or by written resolution.
- (b) The Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.